

2024-25 Metrolinx Business Plan

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Message from CEO

We have started the most significant transportation investment in Ontario's history, and the largest transit expansion program in North America. Throughout this past year, our teams moved our projects forward and we are totally focused on connecting the communities in the Greater Golden Horseshoe (GGH).

This 2024-25 Business Plan describes our areas of focus and our plans to build and operate an integrated transit network that connects people across our region. Our GO rail and bus services, together with our PRESTO and UP Express, are invaluable transit services for our communities; while our expansive and significant capital programs will deliver significant transit improvements as these major projects are completed and come into service.

We are very excited with the steady and persistent return of our customers and transit riders. While travel patterns and reasons for journeys have changed since Covid, we now have more individual transit riders on GO and UP Express than pre-Covid. This Business Plan captures how Metrolinx is adjusting to these changes in customer requirements and expectations, as ridership continues to shift from recovery to the new normal.

Our GO and UP Express ridership will reach 74.7 million next year and our operational focus remains on more and new ways to increase customer satisfaction. Our ridership recovery has benefited from increased service frequencies and our new customer experience strategy. We are focusing on what is most important to our customers, including how they feel within our stations and on-board our services. Our active marketing of new service offerings to our youth, newcomers, and multicultural groups are reaching a wider ridership group. This coincides with service increases and adjustments to schedules that enable customers to get where they need to go better, faster and easier.

By 2051, the GGH's population is projected to grow to over 14.9 million people and the region's travel demand is anticipated to surge by over 50 per cent. We are addressing this challenge by building over 40 kilometres of new subway lines, more than 60 kilometres of new LRT lines, and more than 200 kilometres of new GO train tracks that will add more than 100 new stations and new transit stops.

Our annual capital budget of \$8.1 billion reflects how we have increased our capital program's capacity and the delivery of more projects. The 25 per cent higher budget reflects how more projects are transitioning from the procurement phase into the development and construction phases. Existing parts of the capital portfolio includes the two-way, all-day service expansion of the core GO network and the huge momentum in the subways project delivery.

Our plans also include significant transformations in our fleet operations, including the transition of our GO rail operations and maintenance activities to a new partner and also sourcing our rail infrastructure maintenance from a wider supply chain of maintainers. In addition, we have largely completed the procurement of the replacement systems and services for our PRESTO payments solution and we are now mobilizing for this transition too. This new approach to transit payments will drive customer satisfaction through ease of transaction and more varied fare offerings.

The health and safety of our customers, employees and contractors remains our number one priority and it underpins everything we do. Metrolinx was recently recognized as Canada's Safest Public Transportation Employer 2023 by Canada's Safest Employers and received Railway Association of Canada's 2023 Safety Award in the Passenger Rail category for the Text-for-Help program. Our strong safety culture continues to guide our policies, operations, and customer experience strategies into the future.

Our plans also include new ways of collaborating with our provincial, municipal and federal partners as well as with Indigenous communities. We listen to and reflect on all the diverse needs and perspectives in our region. As a result, we are better equipped to address challenges, mitigate risks, and ultimately enhance the overall outcomes of our projects and services. This commitment to collaboration not only aligns our efforts with the expectations of those we serve but also sets the tone for sustained success and continuous improvement.

The 2024-25 Business Plan encapsulates our vision and commitment to shaping a future where transportation is efficient, seamless, and contributes to the overall well-being of the region. We are optimistic for the year ahead and confident in the systems and people we have in place to continue to deliver on our mandate and achieve our targets.

Keep well,

Phil Verster
President & CEO
Metrolinx

Executive Summary

Metrolinx's 2024-25 Business Plan outlines our strategic direction and priorities as we continue to plan, build and operate an integrated transit network that connects people, improves quality of life, and brings sustainable development and prosperity to communities.

Metrolinx is at a pivotal stage in delivering on our extensive transit expansion program. We are in the midst of transforming the GO Transit network into a comprehensive, two-way, all-day network; delivering on key provincial priority transit projects throughout the Greater Toronto and Hamilton Area (GTHA); and transforming our PRESTO payments system to deliver superior flexibility for future innovation, building on programs such as enabling seamless fare and service integration. The coming years will be critical as we transition to a new way of doing business, deliver enhanced services and ensure value for taxpayers' money.

The 2024-25 Business Plan was developed in alignment with the budget endorsed by our Board of Directors and submitted to the Ministry of Transportation (MTO) as part of the provincial budget process, and in accordance with the requirements of the *Metrolinx Act, 2006* and the government's *Agencies and Appointments Directive*. The Business Plan also outlines specific actions and activities that Metrolinx will undertake in 2024-25 to meet the Government of Ontario's regional transit priorities as outlined in our Annual Letter of Direction.

In 2024-25, Metrolinx will focus on strategic investments to ensure successful transitions, including:

- Operational readiness for key transit projects and transition of operation and maintenance responsibilities to deliver increasingly safe, reliable, customer-focused transit service and meet higher performance commitments.
- Transformation of the PRESTO system to a flexible and reliable fare system through the Payments Procurement Program to increase customer and client satisfaction while lowering the total cost of ownership.
- Delivery of complex capital programs which requires Metrolinx to attract, retain, and motivate specialized talent in a challenging labour market.
- Delivery of the Regional Express Bus (REB) strategy to transform the GO Bus network into a high-frequency network that will enable riders to "show-up and go" on core bus routes and reduce duplication with local transit and GO Rail services.
- Transition to competitive market development for maintenance and State of Good Repair (SOGR) contracts, which will drive vendor performance and competition, reduce risk of reliance on a sole vendor, and expand commercial support to current and future contracts to ensure value-for-money and effective risk management.
- Advance on the implementation of transit fare and service integration across the GTHA by administering the One Fare Program. Making crossing municipal boundaries and switching between transit systems simple, hassle-free, and more affordable.

The transit landscape has transformed dramatically in the last few years, with significant changes in travel patterns, ridership trends, and customer needs. In 2024-25, we will continue to grow GO and UP ridership, including by sustaining off-peak leisure and tourism travel momentum through destination and event services, encouraging commuter recovery through business-to-business programs, and attracting new customers by outreaching to youth, newcomers and multicultural audiences. Metrolinx has plans in place to integrate optimized schedules and service to get our riders where they need to go better, faster and more comfortably.

Metrolinx will also continue to deliver our capital project commitments in 2024-25 to transform the way the region moves. This includes the GO Expansion program to bring two-way, all-day service to the core network and the Province's priority transit projects to provide reliable and seamless transit access to previously underserved neighbourhoods.

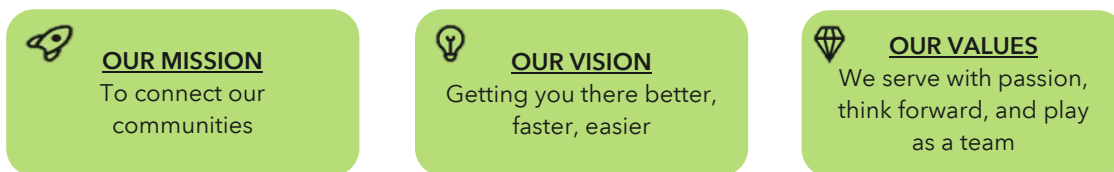
1.0 Introduction

1.1 Metrolinx Overview

Metrolinx is an agency of the Government of Ontario, with a legislative mandate to provide leadership in the coordination, planning, financing, development and implementation of an integrated transit network in the regional transportation area in alignment with applicable provincial land use and transportation policies and plans. Metrolinx operates the regional transit network, through our three service brands:

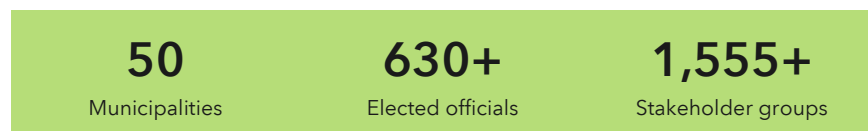
- GO Transit, a regional public transit service for the Greater Golden Horseshoe (GGH), serving more than 70 million passengers per year.
- UP Express, a dedicated air-rail link, which provides service between Toronto Pearson International Airport and downtown Toronto.
- PRESTO, an electronic payment system in the Greater Toronto, Hamilton and Ottawa areas that eliminates the need for tickets, passes and cash.

Exhibit 1: Metrolinx Mission



Guided by our Mission, Vision and Values we are gearing up our operations to deliver on our extensive transit expansion program. By working with federal, provincial, and municipal partners, Indigenous partners, the private sector and stakeholders, Metrolinx is creating an integrated regional transit network that will support a higher quality of life, a more prosperous economy, and a sustainable environment. Our transit projects will connect new, established, and emerging communities across the GGH, and the expanded network will help people move seamlessly throughout the GGH for all kinds of trips throughout the day.

Exhibit 2: Connecting Communities



Metrolinx's infrastructure footprint is significantly increasing through the delivery of subway lines and extensions, new Light Rail Transit (LRT) lines, new GO infrastructure, as well as frequent regional express bus corridors that will bring upwards of 100 new stations and stops throughout the region, to transform our existing rush hour commuter service into a more convenient transit experience with frequent all-day, and two-way train service on core segments.

Working closely with the Province, progress is being made toward a safe, equitable, efficient, sustainable, convenient, accessible, and reliable regional transit network in the GGH, and more specifically in three key areas: transit connectivity, transit fare and service integration, and access to transit by active transportation.

Metrolinx is also committed to supporting the Province's strategy to implement higher density, mixed-use development around transit stations under the Transit-Oriented Communities (TOC) program and leverage third-party investment to minimize provincial expenditures on transit infrastructure, in exchange for access to services and Metrolinx owned properties.

Exhibit 3: Regional Transit Network Map

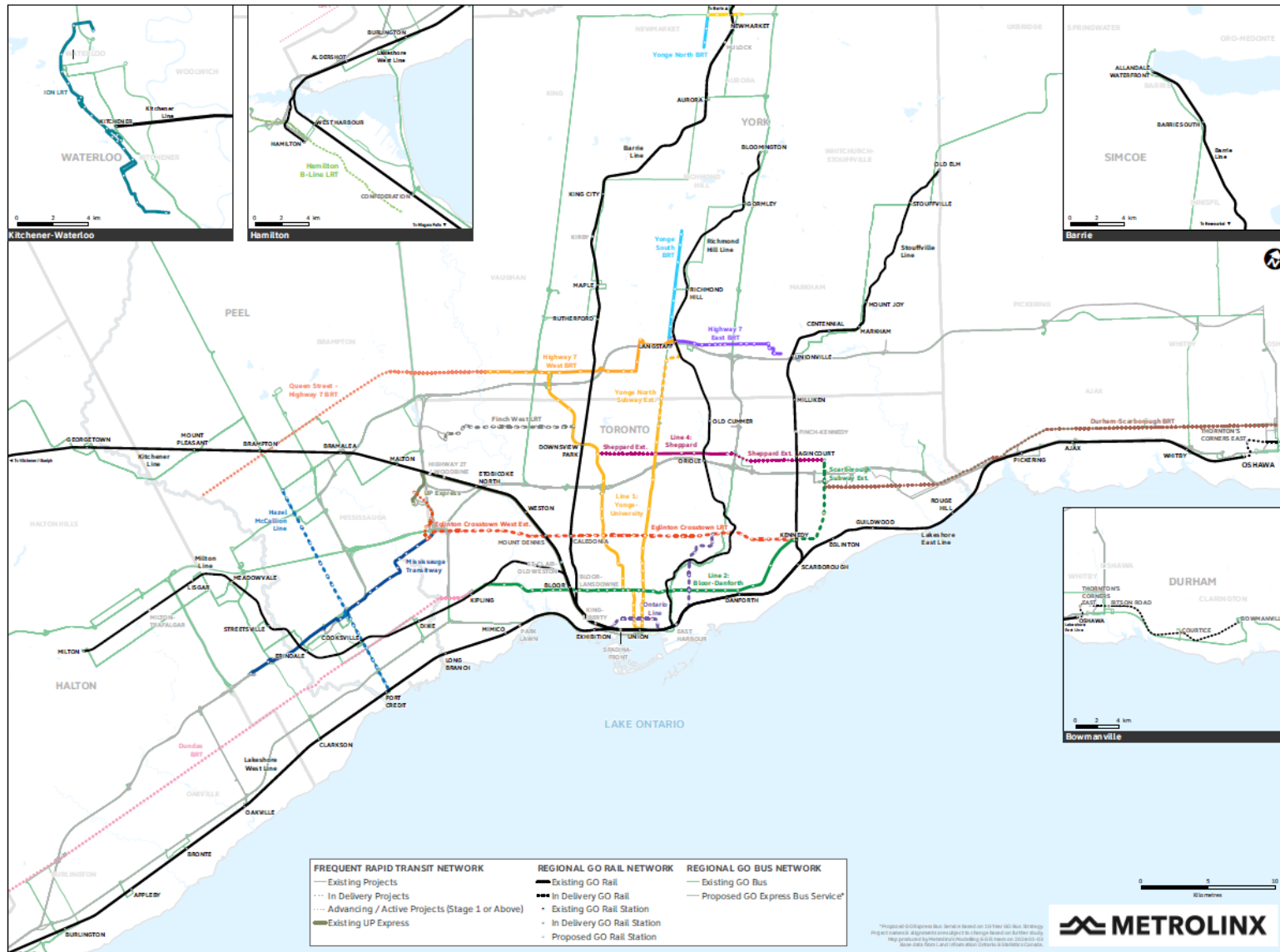


Exhibit 4: Metrolinx
Key Statistics as of
December 31, 2023



526 km

of regional rail



69

GO and UP train stations
in the GGH



2,778 km

of bus routes



13

post-secondary schools
served by buses



51

stations
served by buses



33

terminals
served by buses



~4.7

million active
PRESTO cards



>17.9

thousand
PRESTO devices

1.2 Metrolinx Strategic Priorities

Metrolinx has identified four strategic priorities: Everyone Safe, Engaged People, Trusted Partner and Satisfied Customer, which along with our mission, vision and values guide the work of our organization.

Exhibit 5: Metrolinx Strategic Priorities



Continuing to reflect strategic priorities across our projects and programs

- **Everyone Safe** - At Metrolinx, safety is our top priority. Our number-one goal, at all times, is providing a safe and secure journey and workplace for our employees, customers, and the public.
- **Engaged People** - We will engage and develop our employees and focus on creating an inclusive work environment with greater gender balance.
- **Trusted Partner** - We will practice effective capital program management cost and schedule controls to support the advancement of transit projects across all brands, strengthen engagement with communities and stakeholders and continue to transform our business to keep pace with transit expansion.
- **Satisfied Customer** - We are 100 per cent committed to strengthening our relationship with our customers.

2.0 Business Context for 2024-25

2.1 Economic Environment

Metrolinx has remained resilient in the face of a global pandemic that has significantly impacted every transit agency across the globe primarily through unprecedented losses to ridership and revenue. (For further details on ridership trends, please see Section 4.1 Implementing Targeted Growth Strategies to Continue Growing Ridership) We have maintained our commitment to providing safe and reliable service to support short- and long-term economic recovery for the region, while ensuring successful transitions of our business. We have also made strategic business decisions to implement business improvement plans, which have helped foster a culture of continuous improvement across the organization, resulting in cost savings and efficiencies, such as service level adjustments to meet changing customer demand, as well as identification of new and innovative revenue opportunities.

Over the last year, various sectors, including transportation, have been impacted by the changing economic environment which will continue to impact Metrolinx in 2024-25

- **Energy price continues to remain volatile**, which has impacted Metrolinx due to heavy reliance on diesel fuel and to a lesser extent natural gas to operate its buses, rail fleet, stations, and facilities. Current global supply issues and geopolitical conflict are expected to contribute to continued uncertainty on the price of oil and gas for the foreseeable future. We will continue to hedge a portion of our fuel to provide cost certainty against the budget.
- **Inflation rate remains elevated** compared to pre-pandemic levels and has been one of the highest since the 1990s. This continues to impact the overall costs of goods and services purchased by Metrolinx, in particular to the existing contractual obligations that support the delivery of our services. Metrolinx will continue to apply robust expenditure management through the implementation of business improvement plans.
- **Wage growth is trending higher**, with the average hourly wage rate in Ontario showing signs of continued growth over the prior year. This could potentially put pressure on the overall labour cost and contractual obligations. Metrolinx will continue to monitor these trends and refine its operating expense forecast.

2.2 Government Annual Letter of Direction and Key Organizational Initiatives

As required by the *Agencies and Appointments Directive*, the Minister of Transportation issues an Annual Letter of Direction (formerly known as a mandate letter) to Metrolinx that sets out the expectations for the upcoming fiscal year. The Annual Letter of Direction outlines the government's expectations to ensure that Metrolinx's goals, objectives and strategic direction continue to align with the government's priorities and direction. With the most extensive transportation investment in Ontario's history, Metrolinx continues to support the government priorities of operational excellence, successful delivery of capital projects, planning and designing future transit projects, and demonstrating excellence in governance, accountability and transparency, while acting in the best interests of the people of Ontario and ensuring value for taxpayers' money. Metrolinx will also continue to ensure the delivery of safe, equitable, and accessible transit service to rebuild customer confidence, improve convenience and reliability and attract customers back to services.

More specifically, the letter lists several key priorities outlined below, which Metrolinx has incorporated into our key organizational initiatives for 2024-25. In line with the expectations expressed in the Annual Letter of Direction, Metrolinx has continued to implement business improvement plans as one of our key organizational initiatives, which are designed to help transform our business to realize efficiencies and achieve better outcomes while managing costs.

Government Annual Letter of Direction's Key Priorities

1. Ensure successful and timely delivery of the agency's capital projects and continue to provide MTO with monthly reports on project implementation and progress:
 - Work with MTO and Infrastructure Ontario to develop a framework on an expedient process to resolve commercial claims by September 1, 2024
 - Work with MTO to provide project information to the Government of Canada on a timely basis to ensure the successful implementation negotiation of federal funding agreements on which delivery of the Province's priority projects depends.
 - Continue to act as the "Project Sponsor" for the priority transit projects in the Greater Toronto and Hamilton Area (GTHA).
 - Continued implementation of the Building Transit Faster Act, 2020 (BTFA), including the measures delegated to Metrolinx
 - Keep MTO informed on any issues and mitigations impacting schedule, budget delivery and progress on the priority transit projects.
2. In collaboration with MTO, advance the implementation of transit fare and service integration (FSI) across the Greater Golden Horseshoe Region (GGHR) throughout 2024:
 - Administer the One Fare Program
 - Support the development of the FSI vision/plan and implement the FSI plan in accordance with provincial direction by applying a regional transit FSI lens in its service planning and operational decisions, considering local and partner operational needs
 - Assess the existing GO Fare structure - while ensuring no increases to existing GO Fares - recommend options on how to align its short distance fares with local system fares as well as bring about a consistent application of GO fares across the GO network. Reporting back to MTO with an assessment on GO Fare structures by November 2024
 - Work with regional transit partners to facilitate the adoption of a consistent wayfinding standard across the GGH region, leveraging the existing FSI Table and working with MTO to determine appropriate leverage.
3. Develop a five-year strategic plan which outlines Metrolinx's roadmap for 2025 to 2030. The plan should guide the agency's future annual business plans, thereby supporting alignment and coordination across the agency's business areas. Metrolinx is to submit a draft strategic plan to MTO by October 31, 2024
4. Complete a review of the agency's organizational structure, including the agency's use of third party resources. Bring back a plan to ensure that the workforce growth is managed prudently, including looking at the redeployment of resources to priority areas where necessary. Metrolinx is to seek MTO approval for specific terms of the review by May 1, 2024, and is to submit the review and plan to MTO by October 31, 2024.
5. Refine the agency's performance measurement framework in alignment with MTO priorities focusing on operational excellence and governance, stakeholder engagement, customer service, capital project delivery, workforce initiatives, safety and environmental and social sustainability. MTO will collaborate with Metrolinx, providing substantive direction and technical advice related to the required elements, definitions, considerations and timelines to support the refinement of the performance measurement framework, Metrolinx is to submit a draft performance measurement and reporting framework to MTO by October 31, 2024, followed by regular progress reporting thereafter
6. Work with MTO to develop and implement a new agency governance and relationship framework. This framework will address the need for clearer and more formalized relationship management to enable effective decision-making and prioritization, enhanced oversight, and clear and consistent communication across our organizations at every level. The implementation of the formalized relationship management structure is to be in place by March 31, 2025.

7. Work with MTO to mitigate congestion to the extent possible during Metrolinx-led construction activities:

- Conducting comprehensive evaluation of Metrolinx-led construction activities and their impact on traffic congestion
- Developing a construction and consultation schedule that advances major construction projects, minimizes congestion, and identifies early community and municipal engagement opportunities

Both the impact assessment and schedule are to include the priority provincial projects and consider other municipally-led or approved projects, such as road maintenance works and utility relocations in proximity to Metrolinx construction sites, as well as future Municipal transit projects (such as the Waterfront and Eglinton East LRTs) that could have a material impact on construction-related congestion. MTO will assist Metrolinx in obtaining any data needed from the City of Toronto to assist in this work. Metrolinx is to submit the impact assessment and schedule to MTO by September 1, 2024.

8. Continue to meaningfully engage with Indigenous communities and organizations and fulfill duty to consult obligations with Indigenous communities, ensuring consistency with provincial policies and direction for Indigenous relations. Seek the advice of MTO before entering into any significant commitments or agreements with Indigenous communities to ensure adherence to provincial policy.
9. In advance of the regulatory deadline on January 1, 2025, ensure compliance with the Transportation Standards under the Accessibility for Ontarians with Disabilities Act, 2005 (AODA). These standards set out requirements to help transportation and public transit providers make their services and vehicles accessible to people with disabilities. In alignment with the standards, Metrolinx is to ensure that all existing GO stations are fully accessible. Any stations that will not be compliant by January 1, 2025 will submit a plan by no later than April 30, 2024 on how Metrolinx will bring those stations into compliance, with clear timelines outlined.
10. Update Metrolinx's French Language Services (FLS) Action Plan to ensure the Action Plan outlines a path to compliance with the *French Language Services Act* (FLSA). The updated FLS Action Plan should include specific and measurable action to meet these requirements. The updated FLS Action Plan should be submitted to MTO by April 30, 2024, followed by quarterly progress updates thereafter.
11. Supporting Government-wide Initiatives through Metrolinx's internal processes and procedures. Metrolinx will continue to ensure competitiveness, sustainability, and expenditure management by pursuing opportunities for revenue generation through partnerships, as well as identifying efficiencies, savings and improved program sustainability. The organization will ensure transparency and accountability are maintained by abiding by government directives and policies and adhering to accounting standards and practices. Metrolinx continues to enhance its risk management practices through developing and implementing an effective process for the identification, assessment, and mitigation of risks. Metrolinx will continue to pursue optimizing the organization's capacity to ensure effective and efficient operational structure while supporting best public service delivery, and actively developing and encouraging diversity and inclusion initiatives by promoting an equitable, inclusive, accessible, anti-racist and diverse workplace. Finally Metrolinx also continues to improve the use of data in decision-making and information sharing and reporting, while also continue exploring and implementing digitization for service delivery using variety of approaches or tools.

In addition to these key organizational initiatives, Metrolinx continues to work together with MTO to ensure the agency adheres to all approval and review processes, governance framework, policies and directives, as well as continue to improve on our internal governance and decision-making processes, adhering to accounting standards and practices, ensuring transparency and accountability, and responding to audit findings, in alignment with the Annual Letter of Direction. Metrolinx also continues to establish an accountability framework through agreements with third parties that help deliver our initiatives.

2.3 Delivering the Most Extensive Transportation Investment in Ontario's History

Metrolinx is at a pivotal stage and is gearing up operations to deliver on our extensive transit expansion program. We are in the midst of transforming the GO Transit network into a comprehensive, two-way, all-day network; delivering on provincial priority transit projects throughout the GTHA; and transforming our PRESTO payments system to support future innovation that builds on policies such as fare and service integration through the One Fare Program.

The expanded transit program will transcend regional borders, foster connections among communities and help people move seamlessly throughout the GTHA and beyond, providing transit users with faster and more comfortable journeys and making transit a more compelling option for underserved markets.

The coming years will be critical for our organization as we continue to deliver on key government commitments, transition to a new way of doing business, and deliver enhanced services as LRT projects come into service.

To deliver on these key government commitments, Metrolinx's 2024-25 operating budget plan will focus on strategic investments across the organization to ensure successful transitions

- Transition of capital projects from the operational readiness stage into operations.
- Transformation of the PRESTO system through the Payments Procurement Program.
- Delivery of complex capital programs through specialized talent.
- Delivery of the Regional Express Bus (REB) strategy.
- Transition to competitive market development for maintenance and State of Good Repair (SOGR) contracts.
- Advance on the implementation of transit fare and service integration across the GTHA.

3.0 Financial and Resource Summary

3.1 Operating Budget Summary

Metrolinx's 2024-25 operating budget plan reflects our planned revenues and expenses as originally submitted to the government in fall 2023. This budget is based on fare revenue transitioning from recovery to new normal and reflects continued commitment to keep safety as our number one organizational priority. This budget supports the continued implementation of the most extensive transportation investment in Ontario's history, which will include transition of capital projects from the operational readiness stage into operations phase and transition to new contracts through the Payments Procurement Program.

While moving forward with these major deliverables, Metrolinx is also faced with new challenges affecting the public transit landscape including inflationary pressures and rising fuel prices.

The planned 2024-25 operating budget is presented below by major operating account.

In 2024-25, Metrolinx is projecting fare revenues of \$557.0 million based on a ridership forecast of 74.7 million riders. Revenue collected from transit providers for the use of the PRESTO system is projected to be \$130.9 million. Other non-fare revenue for 2024-25 is projected at \$120.4 million, which is generated from activities such as advertising, track usage fees from corridor ownership, partnerships, interest on working capital, reserved parking and commercial and promotional space rent. Metrolinx monitors ridership performance through a robust tracking process on a regular basis to inform projected revenue forecast. In addition to these more typical sources of revenue, proceeds from sale of assets to support the TOC program at new and existing GO/LRT transit stations is projected to be \$32.6 million for 2024-25.

Since budget submission to MTO in fall 2023, Metrolinx has experienced slower ridership recovery due to lower off-peak ridership, slower return of commuter travel, and softened ridership from community illnesses, which could carry over into 2024-25. Metrolinx will continue to work with MTO to monitor the ridership trend and explore savings and revenue opportunities to help manage the impact.

Metrolinx's planned 2024-25 operating expense budget is allocated into five main categories: operations, operating labour and benefits, facilities and track, equipment maintenance, and supplies and services. Operations expense accounts for 27 per cent of the total operating expense budget. This category includes items such as support for train crew wages, train control dispatch, diesel fuel and Payments (PRESTO) operations. Operating labour and benefits are the largest allocation and accounts for 31 per cent of the total operating expense budget. As of December 31, 2023, Metrolinx's workforce consisted of 6,700 active unionized and non-unionized employees to support the delivery of key organizational initiatives across the organization.

Facilities and tracks account for 13 per cent of the total operating expense budget and includes rent, property taxes, hydro, winter maintenance and other facility repairs. Equipment maintenance accounts for 7 per cent of the total operating expense budget, covering support services, inventory, inspections, and yard operations. Finally, supplies and services represent 22 per cent of the total operating expense budget, which includes all types of support costs, such as software, financial fees and services, uniform and safety equipment, audit and legal services, staff development and advertising.

Inflationary pressures including fuel prices, wages, contract inflation and carbon tax significantly impact Metrolinx's operating costs. Diesel fuel is one of the key drivers of the non-labour budget and due to its nature as a petroleum-based commodity, diesel prices fluctuate with the supply and demand forces of the oil market. Metrolinx engages in some fuel hedging to provide cost certainty against the budget and provide stable fuel price assumptions for annual planning. As progress of the capital program continues on key projects including GO Expansion and provincial priority transit projects, including new and extended subways, Metrolinx also faces increasing legal and commercial complexity as well as contractual, stakeholder, safety, asset management risks, and work related to fulfilling the duty to consult Indigenous communities.

Changing customer needs resulting from the pandemic are expected to moderately impact ridership and revenue in 2024-25, with total revenue forecasted at \$808.4 million. Please refer to Section 4.0 Financial Sustainability Through Ridership Growth and Expansion of Non-Fare Revenue for further details on ridership and revenue assumptions, and Section 8.0 Sustainable Revenue Generation Through Transit Oriented Communities and Real Estate Strategy for further details on proceeds from sale of assets. Total expenses for 2024-25 are projected at \$1,975.7 million including \$29.6 million in long-term interest on capital projects. Bid fees associated with capital project procurement are at \$12.2 million. The total provincial operating subsidy requirement for 2024-25 is projected to be \$1,146.9 million. Metrolinx continues to manage our operating budget efficiently through the implementation of business improvement plans.

Exhibit 6: 2024-25 Operating Budget Plan

Revenue (\$M)	2024-25
Fare Revenue	557.0
Payments (PRESTO) Non-Fare Revenue	130.9
Other Non-Fare Revenue	120.4
Total Revenue	808.4
Operating Expense (\$M)	2024-25
Operations	526.8
Operating Labour & Benefits	615.3
Facilities & Track	255.4
Equipment Maintenance	138.6
Supplies & Services	439.6
Total Expense	1,975.7
Net Operating Requirement	1,167.3
Bid Fees	12.2
Proceeds from Sale of Assets	32.6
Planned Subsidy Requirement	1,146.9

Note:

Operating budget figures reflect our planned revenues and expenses as originally submitted to the government in fall 2023 and for comparative purpose exclude impact of the One Fare Program. See section 9.2 for further details on the One Fare program.

Bid fees represent expenses associated with capital project procurement.

Proceeds from sale of assets consist of proceeds from TOC program.

Operating Expense also includes long-term interest on capital projects.

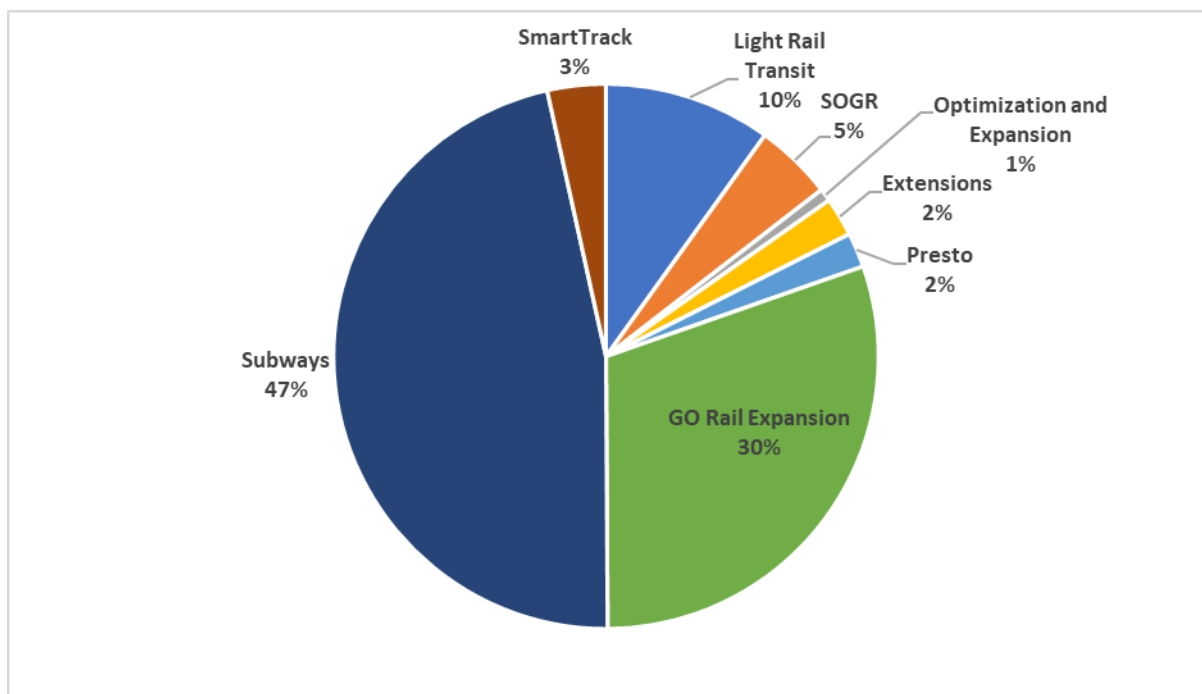
3.2 Capital Budget Summary

Metrolinx's capital plan reflects a focus on maximizing investments, optimizing design, leveraging commercial solutions and value engineering to avoid the need for additional public investment where possible, while still achieving the desired service outcomes and commitments.

Based on the budget submitted to the government in Fall 2023, Metrolinx is projecting a capital budget of approximately \$8.1 billion in 2024-25 for the delivery of capital works across categories that include: GO Expansion, Optimization and Expansion, Rehabilitation and Renewal, Subways and LRT.

Exhibit 7 provides a breakdown of the types of investments in the capital plan by the percent of total.

Exhibit 7: 2024-25 Metrolinx Capital Investments by Percent of Total Capital



4.0 Financial Sustainability Through Ridership Growth and Expansion of Non-Fare Revenue

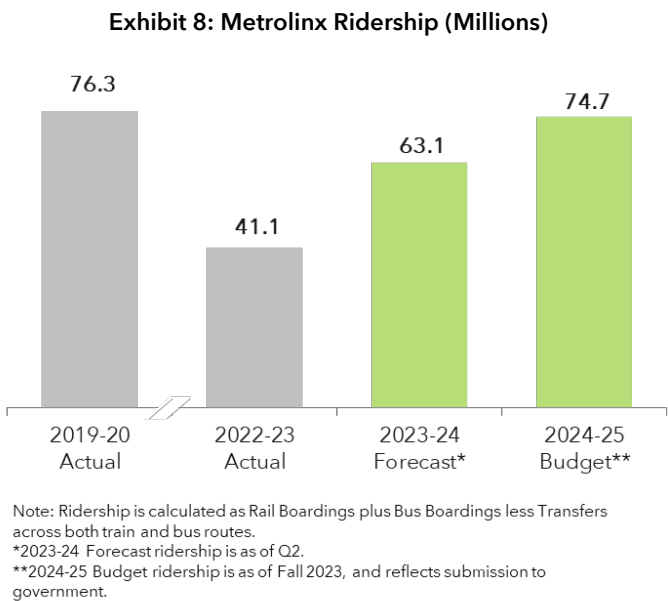
The transit landscape has evolved dramatically in the recent years, with continuously changing travel patterns and transit needs as customers adjust to the new normal and return to public transit. Metrolinx is now at a critical stage of ridership recovery and is focused on the continued implementation of the most extensive transportation investment in Ontario’s history. Fiscal year 2024-25 will be a critical year as Metrolinx continues growing GO Transit and UP Express ridership through targeted strategies and building future ridership through optimized service and outreach to new audiences, while continuing to grow non-fare revenue as Metrolinx progresses toward financial sustainability in the longer term.

4.1 Implementing Targeted Growth Strategies to Continue Growing Ridership

Through the first two quarters of fiscal year 2023-24, Metrolinx has experienced continued strong ridership recovery with the return of commuters and strong growth in off-peak leisure travel. As of Q2, GO and UP ridership is forecasted to grow to 63.1 million for 2023-24, or over 80 per cent of the pre-pandemic 2019-20 levels.

Metrolinx is committed to supporting ridership through targeted growth strategies to create increased ridership demand. As ridership transitions from recovery to new normal in 2024-25, Metrolinx will accelerate travel demand generation activities to build ridership and trip frequency aligned to four key outcomes and enabled by data program enhancements, marketing automation and more efficient personalized communication.

In 2024-25, Metrolinx will continue to focus on driving ridership growth and further improving customer satisfaction through targeted audience strategies. GO and UP ridership in 2024-25 is forecasted to grow to 74.7 million, or over 90 per cent of the pre-pandemic 2019-20 levels.



Implementing Targeted Growth Strategies to Continue Growing Ridership and Fare Revenue in Areas of Greatest Demand/



Operational Excellence

- **Build travel frequency with returned riders** by optimizing service and schedule frequency, promotion of new PRESTO payment methods to incentivize travel and effective outreach and communication to youth and student audiences.
- **Sustain leisure travel and tourism** by prioritizing weekend, destination and sport & concert event communication. This includes seasonal rail and bus service, expanded promotion of local and cultural events, value-added PRESTO Perks, combo tickets and collaboration with regional tourism partners.
- **Re-attract business travellers and commuters** through optimized service and schedules, effective communication to support commuter audiences, corporate partnerships and a renewed business-to-business strategy including conference-related travel and corporate GO Transit employer programs.
- **Attract new audiences to support future ridership** by expanding awareness and engagement with newcomers and multicultural audiences and outreach to inbound UP Express international travellers.

4.2 Delivering Non-Fare Revenue Initiatives to Support Financial Sustainability

Metrolinx continues to deliver innovative non-fare revenue initiatives and is actively exploring new opportunities to maximize revenue, enhance the customer journey experience and contribute towards more sustainable funding for the organization to drive long-term financial sustainability. Non-fare revenue includes advertising and partnership revenue, fees collected from transit providers for the use of the PRESTO system, track usage fees from corridor ownership, interest on working capital, reserved parking fees, and commercial space rentals.

In 2024-25, Metrolinx will maximize and generate non-fare revenue through our expansion of the digital advertising network, robust partnership pipeline, and a focus on expanding the retail network to enhance the customer experience at stations.

Continuing To Maximize Non-Fare Revenue



Delivering Partnership & Non-Fare Revenue Initiatives



Operational Excellence

- **Expanding the digital billboard network** through construction of digital billboards in the GTHA, largely growing the 400 series highway digital billboard program, and continuing the Municipal Billboard Expansion program.
- **Implement PRESTO partnerships that drive ridership** by rewarding customers for using transit, align with PRESTO payment options, support loyalty, and create a robust portfolio of Perks partners.
- **Expanding retail amenities** to better meet customer trip needs including food and beverage. Secure partnerships that deliver recurring revenue through innovative and flexible business models.
- **Modernizing GO Transit advertising network** through upgrading existing signage to digital advertising screens across the GO network.

5.0 Operations

Metrolinx train and bus services provide public transportation for an area of more than 11,000 square kilometres containing a population of more than seven million that stretches from Hamilton and Kitchener in the west to Newcastle and Peterborough in the east, and from Barrie and Uxbridge in the north to Niagara Falls in the south.

5.1 A Secure Journey for Customers and Improved Operational Safety for Employees

Metrolinx takes our duties seriously as they relate to the safety and protection of transportation corridors under the *Metrolinx Act, 2006*. As we continue our safety transformation journey to provide the safest services, stations and workplaces for our employees, customers, contractors, and communities, we commit to implementing continuously improved programs and processes that will see us reach new heights of safety in 2024-25.

Continuing to deliver on a vision of a progressive and inclusive culture of safety excellence



Ensure
Safety



Operational
Excellence

- **Strengthening organizational safety culture and ensuring safety risk is well-controlled** through collaborative, proactive capital project planning, a station improvement program, and mandatory first aid training for all staff.
- **Continuing to embed a positive culture of reporting and data-driven decision-making** across the organization and our partners through the launch of a near miss reporting and assessment program, Safety Management Information System upgrades, and action planning to achieve a Lost-Time Injury Frequency Rate (LTIFR) for all parties of 0.5/200,000, and limit Train Operating Rule Violations to 0.4/million km by end of 2025.
- **Further embedding the successful System Safety Assurance (SSA) program** which sets out governance and requirements to ensure that any change to the network or operations is designed, constructed, commissioned, and operated safely.

Making important progress in customer protection services



Ensure
Safety



Operational
Excellence

- **Increasing visibility of Station Safety Ambassadors** at high-risk stations to reduce incidents of violence and disorder while increasing safety for staff and customers through proactive engagement with vulnerable individuals, connections to community services, and permanent staff presence.
- **Improving accountability, transparency, and safety for frontline customer protection personnel** by implementing body-worn cameras and ensuring all interactions are empathetic, fair, and equitable to increase trust with our customers and communities we serve.
- **Tackling complex safety and security issues** through a multi-faceted workplace violence prevention program, in partnership with municipalities, community services, and police services, to reduce the rate of incidents of threats and violence against employees and customers by 25 per cent.

5.2 Adjusting Service Levels and Enhancing Customer Service to Meet Customer Needs and Grow Ridership

Metrolinx provides regional rail service through the GO Transit network corridors: Lakeshore West, Lakeshore East, Milton, Kitchener, Barrie, Richmond Hill and Stouffville, as well as airport service through UP Express. To support growing our ridership base, Metrolinx continues to provide customers with reliable and more frequent levels of transit service that gets customers where they need to go. In 2024-25, Metrolinx is committed to supporting ridership growth through enhanced customer service to provide a seamless, easy-to-use and comfortable journey to customers.

Providing A Safe and Easy Journey to New and Returning GO And UP Customers



Operational Excellence



- **Optimize train service levels and adapt services to best meet customer demand** by adjusting frequency, reinstating service, and introducing new trips during the peak evening, weekday, and weekend hours that will increase current ridership and stimulate further growth in the future.



Expanding GO Transit



- **Transitioning the rail operations and fleet maintenance responsibilities of GO Transit system** to a new provider, ONxpress Operations Inc. (OOI), that will deliver increasingly safe, reliable, customer-focused transit service and meet higher performance commitments.
- **Enhancing our service schedule** through the development of timetables tailored based on seasonality, ridership trends, major events and construction impacts.
- **Shifting to a journey stage approach** to better understand the customer experience, giving us more insight and specific actions to improve performance.



Government-wide Initiatives

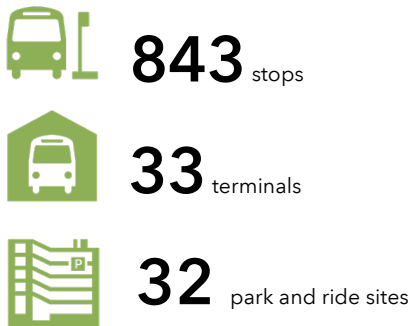


- **Prioritizing what is important for customers**, including how they feel within our stations and on board our services (e.g., safety, cleanliness, and ambiance), as well as the need for real-time information on the status of their journey and impacts of service disruptions.
- Continue to **monitor customer feedback** to ensure we continue to provide a safe and easy journey as people return to using our services.

5.3 Implementing Regional Express Bus Service to Support Continuous Ridership Growth

By 2041, the GGH is projected to be home to over 12 million people, supporting 5 million jobs and solidifying its status as Canada’s most populous and economically vibrant region. Accompanying this growth, the region’s travel demand is anticipated to surge by over 50 per cent. Metrolinx is proactively addressing this challenge by delivering key investments designed to redefine transportation and support a high quality of life, as well as to boost economic prosperity and competitiveness. These investments include GO Expansion, the Subway Program, and a series of rapid transit projects throughout the GTHA. However, there remains an unaddressed need: improving transit connectivity for people travelling between suburban - or 905 - communities. This market currently has the lowest transit mode share in the GTHA, and travel within and between these communities is projected to account for more than 50 per cent of the GTHA's total travel demand by 2041. Without strategic improvements, people in these communities could face longer travel times, increased congestion, reduced reliability, and poorer connectivity.

Exhibit 9: GO Bus Key Statistics



In response to the evolving transportation needs of the GGH, Metrolinx has developed and is now implementing the REB strategy, a transformative move to modernize and expand the GO Bus network. This strategy signifies a shift from GO Bus’s traditional role as a supplementary service to trains, refocusing efforts on meeting high customer demands along key transit corridors. The REB strategy includes the introduction of high-frequency, 15-minute services on key routes, enabling a 'Show-Up and GO' customer experience. This will remove the necessity for customers to schedule their journeys around bus timetables, significantly simplifying the trip planning experience. Furthermore, high-frequency service will enhance the network effect by streamlining transfers and improving connectivity across the transit network.

The REB strategy aligns with the broader transportation infrastructure enhancements, such as the subway, rapid transit, and GO rail expansions, thereby addressing the critical service gap in suburban transit. The primary objectives of this strategy are to increase ridership and to enhance the cost-effectiveness of GO Bus services, ensuring that the needs of a growing population are met with efficient and reliable transportation solutions. In 2024-25, Metrolinx continues to advance on implementing the REB strategy.

Continuing To Advance on Implementing Regional Express Bus Service



Operational Excellence



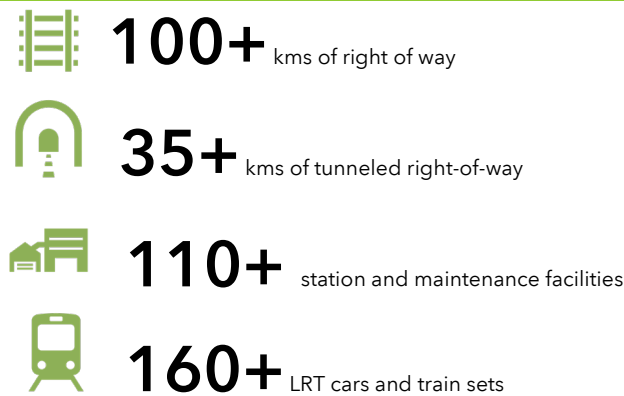
Optimizing Transit Investments and Regional Transit Planning

- **Transforming the GO Bus network** into a high-frequency network that will enable “show-up and go” service with 15-minute service on core bus routes and reduce service duplication with local transit and GO Rail services.
- **Streamlining and consolidating select bus services** to enhance reliability, simplify the bus network, reduce service duplication with local transit and GO Rail services, and maximize the benefits of committed transit investments (e.g., GO Expansion). This will also provide customers with more consistent service patterns.
- **Connecting GO Transit with major centres in the region** to offer direct routes to key destinations and seamless integration with other transit services, including local transit, GO Rail, and private intercommunity bus operators, thereby extending customer reach.
- **Growing Ridership** by encouraging and enabling more people to use GO Bus for trips not served by subways, rapid transit, or GO Rail through enhanced and expanded services that meet their needs and an improved customer experience.

5.4 Operational Readiness and Contractual Requirements for New Projects Coming into Service

Metrolinx currently manages the GO train and bus rapid transit asset base of approximately \$20 billion, which includes rail tracks, fleet, stations, bridges, structures, signalling and communication equipment. Over the next 10 years, Metrolinx is expected to bring into operation and manage a growing and new transit network that will include the Eglinton Crosstown LRT, Finch West LRT, Hazel McCallion Line, Hamilton LRT, Ontario Line, Yonge North Subway Extension, Eglinton Crosstown West Extension, Scarborough Subway Extension projects, and expanded GO services. Combined, these projects are projected to grow Metrolinx’s asset base to approximately \$60 billion by 2030 with significant operational and maintenance requirements to ensure safe and effective operations for our customers.

Exhibit 10: We are adding the following Subway and Rapid Transit assets:



In 2024-25, Metrolinx continues to create capacity to ensure operational readiness of projects, reliable services and customer service experience, and mitigating risks.

Continuing To Advance Our Asset Management Maturity

- 

Governance and Accountability
- 

Delivery of Rapid Transit
- 

Expanding GO Transit
- **Support the ongoing transition of LRT projects into passenger revenue services** while managing commercial exposure and reducing risks to ensure the focus remains on delivering a quality day-to-day service for the public and promoting continuous improvement through lessons learned and standards development for application in upcoming LRT projects such as Hamilton LRT and the Ontario Line.
 - **Establish a strong focus on asset and commercial management** for all our long-term, public-private-partnership (P3), and operations and maintenance contracts to manage cost efficiency, commercial exposure, and risk.
 - **Develop a competitive market for maintenance and State of Good Repair (SOGR) contracts**, which will drive vendor performance and competition, reduce risk of reliance on a sole vendor, as well as expand commercial support to current and future contracts to ensure value-for-money and effective risk management.
 - **Manage whole lifecycle of a portfolio of ~\$20B assets** including the delivery and execution of high-quality Asset Management and Maintenance Plans to inform condition-based capital programs.
 - **Provide engineering assurance on priority transit projects and programs** that continue to grow in scope and scale (LRTs, Subways, BRT, GO Expansion and SOGR) to ensure that the asset are safe, reliable, and fit for purpose prior to being placed into revenue service.

6.0 PRESTO

PRESTO is Metrolinx's fare payment system that seamlessly connects 11 transit agencies across the GTHA and Ottawa. Last year, the focus for PRESTO centered on continuing to implement new ways to pay for customers including PRESTO contactless credit, Interac debit and PRESTO in Mobile Wallet across transit agency clients, including the Toronto Transit Commission (TTC). The introduction of these payment methods has received great support from customers, clients, and stakeholders. As of December 2023, there have been over 25 million contactless credit and debit customer boardings and an additional 900,000 boardings with the newly launched PRESTO in Mobile Wallet.

In addition, Metrolinx made significant progress against its other priorities for PRESTO including further advancing the PRESTO Procurement Program that will replace the existing system and will begin transitioning to these new services this fiscal.

Finally, enhancing the customer experience through continuous improvement while working with our transit agency clients to support policy needs and maintaining a system that performs exceptionally, continue to drive PRESTO toward making transit better for all.

In 2024-25, Metrolinx will build on its progress with focus on three key areas:

- **Completing PRESTO Procurement Program contract awards and shifting fully to the transition phase** to migrate capabilities and services to the new PRESTO system and vendors.
- **Continuing to advance a frictionless customer experience** enabled by new ways to pay and through continuous improvement initiatives, while simultaneously managing a seamless transition of the back-end system and services coming out of the PRESTO Procurement Program.
- **Supporting PRESTO clients** by maintaining exceptional system performance and continuing to deliver on commitments, supporting the regional One Fare program, and improving capabilities such as customer analytics and artificial intelligence that will support growth in ridership and client goals.

Exhibit 11: PRESTO Key Statistics as of December 2023



11

Transit agency clients



78%

PRESTO Customer Satisfaction Score (Average)



1.9 million

Average boardings per day



> 25 million

PRESTO Contactless Boardings since launch

6.1 PRESTO Procurement Program

The PRESTO Procurement Program will replace the current services and systems with new contracts segmented into various capabilities and responsibilities, helping to ensure the long-term sustainability of the PRESTO system. Through this process, Metrolinx expects to reduce total cost of ownership, improve adaptability to evolving technology, reduce complexity of ongoing change, ensure access and equity for customers, and hold vendors accountable for the delivery and operation of the PRESTO system.

In 2023-24, the Procurement Program included progressing through market activities including issuing and closing RFPs, evaluations, solution finalization and negotiations, etc. for the program lots – System Integration Services, Automated Fare Collection System, System Integration and Management, Contact Centre, and Digital Channels. In 2024-25 Metrolinx anticipates completing the procurement component of the program with the award of contracts and shifting fully to transition in anticipation of this work being complete in 2025.

Advancing PRESTO Procurement Program



Optimizing Transit Investments and Regional Transit Planning

- **Completing the Procurement Program to support the future PRESTO system and transitioning to a new target operating model**, which will define future vendor interactions, client service model, and critical capabilities within the division.
- **Ensuring a smooth transition to the new PRESTO system** through detailed transition and change management plans that will ensure a seamless and invisible experience for customers and clients. Key to a successful transition is exceptional program governance and management, strong collaboration with our transit agency clients and vendors, and extensive quality assurance protocols.

6.2 PRESTO Customer Experience

Metrolinx is ensuring an excellent PRESTO customer experience and has continued to invest significantly in product and service improvements. In 2023-24, Metrolinx met key milestones across this program with the rollout of Interac debit fare payments across GO Transit, UP Express, and all 905 transit agencies in Q1 and successful implementation of credit and debit fare payment on the TTC in Q2. Metrolinx was the first transit organization in Canada to offer an Interac debit option to customers. Subsequently, Metrolinx introduced PRESTO in Google Mobile Wallet, which allows customers to pay for transit with a tap of their phone or wearable device. Customers have the option of adding a new digital card or converting an existing plastic card into a digital one. Furthermore, the technology is account-based rather than card-based so remote loads (e.g. by a parent for their child) are reflected in real-time. This makes PRESTO one of a small list of fare payment providers across the globe to provide an account-based digital card.

In the 2023-24 fiscal year Metrolinx achieved an average PRESTO Customer Satisfaction (CSAT) score of 78 per cent year-to-date through a focus on continuous improvement and supported by the launch of new ways to pay. Key initiatives included a series of digital enhancements to the website and app including: a biometric login feature that allows customers to log in through face ID, a more prominent check card balance button in the app, a refresh to the main screen of the app to better display multiple cards and announcements, the addition of new partners to the PRESTO Perks program, and a reduction of the physical PRESTO card issuance fee from \$6 to \$4. In 2024-25, Metrolinx will continue its efforts to further enhance the customer experience while ensuring a seamless transition to new systems and services that is invisible to PRESTO customers.

Further Enhancing customer experience while ensuring seamless transition to new systems & services



Optimizing Transit Investments and Regional Transit Planning



Operational Excellence

- **Growing customer usage of new fare payment products**, including PRESTO Contactless credit, Interac debit, and PRESTO in Mobile Wallet, helping customers to understand which product best suits their needs through web and app content updates and proactive communications.
- **Continued expansion of the PRESTO Perks program** with new partners that deliver value to PRESTO customers through discounted offerings for destinations and services throughout the region.
- **Adopting an integrated and modern trip planning tool for transit agencies** that can be customized to address customers' individual needs.
- **Leveraging business intelligence and analyzing customer feedback** to determine strategies that improve the customer experience.

6.3 Supporting PRESTO Clients

Metrolinx supports municipal transit agencies and partners to implement customer and client-centric initiatives that will deliver value to riders across the region. In 2023-24, Metrolinx maintained exceptional system reliability, with availability rates at or above target throughout the year. As of December 2023, card load equipment availability was at 99.74 per cent and individual fare payment device availability at 99.85 per cent.

Metrolinx continued to strengthen its relationship with transit agency clients by working with them to provide a seamless transit experience for customers by offering multiple fare payment products across the PRESTO network while supporting transit agencies' unique fare policies. The successful rollout of credit and Interac debit payments across the TTC was a testament to how relationships with transit agencies have evolved into collaborative partnerships. In 2024-25, Metrolinx will build on these achievements and continue strengthening the relationship with transit agency partners.

Continuing to Strengthen the Relationship with Transit Agency Partners



Optimizing Transit Investments and Regional Transit Planning



Delivery of Rapid Transit

- **Working closely with the transit agencies** to ensure a successful transition period to the new PRESTO system through a robust governance program.
- **Ensuring transit agencies continue to receive exceptional system performance and availability rates** through the transition period.
- **Completing installation of PRESTO equipment** along new service lines such as Eglinton Crosstown LRT and Finch West LRT to support future service.
- **Exploring modern solutions** that utilize customer analytics, automation, and artificial intelligence (AI) to improve the PRESTO service offering and add value to clients.
- **Seamlessly implementing the GTA region's new One Fare program**, which will make it easier and more affordable for travellers to make transit trips by eliminating TTC fares for riders transferring to and from GO Transit and the second fare for trips between TTC and bordering transit agencies.

7.0 Capital Projects

Metrolinx continues to advance the largest transit expansion program in Canadian history, which will transform the way the region moves. The major flagship programs are:



Expanding GO Transit



Delivery of Rapid Transit

- **GO Expansion**, which will bring two-way, all-day service to the core segments of the GO rail network through various packages of Early Works, Off-Corridor and On-Corridor Works.
- **Rapid Transit projects**, which include both Subway and LRT projects. Rapid Transit projects will provide reliable and seamless connections to the TTC and other municipal transit systems and to the GO network, while providing rapid transit access to previously underserved neighbourhoods. Rapid Transit projects include the building of the Ontario Line, Scarborough Subway Extension, Yonge North Subway Extension, Hazel McCallion LRT, Hamilton LRT, Finch West LRT, Eglinton Crosstown LRT and the Eglinton Crosstown West Extension.

Further details of each program are described in their respective sections.

7.1 GO Expansion

Metrolinx is committed to transforming the existing GO Transit rail network to offer frequent all-day, two-way electrified service on core segments of the network through the GO Expansion program. In the 2024-25 fiscal year, Metrolinx will be investing approximately \$2.4 billion in the GO Expansion program. The implementation of the GO Expansion Program is divided into different packages of work, based on when and how the infrastructure is required.

**\$2.4
billion**

in capital investments in the GO
Expansion program in 2024-25

EARLY WORKS

Early Works is a suite of projects that will prepare the rail network for the implementation of the subsequent On-Corridor works. Early works include utility relocations, grade separations, track work and modifications, grading, retaining structures, noise mitigation measures, and upgrades to bridges, stations, and signalling and communications infrastructure. Work will continue in 2024-25 to deliver this program through public-private partnership contracts, traditional procurement methods, and progressive contract models that involve a collaborative development phase before construction.

Public-private partnership contracts

Metrolinx will continue to make progress on delivering several of the GO Expansion Early Works projects using this approach, working with Infrastructure Ontario as the procurement advisor through an integrated team model.

Updates for Public-Private Partnership Contracts

2023-24

- The **Davenport Diamond Rail Grade Separation** is in the advanced stages of construction. In April 2023, GO trains began travelling on the new elevated guideway, located above several busy streets and the CP Rail tracks. The eastern span of the new Bloor Bridge was installed in the fall of 2023. Work on this important project will continue into 2024-25.
- The **Stouffville Stations and Grade Separation project** reached substantial completion in August 2023, marking a significant milestone, improving amenities at Agincourt, Milliken, and Unionville GO stations, and increasing safety for customers along the Stouffville GO Line.

2024-25

- Major construction on the **Davenport Diamond Rail Grade Separation** is anticipated to be completed in the first quarter of 2024-25 (timing subject to change).
- Major work on the **Lakeshore West Infrastructure Improvements Project** is anticipated in 2024-25.

Traditional procurement methods

Metrolinx continues to deliver other early works through Design-Build (DB) and Design-Bid-Build (DBB) contracts.

Procurement Updates for Traditional Procurement Methods

2023-24

Projects completed

- Bramalea GO Station Multi-level Parking Structure
- Old Elm GO Station

Projects in advanced stages of construction

- Bradford Parking and Bus Loop Expansion
- Eglinton GO Station
- Lakeshore East Corridor Expansion (Western segment)

Ongoing construction

- Stouffville Second Track and Signals
- Barrie Corridor Expansion
- Kitchener Corridor Expansion

2024-25

Procurements planned

- Caledonia Station
- Niagara Falls Layover
- Heritage Road Layover
- Mount Pleasant GO Station Modifications

Metrolinx continues to advance the GO Transit Train Control System across the network along with Signalling Enabling Works in the Union Station Rail Corridor (USRC). The latter project includes new signal foundations, cables, and cable containment in preparation for further signalling works in the On-Corridor Works package.

Progressive contract models

Though many early works are being delivered through traditional contracts, some projects are now being delivered through collaborative delivery models that involve a “Development Phase” with a contractor prior to construction,

which allows for designs and workplans to be jointly developed. Metrolinx works with Infrastructure Ontario to select the right model for each project.

The Union Station Enhancement Project (USEP) is the first major public-sector transportation project in Canada being delivered using an Alliance procurement model.

Union Station Enhancement Project (USEP) Updates

2022-23	2023-24	2024-25
A blockade zone was erected in the USRC in order to enable construction of new and expanded platforms, canopies, and tracks, and a new south concourse at Union Station, which will connect the Bay and York Concourses. Bulk excavation for the south concourse began in late 2022.	Work to construct the new south passenger concourse that will seamlessly connect customers between Bay and York Streets continued with demolition and excavation work nearing completion and significant deep foundation work completed, including caissons, micro-piles, and pile caps. To support construction and allow for material to be transported within the small site, two large cranes were installed within the Union Station Rail Corridor. Work progressed outside the immediate station area, with the demolition of the Sherbourne signal bridge in preparation for future additional tracks.	Work to construct the future South concourse will continue with form and concrete work progressing, from west to east along the site. The track slab will subsequently be poured to form the concourse ceiling. When ceiling works are complete, mechanical and electrical works will proceed. Backfilling of the concourse structure will occur this year to allow for future platform construction.

OFF-CORRIDOR WORKS

In 2023-24, the Existing Stations Renovations (ESR) project entered early procurement for three stations, Oakville, Hamilton, and West Harbour GO stations. ESR is intended to provide critical station access and customer experience upgrades at over 20 existing GO stations, including platform rehabilitation, parking lot improvements, expanded bus loops, and modified passenger pick up and drop off areas. In 2024-25, the project is expected to progress detailed design in advance of further station renovations on the Lakeshore West, Lakeshore East, Barrie, and Stouffville lines entering construction procurement. Examples of works includes platform upgrades, parking lot improvements, improved signage and improved customer station accessibility.

ON-CORRIDOR WORKS

A key component of the delivery of the GO Expansion Program are the On-Corridor Works required to deliver the enhanced service levels outlined in the Full Business Case for GO Expansion. On-Corridor Works are being primarily delivered through an innovative Progressive Design-Build-Operate-Maintain (DBOM) contract with ONxpress Transportation Partners, comprised of leading Canadian and international companies.

The On-Corridor package will facilitate the transformation of the GO Rail network into a frequent, two-way, all-day service on core segments of the network, through the following Operation of train services including crewing;

- Timetable planning and train control for all operators across the GO-owned network;

- Design, construction and integration of works in the railway corridor, including civil maintenance and rehabilitation of new railway corridor assets and select existing railway corridor assets;
- Maintenance, servicing and cleaning of rolling stock and, if required, procurement of new electric vehicles;
- Construction of new maintenance and train storage and/or layover facilities;
- Reconstruction of Union Station track and platforms; and
- Compliance with Metrolinx safety, security and emergency management policies.

In 2023-24, Metrolinx and ONxpress continued working collaboratively as part of the ongoing Development Phase – a multi-stage process to finalize scope, designs, schedules, risk allocation, and pricing of project elements. Metrolinx and ONxpress are undergoing extensive due diligence and investigations (DD&I) work in corridors across the network. This includes surveying, environmental, and geotechnical investigations to determine the conditions of the soil and surroundings to inform design and construction. To date, crews have undertaken 12 geotechnical programs to understand subsurface conditions, drilled 286 boreholes to analyze soil conditions, undertaken 26 utility investigations, and performed 135 environmental field investigations.

The Development Phase and DD&I work will continue into 2024, and teams will work together to determine project scope, pricing, design, and construction schedules. Timelines for delivery of the On-Corridor works are being determined throughout the Development Phase.

7.2 Complementary Works: GO Rail Corridor Extensions and SmartTrack Stations Programs

In 2024-25, investments of approximately \$455 million are planned toward GO Transit improvements beyond the core GO Expansion Program that will bring greater access to regional rail services to new markets.

\$455 million

in investments for GO Transit
improvements in 2024-25 beyond core
GO Expansion Program

GO RAIL EXTENSIONS

The GO Rail Extensions program is focused on extending Lakeshore West service through Hamilton to Niagara Falls, Lakeshore East service through Oshawa to Bowmanville, and enhancing Kitchener Line service to two-way all-day service. Updates for 2023-24 include:

- A construction manager was selected to help inform detailed design and provide construction management advice for the Bowmanville Extension project.
- Initial works for the Kitchener Extension project are well underway, with significant progress at Guelph GO Station with the advancement of platform construction and the installation of a new platform canopy, as well as new passing track along the corridor, such as near Breslau.
- Metrolinx is continuing to negotiate agreements with key freight rail partners to enable expansion of service over corridor sections under their ownership.

SMARTTRACK STATIONS

In addition, Metrolinx has advanced procurements for stations within the City of Toronto's SmartTrack Stations Program that will see infill stations added to inner portions of the GO rail network, leveraging the frequency and capacity improvements of GO Expansion to bring new transit options to more communities.

2023-24

- DB contract awarded for Bloor-Lansdowne GO Station.

Alliance Model

- East Harbour Transit Hub
 - The development phase is well underway while early works simultaneously progress. Among the early works including preparatory works to replace bridge structures, hundreds of meters of existing track on the Lakeshore East corridor were realigned southward to make space for future works required for the East Harbour Transit Hub and the Ontario Line Joint Corridor.

2024-25

Construction Manager at Risk Model

- Pricing of project elements through the development phases are anticipated or King-Liberty, Finch-Kennedy and St. Clair-Old Weston Stations.

Alliance Model

- East Harbour Transit Hub
 - The development phase will progress to determining cost, schedule, and design certainty.

As early works continue, the East Harbour team will coordinate major preparatory works along the Ontario Line Joint Corridor.

7.3 State of Good Repair (SOGR) and PRESTO

Metrolinx continues to invest in infrastructure rehabilitation and our fare payment system to ensure GO Transit assets remain in a safe, reliable and connected state. Approximately \$468 million of the capital plan for 2024-25 will be dedicated to SOGR projects, including GO Transit, enterprise IT initiatives and PRESTO fare payments systems.

\$468 million

in investments for SOGR projects in
2024-25

Metrolinx will be focusing on projects such as:

- Maintenance and rehabilitation work to GO owned structures, track and signals;
- Maintenance and rehabilitation work on GO stations;
- Corridor fencing and crossing securement;
- GO fare equipment;
- Bi-level passenger coach and bus refurbishments; and,
- Customer digital transformation and other enterprise I&IT work.
- PRESTO fare payments systems as detailed in Section 6.0 above.

7.4 Rapid Transit Projects

In 2024-25, Metrolinx will continue to advance the delivery of the Rapid Transit program, including Subways and LRT projects.

Approximately \$4.0 billion of the capital plan for 2024-25 will be dedicated to advancing five priority projects.

\$4.0 billion

of the capital plan in 2024-25 dedicated
to five priority projects

The five projects below are those named as priority transit projects under the *Building Transit Faster Act, 2020* (BTFA). Metrolinx will continue to implement the applicable BTFA measures to streamline project delivery and support the accelerated completion of the priority transit projects.

PRIORITY TRANSIT PROJECTS

Ontario Line

15 Stops

15.6 km

Science Centre to Exhibition

Significant progress has been made on this new subway line running 15.6 kilometres from Exhibition Place in the southwest, through the heart of downtown, and connecting to the future Eglinton Crosstown LRT at Don Mills Road and Eglinton Avenue east in the northeast.

In November 2022, the South Civil P3 package was awarded to Ontario Transit Group and the Rolling Stock, Systems, Operating and Maintenance (RSSOM) P3 contract was awarded to Connect 6ix. 2023-24 is expected to include many important early design and construction milestones as these contracts proceed into implementation, including the start of piling at downtown stations and fabrication of tunnel-boring machines.

Additional enabling and advance works including construction in the Don Yard, utility relocations, and demolitions were also awarded and mobilized in 2022-23, with further advance works contracts to be awarded in 2023-24. These include two large-value contracts for enabling works in the Joint Corridor segment abutting the Riverside and Leslieville communities and in the Lower Don area. Two further advance works packages, the Pape Support of Excavation (SOE) and Don Valley Crossings (DVC) are also in early procurement and are expected to be awarded in 2023-24.

The final two main works packages for the Ontario Line, the Pape Tunnel and Underground Stations (PTUS) contract and the Elevated Guideway and Stations (EGS) contract, will be delivered using the Progressive Design-Build contracting model. Over the course of 2023-24 Metrolinx expects to select a Development Partner for each and proceed into a collaborative Development Phase.

Yonge North Subway Extension

5 Stops

7.4 km

Finch to High-Tech
(Richmond Hill Centre)

Work is underway in 2022-23 for this approximately 7.4-kilometre extension of the TTC's Line 1 Yonge-University Subway Line from Finch Station to the City of Richmond Hill. In 2022, the contract for construction of Early Works at Finch Station was awarded and since then, all early works, including tail track construction were completed. The Request for Proposals for the Advance Tunnel contract was issued to shortlisted teams in December 2023. Similar to the Scarborough Subway Extension, this is expected to be followed by a Stations, Rail and Systems (SRS) package.

Scarborough Subway Extension

3 Stops

7.8 km

Kennedy to Sheppard East

This 7.8-kilometre extension will be a three-stop addition to the TTC's Bloor-Danforth Line 2 from the existing terminal at Kennedy Station. An Advance Tunnel contract reached financial close in 2021-22. "Diggy Scardust", the largest-ever tunnel boring machine to work on a Canadian transit project, began digging a 6.9 km portion of the tunnel in 2022-23 and will continue boring in 2024-25. On November 30, 2022, Scarborough Transit Connect was selected as the partner for the Stations, Rail, and Systems (SRS) Progressive-Design-Build contract. Progress throughout the development phase will continue in 2024-25, including design work and value engineering sessions.

As well, tunnelling works will continue into 2024-25 as well as preparation for the extraction of the tunnel boring machine.

Hamilton LRT

17 Stops

14 km

McMaster University to
Eastgate Square

This 14-kilometre LRT in the City of Hamilton will extend from McMaster University to Eastgate Square, travelling across the heart of the city. The project will involve an enhanced streetscape, sidewalks, and roads, as well as improvements to utilities and other less visible infrastructure. Most of the work in 2024-25 will be focused on advancing procurement, conducting due diligence, utility relocations and environmental work planned along the corridor in anticipation of future LRT construction. Property acquisition and building demolition will also continue throughout 2024-25.

Eglinton Crosstown West Extension

10 Stops

9.2 km

Mount Dennis to Renforth
Station

This 9.2-kilometre extension of the Eglinton Crosstown LRT will run from the future Mount Dennis station to Renforth and Eglinton. The first advance tunnel contract for 6 kilometres of tunnelling between Renforth Drive and Scarlett Road reached financial close in 2021-22. Two tunnel boring machines in parallel tunnels have progressed over 75 per cent into their respective drives and are expected to complete the rest of their journey to Scarlett Road in 2024. The Elevated Guideway contract, an approximately 1.6-kilometre guideway between Scarlett Road and Jane Street, was awarded in December 2023. The second advance tunnel for the 600 metre segment between Jane Street and the future Mount Dennis Station is expected to be awarded in early 2024.

ADDITIONAL LRT PROJECTS

Three additional LRT projects are underway that are anticipated to spend \$728 million in 2024-25.

\$728 million

on additional LRT projects

Eglinton Crosstown LRT

25 Stops

19 km

Mount Dennis to Kennedy

The Eglinton Crosstown LRT project is being delivered through a Design-Build-Finance-Maintain (DBFM) contract, which was awarded to Crosslinx Transit Solutions (CTS) in July 2016. Implementation by CTS has been underway since 2016 and over the course of 2022-23 the project is in the final stages of construction. The project is shifting focus to the integration of systems and testing and commissioning activities, which have continued to take place across the alignment throughout 2023 and are expected to carry over into 2024.

Hazel McCallion Line

19 Stops

The Hazel McCallion Line is an 18-kilometre LRT project along Hurontario Street being delivered through a Design-Build-Finance-Operate-Maintain (DBFOM) contract that was awarded to Mobilinx in October 2019. In 2022-23, tracks were installed inside the Operations, Maintenance and Storage Facility (OMSF), through several intersections and most mid-blocks along the alignment were completed. Guideway construction occurred from Matheson Boulevard to Britannia Road in preparation for future track installation in 2023-

18 km

Gateway Terminal to Port Credit

24. Over a single weekend in November 2022, a “push box” was installed to create a new permanent underpass for northbound Hurontario Street traffic under the Queen Elizabeth Way. A second “push box” was installed under the Lakeshore West tracks to create a passageway for the future LRT to enter Port Credit GO Station below grade in 2023 and related works will continue at Port Credit Station in 2024. A new flyover bridge over Highway 403 is being constructed and girders will continue to be installed in 2024. As well in 2024-25, construction work of the elevated guideway will continue as well as delivery of light rail vehicles to the OMSF.

Finch West LRT

18

Stops

11 km

Finch West to Humber College

The Finch West LRT project is a dedicated 11 kilometres, 18-stop line being delivered through a DBFM contract, which was awarded to Mosaic Transit Group in May 2018. In 2023, all LRVs were delivered to the Maintenance and Storage Facility (MSF) and underwent the process of completing 600 kilometres of “burn-in” testing along a completed section of the line. All track slab and rail installation has been completed, as well as all mechanical, electrical and plumbing work at some stations. The final stages of construction are planned to occur in 2024 as well as a major focus on accelerating and completing testing and commissioning works.

7.5 Advancing Other Future Projects

In addition to the rapid transit projects already underway, in 2024-25 Metrolinx will continue to partner with municipalities and municipal transit agencies in advancing the planning and preliminary design work of several other potential future projects.

Durham-Scarborough BRT

49

Proposed Stops

36 km

Bus Rapid Transit linking Scarborough Centre with Pickering, Whitby, Ajax, and Downtown Oshawa

Preliminary Design Business Case for 36 kilometres of Bus Rapid Transit linking Scarborough Centre with Pickering, Whitby, Ajax, and Downtown Oshawa will be complete in 2023-24.

Dundas Street BRT and Priority Bus

46 km

enhanced bus infrastructure linking Toronto, Mississauga, Oakville, Burlington, and Hamilton

Preliminary Design Business Case for 46 kilometres of enhanced bus infrastructure linking Toronto, Mississauga, Oakville, Burlington, and Hamilton will be completed in 2024-2025;

Brampton Queen Street/Highway 7 West Extension BRT

20 km

Bus Rapid Transit linking Downtown Brampton to
Vaughan Metropolitan Centre

Preliminary Design Business Case and TPAP for 20 kilometres of Bus Rapid Transit linking Downtown Brampton to Vaughan Metropolitan Centre will continue to be developed in 2024-25.

Zero Emissions Bus Program

Initial Business Case has been completed in 2023-24 to explore alternative propulsion technologies for the GO bus fleet that reduces greenhouse gas emissions, operations & maintenance, and energy consumption costs. The Preliminary Design Business Case will begin in Q4 of 2023-24 and expected to be completed in 2024-25.

On September 7, 2023, the Board of Directors approved the GO Bus Fleet Strategy, which is a multi-pronged approach supporting the phased transition of Metrolinx's GO Bus Fleet to zero emission vehicles as the existing diesel-powered GO buses retire over the next 10 years. The strategy consists of the following workstreams: Zero Emission Bus (ZEB) Program (Workstream 1), Hydrogen Bus Pilot (Workstream 2), and the Next Generation Diesel Bus Strategy (Workstream 3).

Milton GO Service Expansion

Initial Business Case to be completed in 2023-24 for expansion of service along the Milton corridor to better serve passengers with off-peak and counter-peak rail service. This project will continue engagement and socialization into early 2024-2025.

Sheppard Extension

Public consultations have begun. Initial Business Case is underway and expected to be complete in 2024-25 to develop and evaluate options to consider different alignments, stations, service, technologies, and delivery methods to extend rapid transit service along the Sheppard corridor.

Steeles Bus Rapid Transit

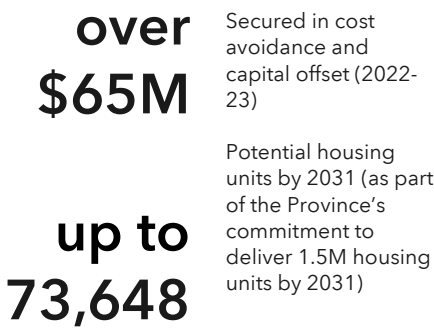
Initial Business Case is underway in 2024-2025 to identify the appropriate service and infrastructure to support frequent bus transit service.

8.0 Sustainable Revenue Generation Through Development Transactions and the Real Estate Strategy

While delivering major capital infrastructure projects, Metrolinx is collaborating with Infrastructure Ontario and supporting the Province’s strategy to deliver high density, mixed-use TOC at new and existing GO/LRT transit stations. TOC and other transit-oriented development enables Metrolinx to leverage benefits from third-party investments to reduce the public funding required for transit expansion, while bringing jobs, housing and destinations closer to transit for our customers.

In addition to TOC and other transit-oriented development, Metrolinx has made significant progress through the development of a Real Estate Strategy that will prioritize long-term and sustainable revenue for the Province. Metrolinx is now moving to a more strategic and lifecycle-focused approach to real estate that will pursue a variety of long-term sustainable revenue sources to optimize real estate asset value (e.g., land and building leases, property and air-rights licenses, shared access agreements). In 2024-25, Metrolinx will build on this progress and continually improve its role as a responsible owner and manager of real estate.

**Exhibit 12:
Real Estate & Development Key
Statistics**



Becoming an even more responsible owner and manager of real estate



Delivering Partnership & Non-Fare Revenue Initiatives



Ensuring Safety



Supporting Government-Wide Initiatives



Operational Excellence

- **Generating Sustainable Revenue** by leveraging the real estate portfolio to maximize asset revenue in the short and long term in order to minimize Provincial subsidies and create a stronger financial position for the organization.
- **Optimizing and Creating Value** with the Metrolinx-owned real estate portfolio through a comprehensive, lifecycle focused approach to real estate management.
- **Controlling Costs** by creating a comprehensive approach to real estate asset management to minimize holding costs, increase revenue and improve safety conditions.
- **Ensuring Satisfied Customers** through commercially focused decision making with development partners, and customer focused management of real estate assets with tenants.
- **Protecting the integrity of our rail corridors**, ensuring that all adjacent development proceeds in a safe manner and that associated construction activities do not interfere with the existing and future operation, maintenance, and expansion of Metrolinx transit services

9.0 Regional Transportation Planning

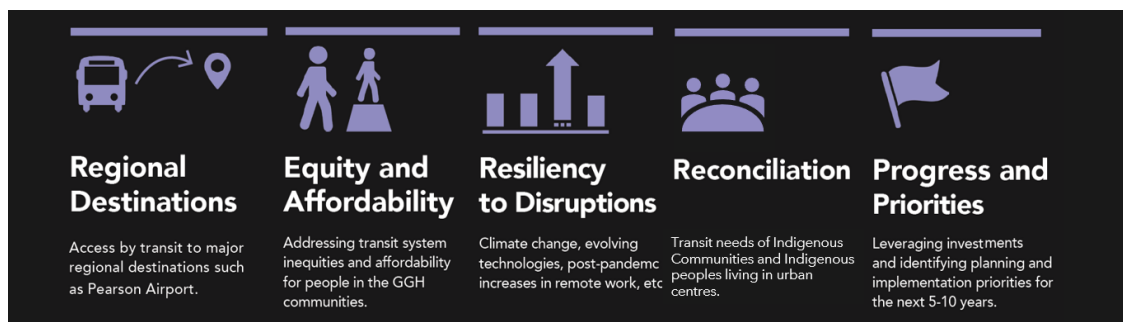
Metrolinx's expanded transit program will transcend regional borders and foster connections between all our communities through new subway lines, extensions, light rail transit, bus rapid transit, and a transformed GO rail system. Fast, frequent, safe, and reliable connections to local and regional buses are critical to extending the reach of the transit network, making transit attractive for more people to reach more destinations and activities. Several planning initiatives are underway including several an updated Regional Transportation Plan (RTP), the integration of fares across our network for a seamless transfer between local and Metrolinx services, improving customer access and options at our stations, and making the future of transit more equitable, inclusive, and accessible.

Bringing our plan to reality is only possible through collaboration, consultation, and partnership. All those who plan, build, maintain, finance and/or operate transportation in the GGH are involved. This includes the 110 regional and local governments in the GGH, Indigenous communities, Metrolinx, the Province of Ontario, the federal government, and related agencies. On the operator side this includes transit agencies, service providers, and corridor owners (e.g., municipal transit service providers, private sector bus providers, the GO Transit, Ontario Northland Transportation Commission, VIA Rail, VIA-HFR, CN, and CPKC). Metrolinx also works with municipalities and the private sector to ensure that land use – such as housing, offices, condos, hospitals, school campuses and recreational facilities – are designed to focus on the movement of people, not just vehicles. As we work with our partners on these projects, we are seeking to maximize the benefits we can deliver on, including a value for money perspective.

9.1 Extending the Regional Transportation Plan to 2051

Metrolinx is working to update the RTP over 2023-24 and 2024-25 to adapt to a rapidly changing planning and policy context and assure relevance to the continued transformation of the regional transit network. Conditions have changed significantly since the 2041 RTP was released in 2018, including our expanded geographic mandate, updated government direction on housing and growth, and changes in travel behaviour that were brought about by the pandemic. The update will also bring the RTP into conformity with the Province's *Connecting the GGH: A Transportation Plan for the Greater Golden Horseshoe*, which sets out a multimodal framework to align planning across the region, including Metrolinx's role in coordinating, planning, financing, developing, and implementing an integrated transit network.

Exhibit 13: Key Focus Area for the RTP Update



Through the RTP update, we will work closely with our municipal partners, MTO, and Indigenous communities and Nations, to extend the plan to 2051, to seek input on new focus areas, including emerging trends and changes in post-pandemic travel, and a common framework for assessing equity in transit planning. The updated RTP is also an opportunity to reflect the tremendous progress made on transit investment in the past five years, and to identify actions for the next 5-10 years including the next wave of projects to enter early planning stages in the project lifecycle and Metrolinx business case framework. The updated RTP will support Metrolinx's role in connecting communities through an integrated, sustainable regional transit network for all.

9.2 Simplifying Fares and Integrating Services in the Region to Increase Affordability and Convenience of Transit

The objective of fare and service integration is to enable a more integrated regional transit network that fully leverages current and historic investments in transit infrastructure and to make transit cheaper, faster, and more convenient and accessible for customers. Achieving this objective will make it easier and more affordable for customers to transfer between systems. This includes working towards improving service coordination, schedules, and transfers across boundaries and at key transit hubs and destinations. Metrolinx will continue working with MTO and local transit systems to support the long term vision of an integrated regional transit network. In 2024-25, Metrolinx will build on these achievements and implement fare and service integration initiatives.

Fare and Service Integration Initiatives being implemented in the immediate term



Optimizing Transit Investments and Regional Transit Planning



Operational Excellence

- **Implementing Ontario's One Fare program** with free transfers that will remove double fares between GO Transit and the TTC and between neighbouring 905 transit partners and the TTC for fares paid via the PRESTO system. The free transfers will be funded by the Province of Ontario with subsidy flowing through Metrolinx to all impacted transit agencies. This program builds on and will integrate with previous efforts to provide free transfers between most other GGH transit agencies and GO Transit.
- **Working with local transit agencies and MTO to advance service integration**, for example through cross-boundary transit service integration pilots, maximizing local connections to GO, and coordinating services and transfers at key hubs.
- **Working with local transit agencies and MTO to make further progress on the next stages of fare integration**, for example by exploring fare concession harmonization, considering the removal of remaining double fares in the GGH through the expansion of the One Fare program, and assessing future options for the GO affordability pilot that provides GO Fare discounts to low-income customers who are enrolled in Peel's Affordable Transit Program.

9.3 Improving Customer Options to and from Stations

Improving transit is about more than just upgrading vehicles, timetables, and routes. It is also about making it easier to get to and from stations, beyond using a car. As ridership increases, Metrolinx is working on making it easier to take local transit, use ride-sourcing services (e.g., ride-sharing, taxi), walk, bike or use other active modes to stations. The expected growth in ridership, combined with land use intensification and re-urbanization of Major Transit Station Areas, means that in most cases, it will no longer be practical or desirable to meet GO ridership growth primarily through parking expansion. The path forward is outlined in 2041 GO Station Access, published to the Metrolinx website, and shared with stakeholders. In 2024-25, Metrolinx remains focused to improve customer options to and from stations.

Improving Customer Access to and from Stations



Optimizing Transit Investments and Regional Transit Planning



Delivering Partnership & Non-Fare Revenue Initiatives

- **Advancing paid parking options to provide more certainty for customers**, a key part of the Station Access Plan, as a way to meet customer needs and new revenue source.
- **Implementing the 2041 Station Access Plan (SAP)** by prioritizing station access infrastructure improvements and working with sponsors on funding opportunities and promote walking, biking, and transit to GO customers.



Building a Sustainable and Future Ready Transit System



Supporting Government-wide Initiatives

- **Collaborating with municipalities and service providers** to increase service integration and access to stations via station access upgrades, transit supportive guidelines, better local / inter-community bus service integration to stations, safe drop-off zones, new multi-use paths and new bike infrastructure to help customers get to their GO station.
- **Leveraging completed Station Site Plans** to build a customer-centric station needs database that makes 2041 station requirements information easily accessible and navigable to support integrated decision-making.

9.4 Improving Accessibility and Navigation

As one of the largest transit providers in Canada, Metrolinx is seeking to be an inclusive and universally accessible transit provider, setting a standard that others can follow on how to best accommodate our customers. For 2024-25, we are currently working on a number of initiatives that will undoubtedly make the future of transit more equitable, inclusive, accessible and easier to navigate throughout the GGH.

Making the Future of Transit More Inclusive and Easier to Navigate



Optimizing Transit Investments and Regional Transit Planning



Ensure Safety

- **Conducting a GO Transit network-wide audit** for accessibility and universal design, as well as documenting existing, in-the-field signage.
- Establishing an internal stakeholder process for supporting achievement of ***Accessibility for Ontarians with Disabilities Act, 2005 (AODA) compliance reporting*** to the Provincial government.
- Becoming the first public transportation provider in North America to join the Hidden Disabilities Sunflower Program to **support customers with non-visible disabilities**. Metrolinx will also champion the Sunflower Program and meet with various other transportation agencies to advocate for their implementation of the Sunflower Program.
- **Joining AccessNow as a Verified Customer** and provide accurate and up-to-date information on the AccessNow app as to how customers with disabilities can utilize GO Transit.
- **Providing a public, accessible version of the Metrolinx Universal Design Standard DS-02** for other transit agencies/municipalities to implement, for cohesion across the region/Province and to support consistency for customers with disabilities.
- **Working to improve French Language Services** by supporting the Provincial government with French language compliance and naming options.
- **Supporting service integration** with network map roll-out across municipal transit service providers to improve navigation in the region and to help ensure continuity for customers and to make travel as easy as possible.
- **Initiating Indigeneity into naming and acknowledgment at Stations** in an effort to meaningfully recognize and honour Indigenous communities as part of the infrastructure where Metrolinx is the owner/operator.

10.0 Metrolinx Internal

10.1 Building and Sustaining a Strong, Capable and Inclusive Workforce

Metrolinx is ensuring that the capacity and capability of our workforce is consistent with the organization's vision, mission, and strategic priorities. Metrolinx has made progress in delivering on these commitments by developing and engaging our employees, attracting, and retaining talent, and building a culture of equity, diversity and inclusion. In addition, Metrolinx has been driving change in all parts of the organization through continuous improvement and project management competencies that enable and empower employees to identify and remove waste. Building on the progress achieved on these key areas, Metrolinx will continue to pursue several key business improvements in 2024-25 with a specific focus on mitigating the enterprise talent risk.

Key Business Improvements with a Specific Focus on Mitigating the Enterprise Talent Risk



Operational Excellence



Supporting Government-wide Initiatives

- Developing and implementing strategies that will **drive an improved leadership experience and leadership accountability including embedding equity, diversity, inclusion and belonging into our culture**, to enable Metrolinx to effectively support and engage our employees.
- **Insourcing Disability Management** as part of a holistic, wrap around care model to provide an improved employee experience, reduce employee absence and improve business continuity.
- **Reviewing and revamping talent management and attraction programs**, the employee value proposition and other HR policies to effectively attract, retain and develop strong talent.
- Enabling broader business objectives through **tailored, data-driven and strategic advice to clients** that takes into account individual pain points and concerns.
- **Optimizing our current and future workforce** so that we can attract and retain our talent, develop strong talent pipelines and deliver the best public service.

As of December 31, 2023, total headcount of active unionized and non-unionized employees on the payroll was 6,700; consisting of 6,359 regular full-time ("FT"), 130 regular part-time ("RPT"), 122 long-term contract ("CLT") and 89 short-term contract ("CST") employees. In addition, there were 273 employees on leaves of absence (including medical, parental, maternity, Workplace Safety & Insurance Board "WSIB" and other leaves) and 20 students (comprised of co-op students, summer students, interns, research fellows and articling students).

It is important that our workforce represents and reflects the communities we serve. As such, Metrolinx is dedicated to building an equitable, diverse, inclusive, and safe workplace. To enable this work, Metrolinx is committed to supporting and developing our workforce to ensure they have the skills and supports necessary to be successful now and into the future. This includes the continued implementation of our Leadership Strategy and leadership development framework to ensure our leaders are equipped to support employees to be successful; redesigning learning and development strategies to upskill our talent to meet future needs; developing innovative Youth and New Talent strategies to build a diverse future pipeline; strengthening our efforts to build a highly engaged workforce; enhancing partnerships; advancing our equity, diversity, inclusion, anti-racism and accessibility priorities, including through Metrolinx's first Equity, Diversity and Inclusion Strategy, implementing initiatives to promote the health, wellness and safety of our people and driving the strategic objectives and other priorities outlined in the business plan.

Metrolinx is also optimizing our people through the introduction of new strategic workforce planning models, enhanced labour relations with our bargaining agent partners, strengthened people analytics capabilities as well as robust talent attraction and retention strategies. As part of our compensation strategy, Metrolinx regularly reviews total rewards, including employee benefits, to assess competitiveness with the market, based on formal benchmarking to support talent attraction and retention.

It is essential that we continually check in with our employees to understand their experience and address any areas of opportunity. Each year the organization conducts an employee engagement survey. Six-months later a check in survey is conducted to help leaders track their progress in addressing areas identified and to implement actions if needed.

10.2 Advancing Information Systems and Technology Capability

Metrolinx utilizes advanced information systems and technology to deliver transit services to our customers. Many different types and sizes of projects – small, medium, and large – are deployed to deliver value-added service for internal groups of the organization in support of the commuters who use Metrolinx services as part of their daily lives.

Metrolinx has made considerable progress in implementing these projects, including a strengthened cybersecurity focus, as well as the implementation of applications and solutions to support transformations and improvements across the organization, including those for transit operations and safety. Building on the progress achieved on these key areas, Metrolinx will continue to pursue a number of key business technology deliverables in 2024-25.

Continuing to Pursue key business technology deliverables



Operational Excellence



Delivery of Rapid Transit



Governance and Accountability



Government-wide Initiatives



Ensuring Safety

- **Continued evolution of cybersecurity capabilities** to minimize, monitor and manage operation technologies, rapid transit systems, Network Operations Centre (NOC) and customer-facing technologies. These enhancements are necessary to ensure continued operations of regional and provincial transit operations and protect public safety.
- **Build client focused strategies** that will enable technology as a partner for everyone across the organization and effectively **support readiness for the new rapid transit and subway projects** coming into service.
- **Evolve our transit and customer facing technology solutions** including seamless customer experience across sites and automation of alerts to customers.
- **Scale automation along with data and analytics program** to drive timely and effective decisions across Metrolinx.
- **Deliver resiliency for critical systems.**
- **Leverage AI and General AI** to enhance decision-making, operational efficiency, customer experiences, equipment maintenance, route optimization, and personalized customer service.

10.3 Actively Engaging with Communities

Metrolinx's communications and community engagement division is transforming through enhanced integration with project delivery, operations, and business strategies. The result is an always-on and proactive communications approach that enables audience engagement by making it easier for residents to connect with us. With a regional focus, the community engagement division operates as a one-window across the GGH.

The community engagement division communicates early and often, which is critical to enabling capital and operating portfolios by managing reputation. Metrolinx works with project delivery partners in the spirit of being a good neighbour. Community and safety walks are conducted in advance of construction or before construction mitigation plans are finalized. This includes liaising with residents and businesses, ensuring project benefits are shared. Community engagement's multi-faceted approach to outreach connects with residents where they are, including engaging with underserved and equity seeking groups in the ways that they need us to do so. We communicate through open houses, construction and community liaison committee meetings, door-to-door canvassing, and information tables in key community spaces, as well as through our digital channels. Doing so increases positive public impression and trust, while centring Metrolinx's engagement channels as a reliable resource.

Metrolinx's capital projects will improve the connectedness of communities across the region; while doing so, we are committed to building and fostering relationships with local businesses and residents who experience the temporary impacts of our construction. By providing increased lines of communications sooner, we help businesses and residents plan as we deliver much needed transit to these communities. Through various tables, Metrolinx seeks to understand and address the needs of businesses throughout the lifecycle of our projects by providing opportunities for business input into construction management plans, shop local marketing campaigns and local procurement opportunities. Our goal is to demonstrate how we improve lives through transit and help communities and business navigate through construction disruption. In 2024-25 our focus will be on delivering community campaigns centred on construction safety, understanding how we are mitigating the impact of construction, how we will maintain community access and mobility around construction sites and reminding residents that we are here for them through our community engagement team.

Demonstrating how we improve lives through transit and helping communities and business navigate through construction disruption



Delivery of Rapid Transit



Expanding GO Transit

- **Demonstrating transparency** through launching public participation/engagement.
- **Launching the Community Engagement Tours program** to support the delivery of our capital programs by providing an opportunity for our partners to see first-hand how the community is at the heart of our decisions, thereby improving our decision-making.
- **Leveraging data-driven insights** through updated research and developing a customer-centric "experience map" to increase awareness and improve experiences for residents that are highly impacted by transit development.
- **Developing a draft design engagement framework** for community feedback in partnership with the Design team.

Exhibit 14: Engaging Communities

50+	Municipalities
685+	Elected officials
8M+	Residents
19	Languages



**Governance and
Accountability**



**Government-wide
Initiatives**

- **Completing program design and launch of the Good Neighbour program** by embedding key outcomes across the project lifecycle, contracts and delivery requirements.
- **Implementing the Community Benefits and Supports Four-Pillar program.**
- **Developing and opening additional community offices**, including the Yonge North Subway Extension community office, Hamilton LRT community office and the Ontario Line Thorncliffe Park community office.

10.4 Building Relationships with Indigenous Communities

With growing investments in the Metrolinx capital program that have the potential to impact Indigenous communities' Aboriginal and treaty rights, Metrolinx is strengthening its capacity to fulfill the Duty to Consult and uphold constitutionally protected Aboriginal and treaty rights, and be successful in delivering its capital program. To that end, Metrolinx has established the Indigenous Relations Team (IRT), which has been working with Indigenous communities with rights and interests in the Metrolinx operating area to consult and engage on projects, as well as build and advance productive relationships through meaningful collaboration.

In 2024-25, Metrolinx is strengthening processes around Indigenous consultation and Duty to Consult assessments to support meaningful engagement and fulfillment of Duty to Consult.

Implementing A Three-Pronged Approach



**Building a Sustainable
& Future Ready
Transit System**



**Optimizing Transit
Investments and
Regional Transit
Planning**

- **Building out the Metrolinx Indigenous Relations Team** and preparing processes and training for Metrolinx staff.
- **Fulfilling consultation obligations** when projects have the potential to adversely impact Aboriginal and treaty rights.
- **Working with the provincial government** to ensure alignment of consultation approaches.

10.5 Implementing Workplace Strategy to Optimize Office Space

The workplace environment is a key contributor to overall employee engagement and retention, which are foundational elements in the delivery of Metrolinx strategic objectives. Business and employee expectations continue to evolve within the post pandemic work environment, resulting in new demands on how office space is optimized. This includes a growing need to undertake updates to office space that support collaboration and increased office presence, as well as replacement of office leases which have expired resulting in a 25 per cent reduction in office footprint since 2020-21. Workplace is quickly reaching a critical point with the need to manage multiple organizational demands through short term measures to mitigate capacity shortfalls. By working together with the Provincial government, Metrolinx will assess the need for new leases, designs and fit-outs to new space (downtown or regional) and undertake a change management effort to align staff with work location.

The updated strategic plan takes a holistic view that considers the provincial directive, provincial approvals, post pandemic work needs for utilization, the unique working needs of each team, change management, and technology. Metrolinx is working to increase the in-person work frequency of our employees to maximize collaboration, efficiency

and overall performance. This workplace strategy will enable new ways of working, through increased density of teams to enable greater team collaboration while delivering economic benefits, flexibility of space to maximize utilization, and build data capability to support fact based organizational decision on current and future space requirements.

Continuing to Progress on Workplace Strategy



- **Support modern ways of working** through enhancement / expansion of collaboration elements through refresh of existing office space.
- **Further optimize office space** through reducing on-site file storage.
- **Finalize the Workplace location plan** by working together with the government and assess realty need for new leases, design and preparation of the new locations.
- **Support evidence-based decisions** by leveraging insights from data analytics on office space utilization.
- **Increase Meeting Room Availability** to support team based interactions.

10.6 Environmental, Social and Governance (ESG)

Sustainability is one of Metrolinx’s key organizational priorities and is embedded throughout our core functions. Our sustainability efforts put people first, and our approach is to work with Indigenous communities and consider all stakeholders, including future generations, in our business decisions. By putting people first, we ensure our long-term viability as a business and as an organization by reducing our environmental footprint, strengthening our economic bottom-line and enhancing our responsibility to our customers, employees, and communities.

In 2024-25, Metrolinx will continue to advance integration of ESG into its business strategy, planning and reporting processes to foster enterprise-wide management of ESG issues, and which will continue to inform future iterations of the annual business plan. The annual report will be complemented by an in-depth Annual ESG report that highlights our accomplishments, progress, impacts and plans going forward, the first of which was posted on the Metrolinx website in fall 2023-24.

Integrated and enterprise wide ESG strategy



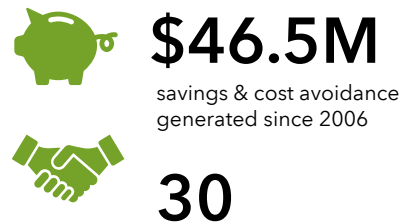
- **Maturing an enterprise-wide ESG program** with updated material topics which reflect Metrolinx’s mandate, mission, vision and values, and which will influence annual strategic objective setting.
- **Continuing to advance integration of ESG into enterprise-wide business planning, and business performance and risk reporting**, which will continue to inform future iterations of the annual business plan.
- Complementing the annual report with an **enhanced in-depth Annual ESG report** that highlights our accomplishments, impacts and plans going forward, the first of which was posted on the Metrolinx website in fall 2023-24.

10.7 Transit Procurement Initiative

Metrolinx’s Transit Procurement Initiative (TPI) has been delivering procurement services to our municipal partners by aggregating quantities, collaborating to standardize technical specifications, and eliminating duplicate procurement processes. The joint procurements lower unit costs and increase the quality of goods for transit systems. Despite the challenges the public transportation sector has endured because of the pandemic and ongoing impacts to the supply chain, TPI surpassed the \$1.15 billion contract purchases mark and has awarded its first battery electric bus joint procurement.

Throughout 2024-25, Metrolinx will continue to support the TPI program to allow partnering municipalities to procure goods and services more efficiently, maximize their investments, and emphasize focus on their transit users’ needs.

Exhibit 15: Transit Procurement Initiative Key Stats



Supporting the TPI Program

Government-Wide Initiatives

Operational Excellence

Building a Sustainable & Future Ready Transit System

Optimizing Transit Investments and Regional Transit Planning

- **Continuing to focus on battery electric buses** and establishing TPI as a centre of expertise and go-to resource for transit fleet electrification.
- **Increasing the number of active contracts** to grow the TPI program’s footprint and increase the overall program cost recovery revenue for Metrolinx.
- **Improving client satisfaction and adding value to purchases** for transit agency partners through technical expertise and collaboration.
- **Improving on the program’s cumulative financial benefits**, such as administrative cost avoidance, and capital and operating savings from transit agencies.

11.0 Multi-Year Corporate Performance

11.1 Operating Budget

Metrolinx's 2024-25 operating budget submitted to the government in fall 2023 includes a planned operating subsidy requirement of \$1,146.9 million, which includes projected total expense of \$1,975.7 million including \$29.6M long-term interest on capital projects, bid fees of \$12.2 million, total revenue of \$808.4 million and proceeds from sales of assets of \$32.6 million.

For 2025-26 and 2026-27, Metrolinx is currently projecting an operating subsidy requirement of \$1,115.7 million and \$1,130.3 million respectively, with growth in revenue mainly driven by forecasted improvement to ridership and the corresponding fare revenue. Total revenue is forecasted to increase to \$840.0 million in 2025-26 and \$870.0 million in 2026-27, representing year-over-year increases of 4.0 per cent respectively. Ridership is anticipated to strengthen in the outer years and recover to 2019-20 levels by 2028-29. Proceeds from sales of assets is estimated at \$113.3 million in 2025-26 and \$52.8 million in 2026-27. Projected fare revenue and non-fare revenue figures reflect Metrolinx's operating budget submission to the government in fall 2023.

Total operating expense is projected at \$2,069.0 million and \$2,053.1 million respectively in 2025-26 and 2026-27, primarily to deliver on expanded mandate, to support the operationalization of new LRT assets coming into service and new GO services across the region.

Exhibit 16: Multi-Year Operating Budget Plan and Outlook

(\$M)	2024-25 Plan	2025-26 Outlook	2026-27
Total Revenue	808.4	840.0	870.0
Total Expense	1,975.7	2,069.0	2,053.1
Net Operating Requirement	1,167.3	1,229.0	1,183.1
Bid Fees	12.2	0.0	0.0
Proceeds from Sale of Assets	32.6	113.3	52.8
Planned Subsidy Requirement	1,146.9	1,115.7	1,130.3

Note:

Operating budget figures reflect our planned revenues and expenses as originally submitted to the government in fall 2023 and for comparative purpose exclude impact of the One Fare Program. See section 9.2 for further details on the One Fare program.

Bid fees represent expenses associated with capital project procurement. Proceeds from sale of assets consist of proceeds from TOC program.

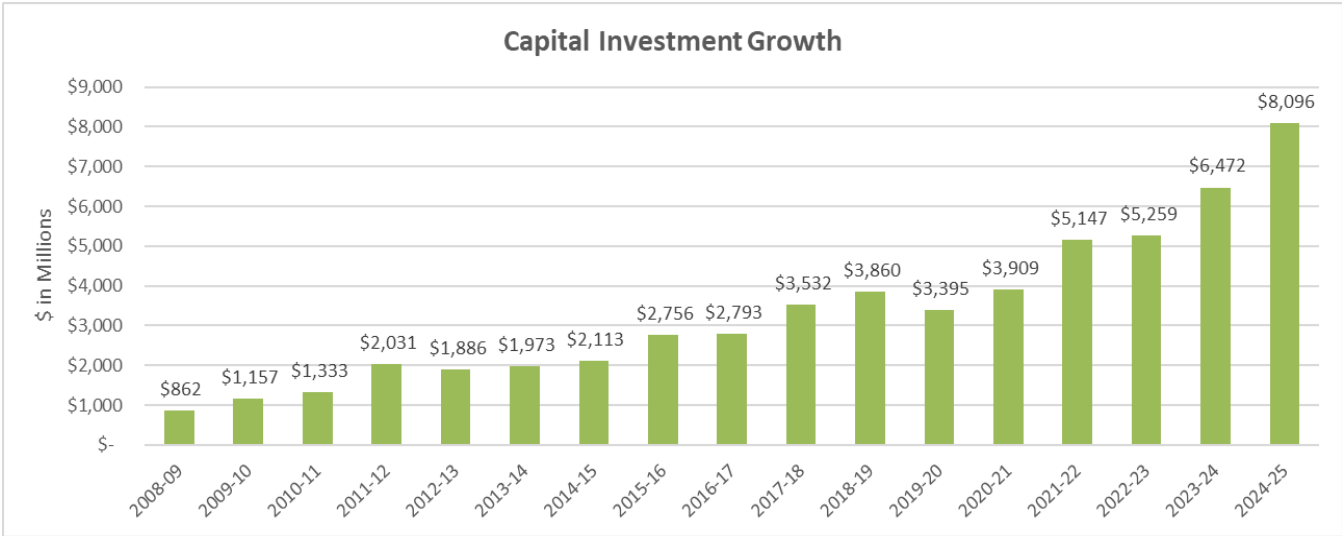
Operating Expense also includes long-term interest on capital projects.

11.2 Capital Investment

Based on the budget submitted to the government in Fall 2023, Metrolinx is projecting a capital budget of approximately \$8.1 billion in 2024-25, with the majority of the required funding provided by the Province of Ontario. Other funding sources include contributions from the federal government and GTHA municipalities. With the Province's investment in the GO Expansion and Subways Program, growth in the capital plan has been significant in recent years. When compared to the prior year budget, the 2024-25 projected budget is approximately 40 per cent higher as more projects are expected to transition from its procurement phase into development and construction phases. For historical comparison, the capital budget has grown from less than \$1 billion in 2008-09 to approximately \$8.1 billion in 2024-25. Exhibit 10 shows the growth in capital investment since 2008-09, as a reflection of increasing investments into transit over successive years and it highlights the organizational key success factor of increasing annual capital delivery capability.

The majority of the 2024-25 capital budget relates to subway projects, GO Expansion, and the continued construction of the LRT projects. As well, there are investments into enabling technologies, such as payment systems, and capital rehabilitation work to keep assets in a state of good repair.

Exhibit 17: Capital Investment Growth



Note: Amounts prior to 2022-23 represent actual incurred costs. 2023-24 figures are interim actuals (Q2) and 2024-25 are budget outlook.

Exhibit 18 provides a five-year rolling capital plan.

Exhibit 18: Metrolinx Five-Year Capital Plan

(\$ in millions)	2024-25	2025-26	2026-27	2027-28	2028-29
Total	\$8,096	\$11,268	\$9,266	\$9,034	\$8,094

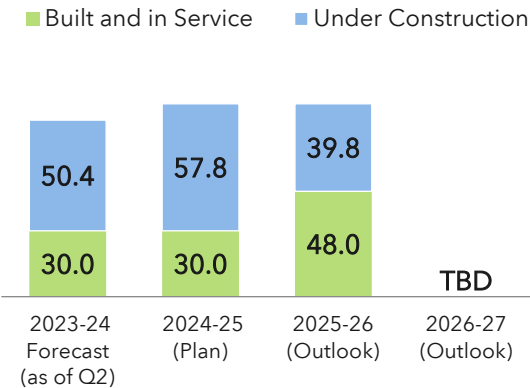
11.3 Performance Measures and Targets

Our corporate key performance indicators (KPIs) measure both our operations performance in delivering service and our capital infrastructure build performance, and report the organization’s performance to the public and MTO. These corporate KPIs are reported against targets which are developed in alignment with the budget endorsed by our Board of Directors and submitted to MTO as part of the provincial budgeting process.

New Rapid Transit Corridors

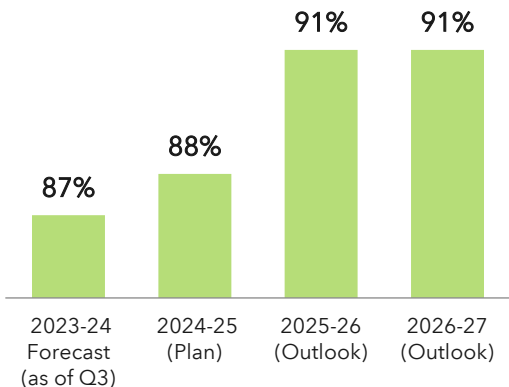
New rapid transit corridors KPI measures the number of kilometres of rapid transit corridors that are under construction, built and in-service. Metrolinx has built and placed in service 39 kilometres of rapid transit since 2013-14. As of March 2024, Metrolinx had rapid transit projects spanning a total of over 80 kilometres in construction or undergoing final testing and commissioning activities: this includes the 19-km Eglinton Crosstown project and 11-km Finch West project, for which major construction activities have now wound down but handover has yet to occur. Each project’s actual in-service date will be determined based on their respective contractors demonstrating the assets are safe and reliable for the public, and declared three months in advance. For business planning purposes, Metrolinx has made internal preparations to support launch if these milestones are achieved in fiscal year 2024-25. Construction on the Hazel McCallion Line (~18 km) and major components of the Ontario Line (~15.6 km), Scarborough Subway Extension (~7.8 km) and the Eglinton Crosstown West Extension (~9 km) will continue to advance in 2024-25. The Yonge North Subway Extension (~7.4 km) is planned to begin construction on its advance tunnel package in late 2024-25. A construction start date for the Hamilton LRT will be identified once procurement begins and the project’s 14 km corridor has not been reflected in the above figures.

Exhibit 19: New Rapid Transit Corridors



PRESTO Adoption

Exhibit 20: PRESTO Adoption



PRESTO Adoption measures the percentage of ridership with fares processed by the PRESTO system. As of November, fiscal year-to-date Adoption was above the in-year target of 84 per cent, reaching 86.6 per cent. With commuters now being able to tap their Interac debit cards and credits cards on PRESTO devices throughout all GTHA transit agencies, including the TTC, Adoption increased 2 per cent-points vs. the previous fiscal year.

PRESTO Adoption is expected to increase as we introduce enhanced products and services, aimed at streamlining and enriching the transit experience for commuters. This anticipated growth will be driven by the launch of new fare payment methods scheduled for 2024-25. After a successful launch of PRESTO in Google Wallet, we are now looking forward to

expanding this offering to other major mobile wallet providers, aligning with our commitment to making PRESTO more accessible and convenient for everyone. The popularity of U-Pass university transit pass programs enabled through our E-Ticket product continues to capture fares that were otherwise processed outside of the PRESTO system.

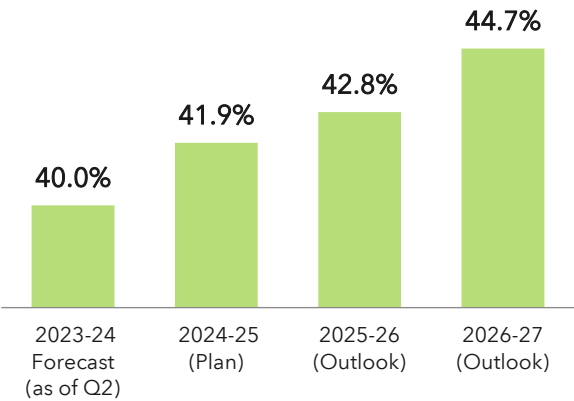
Additionally, the PRESTO E-Tickets solution streamlines the various E-Ticket options currently managed by individual transit agencies, bringing a new level of efficiency and integration to our system. Building on these advancements, PRESTO is actively pursuing innovative payment solutions to better serve our cash-paying customers, a key segment for increasing PRESTO Adoption. Our goal is to enhance convenience and encourage a shift towards using PRESTO solutions that will enable fare integration across transit agencies.

Cost Recovery Ratio

The cost recovery ratio (CRR), measured as the ratio of total revenues (excluding proceeds from sale of assets from TOC program) to total operating costs (excluding long-term interest expense for capital projects, write-offs, pension adjustment and bid fees associated with capital project procurement), represents the extent to which the organization’s operations are self-funded.

For fiscal year 2024-25, Metrolinx is budgeting for a CRR of 41.9 per cent reflecting ridership recovery projection as of fall 2023. Moving forward, CRR will continue to be impacted by customer behaviour changes and employees returning to the office. Operating expenses continue to be scrutinized to maximize cost efficiency during this post-pandemic period. The improvements in operational efficiencies and revenue are in alignment with organizational key success factor of improving cost recovery ratio within the three-year period and beyond. These KPI figures reflect the operating budget submitted to the government in fall 2023.

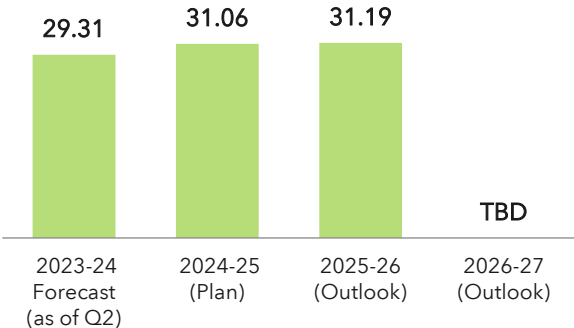
Exhibit 21: Cost Recovery Ratio



Note: The chart above excludes expenses such as long-term interest expense for capital projects, write-offs, pension adjustment, third party reimbursements and bid fees associated with capital project procurement. Revenue excludes proceeds from sale of assets from TOC program.

Cost Per Revenue Kilometre

Exhibit 22: Cost per Revenue Km \$



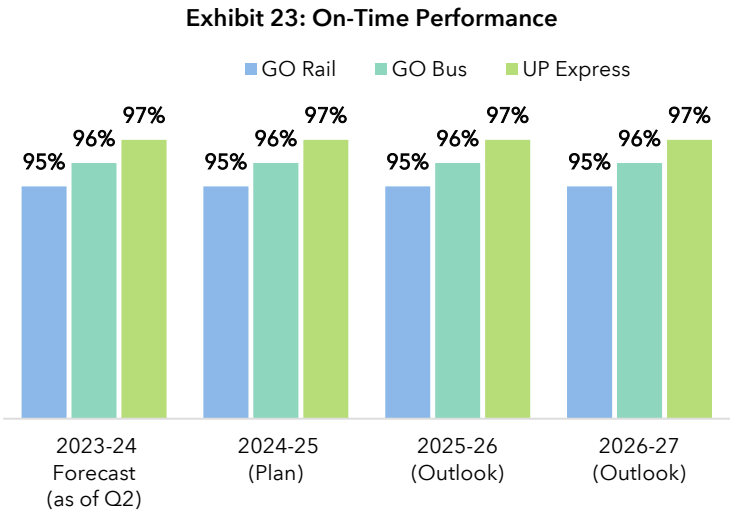
For fiscal year 2024-25, cost per revenue kilometre is predicated on reinstated services across all services (GO rail, GO bus and UP Express) and service enhancements planned for GO rail. Bus is expected to increase service to 24 per cent of pre-COVID levels, UP Express is expected to operate at pre-COVID frequencies, while GO rail is expected to reinstate service to 102 per cent of pre-COVID revenue kilometers to support further service increases (e.g. 30-minute service on the Kitchener corridor, reinstatements of peak weekday service on the limited lines). The outlook on this metric for future years is based on service increase assumptions and enhancement annualization, as well as increased service under GO Expansion / OnCorr.

Higher cost per revenue km due to GO Expansion / OnCorr will be offset by ensuring service increases are applied in a manner that serves to optimize costs. Projected cost per revenue km targets remains achievable for the longer-range forecast as economies of scale and efficiencies are expected to occur as service levels increase.

On-Time Performance

The On-Time Performance (OTP) KPI measures the punctuality of GO Rail, Bus and UP Express services.

The On-Time Performance (OTP) KPI measures the schedule adherence of GO Rail, Bus and UP Express services. As the service commitment that GO offers is different than that which UP Express offers, the OTP KPIs are calculated using different methods. The OTP measure for GO Rail is defined as within five minutes of scheduled arrival time and for GO Bus as being within 15 minutes of scheduled arrival time. The OTP measure for UP Express is defined as within five minutes of targeted journey time. OTP improvement efforts and process changes are expected to significantly improve blended OTP during the rest of the fiscal year (Q3 and Q4) and meet the target. Ongoing construction and infrastructure development work on the network is a major risk to service performance.



Metrolinx is implementing strategies to mitigate this. For future years, the outlook continues to be meeting or exceeding the individual targets for each of the services and meeting the blended OTP target.

Customer Satisfaction

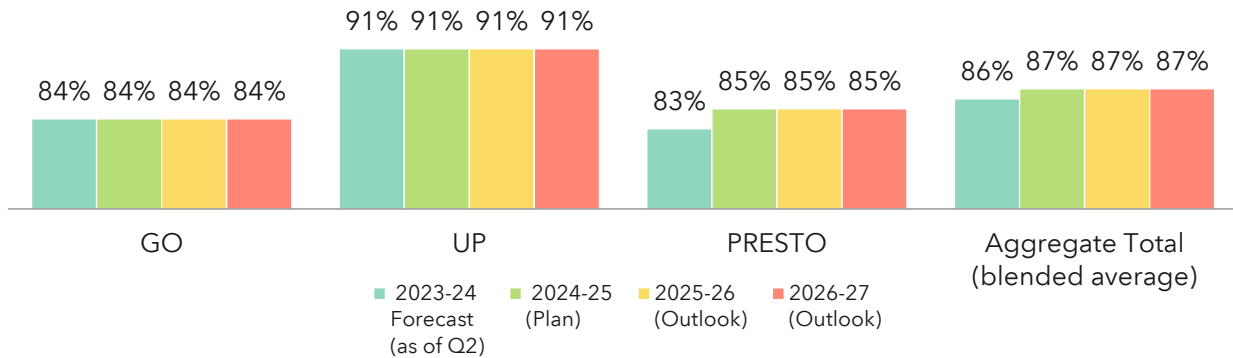
In 2024, Metrolinx will continue to improve the customer experience across GO and UP services by providing additional capacity, frequency and travel options, as we continue to ridership recovery.

We will pay close attention to ambiance, cleanliness and how our customers feel, while providing a consistent experience across their journey at our stations, terminals and on-board our services. Our focus on staff availability and deployment includes the provision of specific roles created to support customers on their day-to-day journeys, and during planned and unplanned service disruptions. We will ensure our customers receive accurate and reliable information by continuously improving information through enhanced digital departure screens, real-time information, and increased station and on-board announcements.

Safety remains a top priority across GO and UP services in 2024. We will continue to expand our focus on new customer-facing station roles created to help improve customer safety through visible security patrols and conflict resolution / de-escalation tactics, while also helping to connect vulnerable persons on our network with social service supports. This role forms part of our enhanced Vulnerable Persons Strategy which will be implemented in 2024.

UP Express customer satisfaction will be supported by the return of extended end-of-service hours to enhance customer reliability and flexibility, while we continuously improve comfort, capacity and the overall customer experience. Increased digital signage and information, crowding and queuing reduction processes, as well as effective staff deployment will ensure our customers prefer UP Express as the stress-free option for travel between Pearson airport and downtown Toronto.

Exhibit 24: Customer Satisfaction



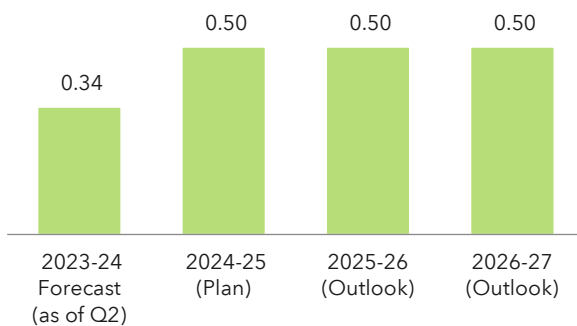
In February 2023, Metrolinx implemented an approach to bring the PRESTO Deep Dive CSAT (bi-annual) and Pulse CSAT (monthly) survey methodologies into alignment. Prior to the change, Deep Dive and Pulse data could not be directly compared due to different sampling and weighting methodologies. The year-to-date PRESTO CSAT score as of December for the 2023-24 fiscal is 78 per cent, based on the average across these surveys.

In 2024-25, the approach to improve CSAT includes leveraging customer feedback from surveys, contact centre and our digital and retail channels, and a continued focus on LEAN continuous improvement. Increased adoption on recently launched modern payment methods (PRESTO Contactless Debit and Credit and PRESTO Mobile Wallet), continued focus on improving the PRESTO website, app, interactive voice response system and quality in the contact centre will enable us to continue delivering exceptional satisfaction to transit riders across the region.

Safety - Lost Time Injury Frequency Rate (per 200,000 hours worked)

All Parties LTIFR

Exhibit 25: Lost Time Injuries (All Parties - per 200,000 hours worked)



Note: LTIFR out-year forecasts are based on the target established in the 2023/2024 Strategic Objectives and are subject to change. LTIFR is based on a 12-month rolling average.

The LTIFR is measured as the number of lost time injuries (an approved claim by an injured worker who is unable to return to work following an incident), reported on a 12-month rolling average per 100 Metrolinx employees (200,000 hours worked).

The All Parties LTIFR includes employees from Metrolinx and contractors performing work for Metrolinx such as train operations, track and asset maintenance, and construction contractors. Metrolinx is working closely with all contractors to support the identification and resolution of root causes that may contribute to lost-time injuries. This includes strategies for implementation and guidance in investigations.

continued reduction of the target demonstrates our commitment to an ambitious and targeted management of employee and staff safety. At the close of the 2022-23 fiscal year, the All Parties LTIFR was 0.62, falling well below the

For the 2023-24 fiscal year, Metrolinx reduced the LTIFR KPI to 0.50 per 200,000 work hours; the

previous target of 0.75. With this successful surpassing of our LTIFR targets, Metrolinx continues to investigate and implement goals to maintain a safe working environment.

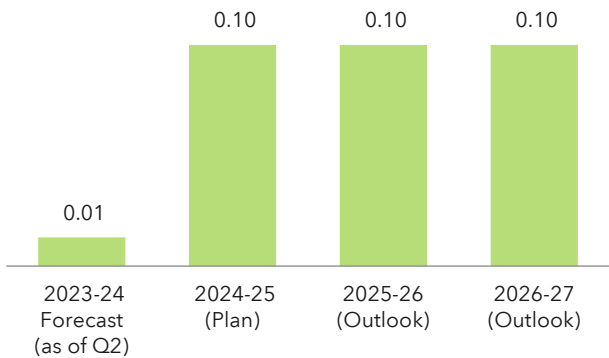
Workplace safety incident reporting has typically centered around the lagging indicator of injuries or illnesses, but these types of metrics fail to provide insight into the potential risks that can cause injuries or illnesses if left unresolved. To address this gap, a Near Miss program was launched in March 2023 with associated training, new and updated reporting standards, and integrated dashboards for insight and trends analysis. These resources establish processes to support the data capture, investigation and reporting processes for workplace safety events.

Metrolinx will continue to implement targeted injury reduction action plans to lower the frequency and severity of lost-time injuries in our major contributing groups. The agency will leverage the insight provided by near miss reporting, review of our serious injury and fatality exposure, and leveraging our safety risk work to develop proactive mitigation early. For further details on key initiatives related to safety please see Section 5.1 A Secure Journey for Customers and Improved Operational Safety for Employees.

Metrolinx continues to review our policies and standards to ensure employees and contractors are working in the safest conditions possible, while also meeting our targeted deadlines and providing quality service to our clients.

Construction Contractor LTIFR

Exhibit 26: Lost Time Injuries (Contractor - per 200,000 hours worked)



Note: LTIFR out-year forecasts are based on the target established in the 2023/2024 Strategic Objectives and are subject to change. LTIFR is based on a 12-month rolling average.

Although Metrolinx has consistently maintained a low contractor LTIFR, work is ongoing to further ingrain a strong safety culture throughout constructions activities and onsite our capital projects. Metrolinx is committed to cross-divisional work that will embed safety behaviours through updated standards and training, rigorous construction activity oversight, and active site visits and investigations, when required.

A steady decrease in contractor lost-time injuries is attributed to actions which will continue through the 2024/25 fiscal year. Metrolinx is establishing guidance on worker interface and practices at construction sites to reduce the risk of injury. Dedicated safety oversight has been a key strategy to holding contractors accountable for determining root cause and putting in place appropriate corrective actions to reduce or eliminate recurrence.

This includes the use of clear language in contractual agreements to ensure contractors are aware of their safety responsibilities, a major factor in maintaining a successful LTIFR.

Continuous inspections and auditing of contractors’ compliance to regulations remain ongoing with follow-up on non-compliance, corrective actions and recommendations, and monitoring for improvement. The Operating and Safety Division has established roles to implement improvement to construction and worker interface, with dedicated supports based on project delivery streams.

Engaged communication with contractors onsite, including leveraging programs like Boots on Ballast, team huddles, and active safety reporting to identify and mitigate safety risks or hazards quickly and effectively, help to keep safety top of mind. For further details on key initiatives related to safety please see Section 5.1 A Secure Journey for Customers and Improved Operational Safety for Employees.

11.4 Enterprise Risk Management

Metrolinx continues to enhance the Enterprise Risk Management (ERM) program, which is overseen by the Office of the Chief Risk Officer (CRO) and has partnerships with all organizational divisions. The partnership drives risk awareness, active risk management, prioritization of resources and ensures the organization adheres with Ontario's Enterprise Risk Management Directive.

Metrolinx continues to review risks at the enterprise, program and project levels, considering our landscape, vision and mission. This is to ensure that not only our capital assets, but most importantly, our customers are top of mind when considering risk including, but not limited to, the customer experience and safety.

In 2024-25 Metrolinx will continue to regularly identify, assess and appropriately manage risks, providing visibility at several organizational levels enabling integrated and sound-decision making. Enhanced scoring methodologies established as well as relevant categorization of risk further strengthens knowledge and visibility into the organizational risk landscape, supported by sound data analytics. The risk and mitigating strategies have been reflected throughout the business plan's strategic priorities and key organizational initiatives. At Metrolinx, the Enterprise risks reported belong to the following risk categories:

Exhibit 27: Risks and Tools

Risk Category	Key Risks	Risk Management Tools
Safety	Maintaining the highest transit safety standards while undertaking an unprecedented network expansion that includes increased construction activities, non-standard public interfaces and elevated operational complexity.	Safety Metrolinx has implemented a strict safety governance structure including required safety policies, standards and procedures. Safety governance, supported by the organization's safety management systems, will ensure Metrolinx continues to maintain the highest transit safety standards through meticulous coordination, safety oversight, monitoring and safety risk management. For organizational initiatives associated with this risk, please see Section 5.1 Improved Operational Safety for Employees and Secure Journey to Customers.
Operational	Risks associated with people, process, technology, security, compliance and implementation of mandate which can impact Metrolinx's ability to achieve its corporate objectives.	Information Technology The current initiatives underway to support the mitigation of Metrolinx technology risks are, at high level, listed below: • Delivering resiliency for critical systems; • Continue with initiatives across three-dimensional approach for Cybersecurity including Minimize, Monitor and Manage; and increase our defences in response to emerging threats through focus on zero trust as well as proactive monitoring. For organizational initiatives associated with this risk, please see Section 10.2 Advancing Information Systems and Technology Capability PRESTO Mitigation strategies for risks and PRESTO devices begin with awareness. Awareness is developed through various activities to assess customer sentiment and feedback from key stakeholders (e.g., Metrolinx Market Research team, transit agency partners, transit riders), including customer focus groups. This information feeds into

Risk Category	Key Risks	Risk Management Tools
		the planning, design, testing, and execution stages of new features and capabilities to ensure prioritization and enhancements to the PRESTO products and services. For organizational initiatives associated with this risk, please see Section 6.2 Customer Experience Operations – GO & UP Operations continuously monitors customer feedback to ensure we provide a safe and easy journey for our customers. Metrolinx continues to focus on operational excellence to support customer experience. This involves efforts to address and support service delivery related to increasing train service, fleet reliability, on-time performance and continue building a new GO regional railway through the GO Expansion program. Metrolinx further continues to advance the REB strategy to transition the GO bus Network from a radial to a connected network, enabling easier and more seamless travel across the region and greater connections with major centres in the region. This evolution responds to the travel patterns and needs of 1.9 million people who live and work in different suburban communities, accounting for 41 per cent of suburban and 25 per cent of total employment in the GTHA. Travel within and between these suburban communities is expected to exceed 50 per cent of the GTHA's total travel demand by 2041. For organizational initiatives associated with these risks, please see Section 5.0 Operations Operations – Rapid Transit There are currently 134 Metrolinx owned level crossings on the GO Transit network where publicly managed roadways intersect at grade with rail traffic. A public level crossing is a location where railway tracks intersect with a road that is owned by a public authority, such as a province, municipality, or band council, and used by the general public. In addition, there are currently 27 Metrolinx owned open private crossings on the network, mostly located on farm properties. A private level crossing is where railway tracks intersect with a road that is owned and used by private parties, such as farmers, commercial businesses, or private individuals. The GTHA is one of the fastest growing regions in North America. With the significant growth that is being experienced in the GTHA, road and rail traffic has increased at many level crossings. It is a priority of Metrolinx to ensure that all aspects of its operations are safe, including level crossings. Metrolinx currently undertakes a wide range of activities that support the safety at crossing locations, ranging from engineering activities (design and maintenance), to education and enforcement. Extensive and ongoing works is being carried out to further enhance the safety of level crossings.

Risk Category	Key Risks	Risk Management Tools
		For organizational initiatives associated with these risks, please see Section 5.0 Operations Human Resources Human Resources continues to work in partnership with all divisions of Metrolinx and has identified key strategies to support our ability to effectively attract, retain and develop specialized talent within our workforce. Work further continues to strengthen talent attraction practices for highly demand and niche skills or difficult-to-fill roles. For organizational initiatives associated with this risk, please see Section 10.1 Building and Sustaining a Strong, Capable and Inclusive Workforce Indigenous Consultation and Engagement A failure to fulfil consultation requirements with Indigenous communities with Aboriginal and treaty rights on areas where our capital program is being executed, may have implications to and impacts to both Metrolinx's reputation and capital program. To mitigate this risk, Metrolinx has established an Indigenous Relations Office (IRO) to build meaningful relationships with Indigenous communities. Consultation requirements are outlined by the Aboriginal Law Unit (ALU). Additionally, control mechanisms have been implemented for the organization to develop a clear line of sight for both Project Delivery Teams, the IRO and the ALU, supporting timely consultations with Indigenous communities. This approach has elevated the perspectives of Indigenous communities as part of advancing project planning. These efforts are grounded in the creation of Framework Agreement between Metrolinx and Indigenous communities enabling a mutually agreed upon process framework for consultation that is transparent and accessible.
Financial	Risks relating to and/or impacting revenue, funding of projects and operations, liquidity, financial reporting and movements in price of products and services, interest rates, currencies and commodities.	Metrolinx continues to implement business improvement plans to identify efficiencies, including optimizing train service levels and adapting services to best meet customer demand, as well as identifying additional revenue opportunities, to help manage financial risks. Metrolinx will also continue to closely monitor most recent ridership trends and the associated financial impact. For organizational initiatives associated with this risk, please see Section 4.0 Financial Sustainability Through Ridership Growth and Expansion of Non-Fare Revenue.

Risk Category	Key Risks	Risk Management Tools
Strategic	Pertains to Metrolinx's mandate and commercial environment. It can include risks that threaten to disrupt the assumptions at the core of Metrolinx's strategy.	Capital Projects Mitigating actions will vary according to the specifics of the project risk but will typically address through changes to process and systems, engagement with stakeholders, or deployment of specialist / dedicated resources (people). The foundations of mitigating actions must be achievable in a reasonable duration and measurable. As such all mitigating actions have an identifiable owner, and usually a life of no more than three months and, as appropriate, build on one another to reduce the risk to an acceptable level. For organizational initiatives associated with this risk, please see Section 7.0 Capital Projects. Environmental, Social & Governance (ESG) Metrolinx continues to work towards integration of Environmental, Social & Governance (ESG) into its business strategy, planning and reporting processes to foster regular discussion and management of ESG related issues and monitor progress of initiatives. This enables accurate and transparent content within the annual public ESG report. The 2022-23 report is posted on Metrolinx's website. For organizational initiatives associated with this risk, please see Section 10.6 Environmental, Social and Governance
Reputational	Risks relating to Metrolinx's brand, image or reputation as a result of the expected outcomes, and actions of the agency or partners such as vendors, and suppliers.	Communications and Media Management Strategy Assessment of potential risk to image and reputation by evaluating whether there is loss of life and/or major injuries; property damage and/or financial loss; disruption of service; incident expected to last over 24 hours; media/public attention; impact on staff, and/or other factor(s) as warranted. Mitigation strategies will depend on severity of reputational impacts, but typically include liaising with media to ensure the dissemination of information to customers and the general public. Inaccurate reporting is always corrected in a timely manner to meet this objective. Further, the media and issues team liaise with media counterparts at MTO to develop short- and long-term media and communications strategies to address risk impacts.