

ANNUAL REPORT

2024-2025

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Land acknowledgment

Metrolinx acknowledges that we connect communities by building and operating transit within the traditional lands of the Anishinaabe, the Haudenosaunee and the Huron-Wendat peoples, for whom these lands continue to have great importance.

Treaties between First Nations and governments cover these lands, and the promises contained in these Treaties remain relevant to this day.

Metrolinx and its employees are committed to understanding the history of these lands and the continued impacts of colonization and take responsibility for actions to advance reconciliation.

Metrolinx will continue to seek the knowledge, expertise and experience of Indigenous partners and commits to doing business in a manner that is built on a foundation of trust, respect, and collaboration.

Message from the Chair

This past year was pivotal for Metrolinx as the organization continued to rise to opportunities and challenges brought on by evolving ridership trends and a complex operating environment. We remained dedicated to expanding and integrating transit across the Greater Golden Horseshoe as we worked with municipalities, communities, industry partners and our shareholder to deliver on key government priorities.

Throughout the year, Metrolinx continued to put our customers first. Transit access and the delivery of an integrated transit network remained as top priorities, and we continued to progress these by prioritizing customer safety, expanding and optimizing service to meet changing customer demands and introducing customer experience enhancements to encourage wider use of transit across the region.

Metrolinx completed the three-year long PRESTO Procurement Program, an organizational transformation that replaces current services and systems with new contracts segmented into various capabilities and responsibilities. The program will improve the PRESTO experience for customers and clients, ensure access and equity, and enhance future technology agility, delivering superior flexibility for future innovation and help ensure the long-term sustainability of the PRESTO system. Five contracts were successfully delivered and awarded for all procurement lots through a fair competitive process. Focus is now on transitioning to the multi-vendor model while prioritizing a seamless customer experience.

We continued to advance the planning, design and construction of priority rapid transit projects and GO Expansion in close collaboration with provincial and municipal partners. Our large and growing capital program is fundamental to our mandate and we are making consistent progress across the entire portfolio. Over the next 10 years, Metrolinx is expected to bring into operation and manage a growing transit network that will include new LRT and subway lines, extensions and expanded GO services. Comprehensive testing and commissioning activities continued for both Eglinton Crosstown and Finch West LRTs. Metrolinx's focus continues to be on mitigating risks to ensure operational readiness of projects for safe and reliable services and positive customer experiences.

We will continue to manage contracts with a strong focus on collaboration and value for money, holding our contractors and suppliers accountable for delivering projects safely and aligned with expectations, to ensure reliable, sustainable service for the communities we serve. We are also investigating opportunities to further support a "made in Ontario" strategy to strengthen our economy.

As construction accelerates across the region, we remain active in impacted communities to support and mitigate impacts for small businesses, share information, listen to concerns and help residents navigate disruption. Over the past year, Metrolinx representatives knocked on 103,883 doors, distributed 1,477,752 construction notices and connected with over 107,157 people through 1,982 community events. Metrolinx also hosted 86 public meetings and has over 20 active Construction Liaison Committees, creating spaces

for open dialogue and local feedback. This year, Metrolinx was also proud to have entered into two additional agreements with Indigenous communities. A total of seven agreements have been signed to date, which represent the framework for establishing meaningful engagement and consultation with Indigenous communities on projects, and further ensuring Metrolinx provides adequate capacity support to communities, ensuring that both parties work collaboratively.

The Board of Directors thanks Phil Verster for his years of leadership and dedicated service in advancing Metrolinx's mandate. We also extend our appreciation to Michael Lindsay for stepping into the role of Interim President and CEO - his strong commitment to public service and deep experience delivering complex, transformative projects have provided both stability and continued momentum. Looking ahead, the Board is confident that Metrolinx will continue to move forward with clarity and purpose, expanding services and driving progress across our ambitious capital program.

Sincerely,

Donald Wright

Message from the CEO

Throughout the fiscal year, Metrolinx continued to deliver on its mandate, operating a safe and reliable transit system while advancing one of the largest transit expansion programs in North America. This year saw significant achievements in service improvements, fare innovation, and infrastructure progress, all supported by a strong focus on safety and customer satisfaction.

Since joining Metrolinx as Interim President and CEO in December 2024, I have had the privilege of working alongside a deeply committed and talented team. While many of the achievements in this report were already in motion prior to my arrival, I'm proud to recognize the collective effort and results delivered throughout the full fiscal year.

Satisfied Customers

The year began with the largest GO rail service increase since 2013, setting the tone for ongoing improvements throughout 2024-25. Service was continually adjusted to meet changing travel patterns, helping restore ridership to pre-2020 levels and offering customers more flexibility and choice.

Efforts to continuously improve the customer experience remained a priority. Over the course of the year, Metrolinx offered more to customers through expanded events, activations, partnerships and retail and food offerings. The PRESTO Perks program grew to 187 offers this year, offering customers over \$2.63 million in collective savings on regional events, attractions and dining, an increase of 55 per cent from last year. The digital customer experience was also refined with the relaunched GOTransit.com and UPEXpress.com websites, as well as On The GO Alerts.

Work also continued on fare payment modernization. A major milestone was achieved with the launch of PRESTO in Apple Wallet, completing the New Ways to Pay program. Alongside Google Wallet, introduced in 2023, mobile payments have now surpassed 77 million taps.

Additionally, the PRESTO Procurement Program was completed, simplifying the fare system and improving accessibility. The One Fare program, which eliminates double payments between local and regional transit, celebrated its first year—enabling over 38 million transfers and saving riders a combined \$123 million.

ONxpress Operations Inc. (OOI) were set to take over operations and maintenance of our rail network in January 2025. Following the missed assumption date, we worked closely with the OOI team to determine a path forward in respect of our intended partnership. While we appreciated the significant effort they brought to these discussions, we did not have guarantees that the government would bear appropriate financial risk with transition continuing toward a new planned assumption date, or how the partnership would create direct financial value and service improvement.

Given our responsibility to provide safe, reliable transit while delivering strong value for taxpayers, the decision was made to end our contract with OOI. Alstom will maintain its

role supporting the operations and maintenance of GO Transit and UP Express, with no impact to service. Customers can continue to rely on safe, on-time, and dependable travel as we work toward a long-term solution that delivers value for taxpayers and the best experience for riders.

Trusted Partner

Recognizing their importance in our success, we continued to foster strong, reliable relationships with key stakeholders. A major highlight came later in the year with the expansion of GO Bus Route 15 to serve the Six Nations of the Grand River and Mississaugas of the Credit First Nation, marking the first time GO Bus service has extended to First Nations communities. This milestone reflects the organization's commitment to building a more inclusive and connected network.

Work also advanced with CN on agreements for future two-way, all-day service on the Kitchener Line, and discussions with CPKC and cost development progressed for the Bowmanville Extension.

Deliver Future Transit

Throughout the year, Metrolinx made substantial progress on priority expansion projects.

On the Ontario Line, all major contracts were awarded, and construction advanced across the route. In 2024-25, the Pape Station site was cleared and foundation work began, while full-scale excavation got underway at several downtown stations and at Exhibition Station, the launch site for tunnel boring toward the Don Yard.

The Scarborough Subway Extension moved forward with the award of the Stations, Rail, and Systems (SRS) contract. Procurement also advanced for the Eglinton Crosstown West Extension and neared completion for the Yonge North Subway Extension's Advanced Tunnel contract.

Work on GO Expansion prioritized early benefit delivery. At Union Station, the excavation of the new south concourse was completed, and concrete work progressed—including the pouring of the first concrete track slab. This foundational work supports future capacity increases, especially along the Lakeshore Lines, which together account for a significant portion of GO ridership.

The SmartTrack Stations Program also progressed. Planning advanced for the East Harbour Transit Hub, while Bloor-Lansdowne GO Station completed its detailed design, with construction scheduled to begin in 2025-26.

Following an extensive year of testing and commissioning activities, 30 kilometres of new light rail transit lines in Toronto will come online soon – the largest single-year expansion of the TTC network. Important progress was made toward the safe and reliable opening of the Eglinton Crosstown LRT (ECLRT), including continued signalling upgrades and operator training with the TTC. Early in the new fiscal year, we will transfer system control to the TTC at their Hillcrest facility, the control centre for when the line enters revenue service.

Progressing closely behind ECLRT is the Finch West LRT (FWLRT). Testing and commissioning also continued on the FWLRT with driver training currently underway.

We are imminently preparing for trial running and revenue service demonstration on both lines to ensure the systems operate as designed and as paid for. Safety is paramount throughout this process. We continue to collaborate closely with our partners to ensure these systems, when open to the public, are high quality, safe services that operate as efficiently as can be.

Progress was made on projects in earlier stages as well. The Request for Qualifications was released for the first construction package on the Hamilton LRT. Meanwhile, early business case and design work began for the Milton expansion and the Hazel McCallion LRT extensions.

Everyone Safe

As the pace of construction increased, safety remained central to everything we do. Metrolinx worked closely with contractors and delivery partners to ensure every available tool and best practice was used to maintain safe work environments. Internally, efforts continued to enhance safety procedures and reinforce a strong safety culture throughout the organization. We achieved our lowest All-Parties Lost-time Injury Frequency Rate to date at 0.31/200,000 hours worked.

Engaged People

In my time as Interim President and CEO, I have witnessed firsthand the expertise, talent, passion, and determination of the Metrolinx team. It is an ongoing priority to support this resilient and resourceful team to do their best work. This year we achieved the highest employee engagement survey participation rate in the history of Metrolinx, and followed through with commitments and tangible actions to create a more equitable, inclusive and accessible workplace where people feel connected, empowered and supported. The team's unwavering dedication to managing and advancing the ambitious mandate entrusted to us by the Government of Ontario is truly inspiring, and I'm confident in our organization's capacity to deliver.

Since stepping into the role, my priority has been to sustain momentum while deepening our shared commitment to safety, excellence in delivery, and building public trust – principles that will continue to guide our work in the year ahead. Together, we are making meaningful progress on the transit priorities that matter most to the people of this region. I look forward to continuing this important work and to shaping a more connected, accessible, and resilient transportation future for all those we serve.

Michael Lindsay

Vision, Mission, Values and Mandate

Our Vision

Getting you there safer, faster, easier.

Our Mission

To connect our communities.

Our Values

We serve with passion, think forward, and play as a team.

Our Mandate

Metrolinx is an agency of the Government of Ontario, established under the Metrolinx Act, 2006 ("the Act").

The Act mandates Metrolinx to coordinate, plan, finance, develop and implement an integrated transit network in the regional transportation area in alignment with applicable growth plans and provincial transportation policies and plans.

Metrolinx is responsible for the operation of the regional transit system and the provision of other transit services in the regional transportation area that includes the Greater Toronto Area (GTA), Hamilton and the Niagara Region.

The organization's mission is to ensure the implementation of an integrated transit network that connects people, improves their quality of life, and brings sustainable development and prosperity to our communities.

Business Context in 2024-25

A pivotal stage in delivering on our extensive transit expansion program

In 2024-25, Metrolinx continued to plan, build and operate an integrated transit network that connects people, improves quality of life and brings sustainable development and prosperity to communities.

This year saw Metrolinx 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 Golden Horseshoe (GGH); and transforming our PRESTO payments system to deliver superior flexibility for future innovation, building on initiatives that support more seamless, user-centered fare and service integration amongst the GGH region's transit systems.

The organization is working to deliver critical capital projects and grow ridership in a transit landscape that has transformed dramatically in the last few years. Energy prices have remained volatile, the inflation rate stayed elevated compared to pre-pandemic levels and wage growth trended higher. In addition, 2024-25 saw the continuation of newly established changes in travel patterns, ridership trends and customer needs.

In the face of these challenges and evolving customer needs, Metrolinx maintained its commitment to providing safe and reliable service to support short and long-term economic recovery for the region. We have 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.

The 2024-25 year marked the beginning of a new way of doing business for Metrolinx as critical focus turns to ensuring successful transitions over the coming years. This includes:

- **Transition of capital projects from the operational readiness stage into operations.** Over the next 10 years, Metrolinx is expected to bring into operation and manage a growing transit network that will include new LRT and subway lines, extensions and expanded GO services. In 2024-25, Metrolinx continued to mitigate risks and create capacity to ensure operational readiness of projects, reliable services and positive customer experiences.
- **Transformation of the PRESTO system through the Payments Procurement Program.** The Payments 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. This year, Metrolinx completed the procurement component of the program with the award of contracts and shifted to transition.
- **Delivery of complex capital programs through specialized talent.** Metrolinx must attract, retain and motivate specialized talent in a challenging labour market in order to deliver on its complex capital programs. In 2024-25, Metrolinx developed an improved leadership experience and accountability, reviewed and

revamped talent management and attraction programs, and optimized our current and future workforce so that we can develop strong talent pipelines and deliver the best public service.

- **Delivery of the Regional Express Bus (REB) strategy.** The REB strategy is a transformative move to modernize the GO Bus network, signifying a shift from GO Bus's traditional role as a supplementary service to trains and refocusing on meeting high customer demand along key transit corridors. In support of this work, GO Bus services are being migrated from Union Station Bus Terminal (USBT) and Toronto's downtown core. Furthermore, in 2024, the introduction of weekend rail service on the Kitchener Line enabled GO Bus to remove duplicating trips and repurpose those resources, helping reshape GO Bus operations into a corridor-based, high-demand network that prioritizes speed, frequency, reliability and cost-effectiveness.
- **Transition to competitive market development for maintenance and State of Good Repair (SOGR) contracts. Metrolinx continues to invest in infrastructure rehabilitation with over \$400 million of the capital plan for 2024-25 dedicated to SOGR projects.** Over the course of the year, Metrolinx continued to explore ways to develop a competitive market for these contracts while recognizing the work required is unique and requires specified skill sets performed by a limited number of vendors.

Annual Letter of Direction and Key Organizational Initiatives for 2024-25

A requirement of the Agencies and Appointments Directive is that the Minister of Transportation issues an Annual Letter of Direction to Metrolinx that sets out the expectations for the upcoming fiscal year. The 2024-25 Annual Letter of Direction, issued on March 21, 2024, provided details of the government's expectations for Metrolinx to ensure the delivery of high-quality services to Ontarians in alignment with its mandate and government priorities.

The Annual Letter of Direction listed a number of key priorities which Metrolinx incorporated into its key organizational initiatives for 2024-25. Key highlights and themes from the Annual Letter of Direction along with actions taken by the organization to meet these are outlined below.

- **Ensure successful and timely delivery of Metrolinx's capital projects.** Extensive progress has been made this year on a wide variety of projects to bring more transit to the GGH. GO Transit infrastructure improvements were put into service, procurement milestones were achieved on several GO Transit and rapid transit projects, and construction progressed on the Ontario Line, Eglinton Crosstown West Extension, Scarborough Subway Extension, Hazel McCallion Line and many GO Transit projects. Some highlights include the commissioning of a direct connecting track at West Harbour GO Station, as well as completing the first segment of tunnelling for the Eglinton Crosstown West Extension project. Metrolinx is fine-tuning its internal processes for commercial management, risk mitigation, project controls and safety assurance to maximize efficiency and help ensure seamless delivery as implementation ramps up into 2025-26.

- In collaboration with the Ministry of Transportation (MTO), advance the implementation of transit fare and service integration across the GGH throughout 2024.** Metrolinx continues to administer the One Fare Program, which enables customers to pay only one fare when transferring between the Toronto Transit Commission (TTC) and GO Transit as well as TTC and all neighbouring 905 transit agencies, including Brampton Transit, Durham Region Transit, MiWay in Mississauga, and York Region Transit. On May 15, 2024, One Fare was expanded to Peel TransHelp, the paratransit operator in Peel Region. Metrolinx celebrated the first full year of the One Fare Program on February 26, 2025. Building on the One Fare Program, Metrolinx is undertaking an assessment of GO Transit's fare structure to examine policy options on how to improve ease of use and customer understanding, enhance affordability relative to local transit options for short distance trips, and bring more consistency to fares across the GO network.
- Develop a five-year strategic plan which outlines Metrolinx's roadmap for 2025 to 2030.** Metrolinx has developed a draft strategy that will guide future annual business plans, therefore supporting alignment and coordination across all divisions. Delivery of the final report will be submitted to MTO in 2025.
- Review organizational structures and frameworks to bolster efficiencies, enhance performance and improve governance.** Metrolinx has collaborated closely with the Ministry to work on an organizational review and to refine its robust performance management framework to better align with the Ministry's reporting requirements. As in previous years, Metrolinx continued to share performance reporting with the Ministry on a monthly basis. In addition, the Ministry and Metrolinx worked together to develop the draft agency governance and relationship framework roadmap and are now collaborating on its detailed definition and implementation, which will continue into 2025-26. This work helps to foster a greater focus on efficiencies and effectiveness across the organization.
- Work with the Ministry to mitigate congestion to the extent possible during Metrolinx-led construction activities.** Metrolinx has continued to collaborate with the Ministry throughout project lifecycles, from early planning to implementation, ensuring congestion impacts are identified, assessed and mitigated through coordinated traffic and transit management strategies. Close coordination with the City of Toronto and TTC through the Congestion Management Inter-Agency Working Group supports the refinement of Traffic and Transit Management Plans, the securing of necessary road closure approvals, and the alignment of construction schedules with other capital works. Through collaborative planning, data-sharing, and targeted operational adjustments, the working group contributed meaningfully to mitigate and manage congestion. These efforts support the delivery of major transit infrastructure while maintaining the safety and mobility of road users across the region.
- Continue to meaningfully engage with Indigenous communities and organizations and fulfil duty to consult obligations with Indigenous communities.** Metrolinx continues to meaningfully consult and engage with Indigenous communities. In addition to consultation on Metrolinx's capital

projects, focused engagement has also occurred with Six Nations of the Grand River and Mississaugas of the Credit First Nation extending GO Bus route 15 to both of these communities as of April 5, 2025.

- **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).** Metrolinx strives to lead the transportation industry in accessibility. In 2024, key accessibility initiatives were advanced or completed across Metrolinx facilities, PRESTO, customer service and communications. These included updates to the Universal Design Standard (DS-02), the completion of nearly 800 design reviews to ensure compliance with accessibility standards, as well as station upgrades, enhanced wayfinding and improved service disruption protocols.
- **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).** Metrolinx successfully delivered most of the actions in its 2024-25 French Language Services Action Plan, with the remainder to be addressed in 2025. These actions focused on improving internal processes across the organization to ensure compliance with the French Language Services Act.

The importance of sustainability in driving organizational priorities and action

Operating through a lens of sustainability is a priority for Metrolinx. It prompts the organization to consider important risks and opportunities within its business, beyond financial and operational performance. By embedding sustainability into business planning and performance management, Metrolinx drives accountability, supports environmental protection, promotes social equity and conducts business transparently and ethically.

Sustainability is woven through our near, medium and long-term planning, including within the 2041 Regional Transportation Plan, and the developing 2051 Regional Transit Plan, connecting our current business decisions to the desired outcomes of tomorrow, and building a sustainable and future-ready transit system across the GGH.

Guided by sustainability frameworks and standards, and in partnership with internal and external stakeholders, Metrolinx has determined key sustainability focus areas that contribute to its long-term success. These focus areas are integrated and actioned through Metrolinx's strategic objectives, which set organizational direction for the year. This approach provides the appropriate sustainability focus for all our operations, activities and decisions, making sustainability not just an important part of what we do, but also how we will do it. As such, Metrolinx's sustainability efforts will be reflected throughout this report.

Metrolinx's Key Sustainability Focus Areas:

Environment 	CLIMATE CHANGE	Managing direct and indirect greenhouse gas (GHG) emissions by reducing operational and construction impacts and enabling a low carbon transition through our services
	SUSTAINABLE & RESILIENT INFRASTRUCTURE	Investing in infrastructure, technology and design to ensure long-term functionality, preservation of nature and biodiversity and mitigation of potential impacts from climate-related risks
Social 	EQUITY, DIVERSITY & INCLUSION	Fostering an inclusive, engaged and equitable organization for colleagues, customers and communities through our systems, processes, service and communications
	CUSTOMER, EMPLOYEE & PUBLIC SAFETY & SECURITY	Promoting the safety and security of our customers, employees and the public by minimizing the occurrence of accidents, incidents of violence, emergencies and safety hazards
	EMPLOYEE HEALTH & WELL-BEING	Protecting and promoting psychological and physical health and well-being of workers, contractors and subcontractors
	EQUITABLE TRANSIT SYSTEM	Ensuring we create and maintain an equitable transit system that is accessible to all, free of physical and non-physical barriers
Governance 	CUSTOMER & COMMUNITY	Investing in the prosperity of the communities where we operate by providing quality service to grow ridership and build trusted connections with our stakeholders and partners
	OPERATIONAL EFFICIENCY	Providing reliable services through optimizing resource use in construction and operations, and managing critical risk
	TRANSPARENCY & TRUST	Monitoring and reporting on our performance to ensure transparency in our operations and enable open dialogue with our stakeholders and partners to build a foundation of trust
	ACCOUNTABILITY, AUDIT & OVERSIGHT	Adopting clear policies, triple bottom line principles and a strong governance structure to ensure our organization is transparent, accountable and free of corruption and discrimination

Description of 2024-25 Activities

Financial Highlights

For the 2024-25 fiscal year, Metrolinx's total operating subsidy requirement was \$1,288.9 million, with total revenue of \$770.7 million, total operating expense of \$2,064.3 million, and proceeds from sale of assets of \$14.7 million. The capital expenditures for the year were \$10,145.7 million, to advance a large and growing capital program, including projects within the GO Expansion program, Subways and LRTs.

This fiscal year has been a transformative period for Metrolinx, marked by significant progress in transit infrastructure development, ridership recovery and payment modernization within a dynamic transit environment. Substantial progress was made in advancing major transportation projects, including the priority transit initiatives, expanded subway and light rail lines and the GO Rail system. Key advancements in fare payment systems included the launch of PRESTO in Apple Wallet and the completion of the PRESTO Procurement Program, aimed at simplifying payment processes and improving accessibility for all transit users. Ontario's One Fare program, delivered through Metrolinx, has provided substantial savings for riders, fostering seamless and affordable regional travel.

Overall, ridership and revenue continue to show strong year-over-year growth and reflect new ridership patterns, alongside rising operational costs from increased service levels, inflationary pressures and higher technology and maintenance expenses. Metrolinx has remained focused on supporting ridership recovery by adjusting products and services to meet evolving demands and shifts in ridership seasonality. At the same time, Metrolinx has continued to embed a culture of efficiency and continuous improvement, which have helped manage emerging cost pressures throughout the fiscal year and ensure long-term financial sustainability.

Looking ahead, the organization remains committed to working with government partners, expanding transit access, reducing congestion and driving economic growth, all while ensuring safe and reliable transit across the region.

Operational Performance

Ridership and Revenue

The post-pandemic recovery of the transit landscape continued into 2024-25 with increasing leisure and off-peak travel, as well as hybrid work reshaping commuter travel patterns. In response, Metrolinx implemented four 'T-R-I-P' ridership growth strategies: Tourism and Leisure Momentum, Returned Rider Frequency, Increase Business and Commuter Travel, and Pull in New Audiences. These strategies sought to bolster ridership gains from the previous year and accelerate travel demand generation.

The T-R-I-P strategies and associated investments were supported by insights-driven customer and ridership analytics as well as optimized bus and rail service frequency, ultimately inspiring trip planning for leisure and returning school and business commuters.

GO Transit and UP Express ridership grew to 71.8 million this fiscal year, representing an increase of 21.6 per cent compared to the last year. A sustained demand for leisure travel was evident with GO March 2025 weekend ridership at 157.9 per cent and off-peak at 116.6 per cent compared to 2019. In 2024, Metrolinx was recognized as a top Canadian transit agency by ridership increase and ended the calendar year in the number one recovery spot of similar-sized agencies in North America, according to the American Public Transportation Association.

T-R-I-P ridership growth strategies

Tourism and Leisure Momentum

As tourism destinations continued to see strong demand, Metrolinx prioritized marketing campaigns for weekend destinations as well as sports, concert and event service flexibility, which were all supported by targeted advertising, pre-promotion, contests and regional tourism co-marketing collaborations. These efforts resulted in strong year-over-year growth with weekend, off-peak, leisure and tourism-based ridership accounting for 47 per cent of total ridership, an increase of 11 per cent compared to pre-pandemic ridership.

In 2024, Metrolinx supported 48 events across the region, including the solar eclipse and six Taylor Swift concerts, the latter of which delivered incremental ridership of 107,000 to support 127.6 per cent recovery in combined off-peak and weekend ridership compared to November 2019. Long-standing event collaborations continued with the Canadian National Exhibition, Canadian International AutoShow, Toronto International Boat Show, Royal Agricultural Winter Fair, One of a Kind Shows, Toronto International Film Festival, Niagara Festival of Lights, Unionville Festival, Fall Canadian Pet Expo and Oktoberfest.

Convenient and flexible gameday service, weekend and group passes and promotion of GO Transit for sporting events, including 'GO Leafs GO' NHL playoffs train wraps, customer contests, station and on-board activations inspired a sports event-related ridership of 1.0 million, an increase of 29 per cent from last fiscal.

Returned Rider Frequency

Metrolinx encouraged returned riders to take additional trips by optimized service frequency, promoting new PRESTO payment products and channels, and effective outreach to youth and student audiences. Gen Z ridership grew by 21.9 per cent compared to the prior fiscal year, supported by student fare concessions, service frequency to and from schools, and integrated back-to-school campaign, and on-campus post-secondary school activations at ten open houses as well as the Ontario Universities Fair. These efforts crossed the region and amplified awareness of youth fare concessions and services for weekday and weekend travel.

Increase Business and Commuter Travel

Efforts to re-attract business travelers and commuters were executed through a refocused business-to-business plan that included conference-related travel, strategic partnerships and effective brand communication to support commuter audiences.

Strategic peak rail and bus service additions were supported by 'Good to GO' business traveler and 'Stop or GO' commuter marketing campaigns, which highlighted the benefits of choosing GO Transit. These initiatives drove year-over-year peak growth by 21.6 per cent.

Finally, strategic brand collaborations and conference partnerships aimed to attract commuters and business travellers. Collaborations with Starbucks, American Express and Simplii Financial rewarded customers for transit ridership while partnerships with conferences, including Canadian Council for Aboriginal Business, Prospectors & Developers Association of Canada, Ontario Dental Association, Shopify and Elevate, Canada's most influential tech and innovation event, offered conference attendees unique travel offers.

Pull in New Audiences

Metrolinx continues celebrating the region's multicultural diversity and driving engagement with newcomers. The integrated newcomer campaign included targeted advertising designed to resonate with new audiences, and that recognized and encouraged riding GO Transit and UP Express for multicultural events, including Lunar New Year, Kwanza, Nowruz, Eid, Vaisakhi, Mid-Autumn Festival, Diwali, holiday parades, Christmas, Hannukah and Kwanza. Effective campaigns had an impact on customer behaviour and drove increased web visits and ticket sales. Among the newcomer audience, awareness grew to 88 per cent, representing a five-point increase over last year and impression rose to 89 per cent.

Throughout the year, Metrolinx welcomed customers with inclusive language used in communications outreach, promotions and onsite activations for multicultural events, which helped drive newcomer ridership to 3.2 million in 2024-25.

Fare strategy and enhanced customer service

Metrolinx continued to support ridership growth momentum and travel frequency through enhanced customer fare payment experiences. The fare strategy was anchored in helping to make transit more affordable through initiatives such as Ontario's One Fare program and enabling free GO Transit services for Canadian Armed Forces (CAF) members and veterans, including Regular and Reserve Forces, both of which are described in further detail in this report. Customer segmentation insights based on trip purposes along with additional data-driven research and analysis helped address customer needs and improved the customer journey experience.

Metrolinx continued to offer the GO Transit \$10 weekend day pass, GO Transit weekday group pass, UP Express group pass, as well as discounts for seniors and youth to encourage travel frequency across the region. Additionally, customers were offered PRESTO Perks discounts, which expanded to 187 offers this year and delivered \$3 million in collective savings for customers, an increase of 55 per cent from last year, through added value to regional events, attractions and new dining offers.

The digital customer experience was also refined with the relaunched GOTransit.com and UPEXpress.com websites, as well as On The GO Alerts, which provided another layer of digital support for the customer trip experience and included customizable features. To further improve customer trip planning, a seamless online shopping cart experience was added in February 2025 to simplify the purchase of eTickets. The resulting improvements in product visibility and enhanced shopping cart functionality have helped drive promising early results since the launch with an increase of 24 per cent in eTicket revenue compared to last year.

Identifying and pursuing opportunities for non-fare revenue generation

Non-fare revenue generation is crucial to support Metrolinx's delivery of its mandate and long-term financial sustainability. This year, marketing strategies to drive non-fare revenue aligned with four 'D-E-A-L' strategic growth pillars: Develop Net New Opportunities, Experience Enhancement from Retail and Commercial, Accelerate Advertising Network, and Lead Generation and Partner Close. This year, non-fare revenue attributed to marketing efforts grew by 41 per cent compared to last year.

Non-fare revenue generation efforts expanded customer journey amenities, including events and activations at stations, as well as flexible retail, food and beverage offerings. This year, Metrolinx expanded to 131 vending machines across its network, providing a variety of great-tasting and high-quality vending offerings. In addition, a Bags Away retail location was opened at UP Express Skywalk for luggage storage in support of long layover air travel for UP Express customers. Commercial activations revenue grew by 46 per cent compared to last year, and included collaborations with Hello Fresh, OLG Pro-Line and Maple Leaf Sports and Entertainment, Night Market Toronto Food Truck Festival at Ajax and Milton GO, as well as an interactive LEGO installation at UP Express Skywalk.

As ridership continued to return, advertising revenue grew, which was further supported by an expansion of digital assets across the network. This included various platform screens and advertising screens on ticket vending machines at 162 different locations. In addition, the GO Station Digital Modernization Project completed the modernization of

interior assets on Lakeshore East and West Lines, excluding Exhibition GO Station, and progressed to 66 new or updated advertising assets across the GO network, with plans in place to complete the project by December 2025. Metrolinx also accelerated its expansion of digital billboards in collaboration with various media partners, with the construction and installation of 21 new billboard structures.

Finally, strategic partnership revenue grew by 31 per cent compared to last year, driven by an increased portfolio of corporate partnerships and collaboration. This included free travel provided by transit sponsors after major events. Forty Creek Whisky provided customers with complimentary travel after 7 p.m. on New Year's Eve while Molson-Coors gave free rides home after the Toronto Raptors game on January 31, 2025. This year, other notable partnerships included Voila by Sobeys, Ontario Lottery Gaming, Simplii Financial, Audible, Starbucks, Durham College, City of Brampton, CIBC, Purolator, The Globe and Mail, and several customer facing promotions, including a limited PRESTO card scavenger hunt at GO Transit stations with PlayStation MLB The Show 24.

Operations and Safety

GO Transit and UP Express are trusted providers of safe, reliable and efficient bus and train services for millions of customers across the GGH. Operating approximately 501,882 bus trips per year, Metrolinx's GO Bus network features over 2,833 kilometres of bus routes serving 47 stations, 844 bus stops and 13 post-secondary institutions. The GO Rail network spans 572 kilometres of track serving 69 GO and UP train stations and operated 117,000 GO and 56,000 UP Express train trips this year.

This year, Metrolinx has achieved or exceeded key metrics in safety, service reliability, customer satisfaction and sustainability. A significant contribution to the organization's operational and safety success was the increased engagement of frontline employees. Delivery of the initiatives outlined below was supported by new ways of working, along with strengthened leadership and manager engagement. Purpose-driven leadership and a continued focus on people were central to these results, with engagement playing a critical role in driving operational excellence. Overall, the organization remained agile and customer-focused through operational challenges, continuing to strengthen its foundation for future growth and transformation.

Service growth and optimization

By the end of the 2024-25 fiscal year, ridership reached 71.8 million across GO Rail, GO Bus and UP Express. Through analyzing ridership trends, peak usage patterns and high-demand routes, several service adjustments were made. On the rail network, this included increased services to support higher ridership, accommodate construction on core infrastructure and support increased leisure travel. GO Bus adjustments included increased use of variable timetables, enhancing services to post-secondary institutions based on academic calendars and increasing express travel options along high-demand corridors.

In April 2024, Metrolinx implemented the largest rail service change in the past decade to better align with customer needs and continue to drive increased ridership. Weekly rail trips were increased from 1,999 to 2,307 across the Lakeshore West, Lakeshore East, Kitchener, Stouffville and Milton lines. Overall, this year weekly GO Rail and UP Express trips increased by 14.7 per cent, when compared to 2023-24, recovering to 97.4 per cent of pre-COVID service levels.

GO Bus ridership, the first transit mode, has surpassed pre-pandemic figures, while optimizing 12 per cent of GO Bus services, reflecting a 119 per cent increase compared to 2019-20 ridership. The data-driven enhancements to GO Bus service led to a record-breaking number of boardings of 1.8 million in September and in October 2024. Metrolinx achieved significant progress in improving bus fleet availability, up 15 per cent from the 2022 average of 57 per cent. As a result, service deployment was optimized, customer travel times were reduced, asset utilization improved, and customer satisfaction scores exceeded targets.

Further expansion of the GO Bus service came in the form of a historic launch to extend the GO Bus Route 15 (Brantford/Burlington) service to the Six Nations of the Grand River and Mississaugas of the Credit First Nation, two First Nations communities in the GGH.

The extension is being delivered in collaboration with the communities, with service starting April 5, 2025.

Improving customer satisfaction on the network

GO Transit customer satisfaction (CSAT) concluded the year on target at 84 per cent, with GO Rail at 86 per cent and GO Bus at 89 per cent. UP Express CSAT concluded at a strong 92 per cent, surpassing the target of 91 per cent, demonstrating significant improvement since the start of the fiscal year. Despite challenging winter conditions and accommodating an increased volume of construction, Metrolinx continued to deliver punctual and reliable service across the network while prioritizing customer satisfaction and safety.

Quarter after quarter, Metrolinx expanded event-based services and successfully managed major events, including the solar eclipse, six Taylor Swift concerts, peak holiday travel, and sporting games. Building on the previous year's success, Metrolinx operated all-night rail services on New Year's Eve which was a historic first on the UP Express, with no safety incidents reported.

To address significant crowding and limited seat availability during peak commuting periods on the UP Express, Metrolinx implemented a migration strategy encouraging commuters to shift to the GO Transit Kitchener Line. Added service on the Kitchener Line in conjunction with a targeted communications campaign and the deployment of brand ambassadors to engage with UP Express customers resulted in 1,944 riders transitioning from UP Express to GO Transit at Bloor and Weston stations during morning peak hours from November 2024 to the end of the fiscal year.

Metrolinx is committed to making its services accessible, and currently has 67 GO stations and all four UP Express stations accessible within the network. In 2024, key initiatives were advanced or completed across the built environment, PRESTO, customer service and communications. These included updates to the Universal Design Standard (DS-02), the completion of nearly 800 design reviews to ensure compliance to accessibility standards, as well as station upgrades, enhanced wayfinding, and improved service disruption protocols.

Adhering to safety excellence

Metrolinx is committed to putting safety first across the network for customers, employees and communities. Customer safety perception remained high this year, closing at 89 per cent in 2024-25. Incidents of threats and violence reduced to 7.44 per million customer journeys, meeting the corporate target and reinforcing efforts to safeguard both employees and customers.

Addressing the needs of a growing vulnerable population continued to be a key focus. Metrolinx proactively adjusted the deployment of Transit Safety Officers and Station Safety Ambassadors to better align with emerging location trends and evolving safety needs. Enhancing visible presence, including overnight coverage, helped deter incidents and improve both actual and perceived safety for staff and the public. Increasing the number of frontline staff, focusing on priority locations, and reducing response times further strengthens overall safety and oversight.

Additionally, Metrolinx has collaborated with many municipal outreach programs to address the presence of vulnerable individuals taking shelter at stations. To further support vulnerable individuals, all Customer Protective Services (CPS) frontline officers and duty managers must complete training on human trafficking and inclusion training which provides them with foundations of the *Human Rights Code*, the different experiences of women as vulnerable persons and scenario discussions on how to recognize human trafficking.

Metrolinx continues to prioritize passenger safety through the strategic, data-driven deployment of resources. Proactive measures include maintaining adequate staffing, increasing presence during peak periods, strategic state of good repair work to ensure safe operations, and using frequent announcements to enhance situational awareness. In areas impacted by construction, regular risk assessments are conducted to manage the interface between the public and work zones.

Working closely with police and government partners, Metrolinx supports active investigations to maintain safety and security across the transit network. Collaborative partnerships with police services strengthen coordinated efforts and expand resources at priority stations through joint operations and shared intelligence. These efforts, including timely safety notifications, serve as key mitigation tools in safeguarding the network and the communities Metrolinx serves.

The Lost-Time Injury Frequency Rate achieved the corporate target at 0.31 for all parties per 200,000 hours worked, maintaining a consistently low rate throughout the year. This has been achieved through targeted initiatives that reduce injuries caused by physical work and improved workplace violence programs, demonstrating enhanced risk controls and a proactive safety culture.

This year, Metrolinx received a Railway Association of Canada (RAC) Safety Award for its updated e-bike policy and program. The initiative reflects a modern safety approach that considers the GGH's evolving transportation needs and customer expectations. The strategy also supports gig economy riders by increasing train capacity for bicycles and certified e-bikes. By integrating policy, engineering, education and enforcement, Metrolinx enhanced safety across trains, buses and stations.

Safety culture was further strengthened through enhanced reporting and governance mechanisms, including continued deployment of the System Safety Assurance (SSA) program, which was also recognized with an RAC Safety Award.

Furthermore, the Metrolinx Safety Certification Committee, composed of Metrolinx Senior Management Team members, has played a key role in promoting the safety, efficiency and protection of construction and operations by ensuring that appropriate safety assurance governance structures, standards and practices are in place for any new or existing rail transit projects.

Establishing a safe way of working within the rail corridor

Metrolinx is always looking to continuously improve on key safety measures. At the close of the fiscal year, the number of Canadian Rail Operating Rules (CROR) and procedural violations has exceeded the corporate target. In 2024-25, Metrolinx recorded 154 rule or

procedural violations. Of these, 102 are rail fleet and operations against the corporate target of 78, 42 are rail construction and maintenance against the target of 17, and 10 are track protection against the target of eight.

To address this, Metrolinx is implementing targeted strategies focused on actions that will have an immediate impact on the risk of CROR violations and reduce train crew workload to focus their activities on compliance with rules and operating procedures. Rail and fleet operations continue to focus on improving crew communication, compliance and training. Rail construction, maintenance, and track protection efforts emphasize safety, compliance and process improvements. Initiatives in place are expected to improve compliance, reduce risks and strengthen Metrolinx's overall safety culture.

In 2024-25, a total of 37 Major Track Closures (MTCs) were scheduled and executed to facilitate construction within rail corridors, supporting critical infrastructure enhancements and project delivery. Construction on the railway is anticipated to increase significantly by 2026, with an estimated 100 per cent increase in projected MTCs compared to 2024.

As part of Metrolinx's commitment to improve safe planning and delivery of work in the rail corridor, extensive work was undertaken this year to begin implementing the Red Zone/Green Zone (RZGZ) Program in Summer 2025. The use of a "Green Zone" method of protection reduces the workers' exposure to train movements, ensuring improved safety controls as well as efficiency of construction and maintenance work occurring in the rail corridor. The RZGZ Program will be a leader in Canadian work practices within the railway and establish a best in-class mechanism to improve safety and productivity.

On-Time Performance and operational efficiency

GO Transit and UP Express delivered consistent levels of punctuality and reliability, achieving all three On-Time Performance (OTP) targets.

- GO Rail achieved 97.1 per cent OTP 12-month Moving Annual Average (MAA), above the 95 per cent target, while accommodating 37 major track closures and 39,971 approved work events within the rail corridor.
- GO Bus scored 96.0 per cent OTP MAA, against the target of 96 per cent, supporting 454 events and increased bus bridging.
- UP Express reached 97.8 per cent OTP MAA, exceeding the target of 97 per cent.

A significant milestone for operational flexibility and efficiency was reached after Metrolinx successfully transitioned to an in-house rail traffic control for the Union Station Rail Corridor (USRC), a service which had been provided by the Toronto Terminals Railway (TTR) for 118 years. This transition is a remarkable cultural shift, providing new opportunities to manage major track work while enhancing service delivery. This comes at a pivotal time as the GO Expansion program is set to quadruple train trips in and out of Union Station over the next decade.

Advancing sustainability and environmental performance

In 2024, the Enterprise Environmental Management System was implemented successfully, driving compliance to environmental regulations. In parallel, Metrolinx has achieved its annual waste diversion target and reduction in greenhouse gas emissions.

This fiscal year, the organization achieved an average of 137.05 metric tonnes (MT) of waste diverted monthly. A total of 1,653.52 were diverted from a landfill, against a target of 1,295.94 MT, with a system-wide diversion of 61.3 per cent. Enhanced data tracking, vendor engagement and three waste audits supported performance improvements, highlighting effective recycling compliance.

The annual greenhouse gas (GHG) emissions met the corporate target, achieving 21.8 tonnes of carbon dioxide equivalent per million revenue seat kilometres (tCO₂e/MRSK), of the 27.1 tCO₂e/MRSK. Achieved alongside growing ridership, reductions in emissions were supported by operational efficiency initiatives, including reducing fleet idling, minimizing non-revenue movement, and four facilities receiving Leadership in Energy and Environmental Design (LEED) certifications. All operational areas, including GO Rail, UP Express, GO Bus and Facilities achieved their respective year-end GHG emissions intensity targets.

Building operational readiness for rapid transit projects

Over the next 10 years, Metrolinx is expected to bring into operation and manage several new rapid transit projects. These include numerous light rail transit (LRT) and subway lines, such as the Eglinton Crosstown LRT, Finch West LRT, Hazel McCallion Line, and the Ontario Line, as well as line extensions and bus rapid transit lanes. Metrolinx's focus continues to be on ensuring the technical, commercial, performance and financial systems are in place to manage these programs into operation.

Milestone agreements have been negotiated and signed to support this work. In May 2024, Metrolinx, the TTC and the City of Toronto signed the Finch West Train Operating and Services Agreement. The Region of York and Province of Ontario signed and executed the Yonge North Subway Extension Agreement in Principle on September 6, 2024. The City of Toronto and Province of Ontario signed and executed the Subways Agreement in Principle on September 3, 2024, and the Payment for Services Term Sheet for the Hazel McCallion Line has been negotiated and agreed at a senior staff level.

As preparations advance for the Eglinton Crosstown LRT and Finch West LRT to enter revenue service, a Rapid Transit Operational Readiness Weekly Control Wall has been established to ensure all divisions across Metrolinx are aligned on tasks, objectives and key milestones, and prepared for the launch of both lines.

Asset Management and Maintenance

Metrolinx has established a strong focus on asset and commercial management to support its current and projected service levels. This year, work continued on the implementation of a continuous improvement program to mature asset management capabilities across four key pillars: asset information, asset management planning, reliability engineering, and maintenance delivery. These are a subset of the capabilities defined by the Institute for Asset Management, an international professional body for whole life management of physical assets. The four pillars are critical enablers for asset class teams to balance costs and risks against the desired performance of assets over their lifecycle, and achieve Metrolinx safety, on-time performance and customer satisfaction objectives.

The continuous improvement program sees asset class teams mature through five levels: aware, repeatable, defined, controlled and optimized. Each level includes a progression of people, process, and system/tool requirements.

Metrolinx has moved from a maturity of 37 per cent in 2022 to a current maturity of 64.1 per cent, with a target of achieving 75 per cent maturity by the end of 2026-27. At the current maturity percentage, methods are in place within each of the four pillars, and teams are leveraging existing available data to drive decisions within each pillar. This leads to better decision making and interventions prior to asset failure and improved reliability and safety of Metrolinx assets.

Metrolinx is on the path to improve its understanding of asset condition and performance, the associated risks to service, and applying more evidence-informed asset decisions. Necessary improvements in asset data quality are planned in the next three years to better enable evidence-informed decisions.

Engineering assurance activities

The GO Expansion Early Complementary Works System Review Panel (SRP) was established and operationalized in 2024. It provides a foundation for formalizing engineering assurance activities, significantly increasing the confidence in the safety and performance of Metrolinx assets. Out of 48 total SRP submissions, 41 have been successfully endorsed to the Metrolinx Safety Certification Committee, with a 100 per cent endorsement rate achieved in the last six months of 2024-25. The established System Safety Review Panels (SSRPs) have been consistently operating for Subways and GO Expansion projects.

Assurance activities for both the Eglinton Crosstown LRT and Finch West LRT are underway to support these projects entering revenue service. An assurance completion percentage of 78 per cent has been achieved for the Eglinton Crosstown LRT and assurance activities for the Finch West LRT are in the initial phases. Technical support to ensure fleet availability and reliability for both lines continue to be a top priority.

State of Good Repair (SOGR) works

Metrolinx has continued to drive progress on SOGR through targeted investments and strategic alignment with asset management plans. The integration of asset management

plans allows for a more data-driven and proactive approach to asset rehabilitation and replacements, ensuring that SOGR projects can be prioritized effectively. Metrolinx has a growing and aging asset base, so SOGR initiatives are targeted to maximize life span and decrease the mean time to repair after a fault. This year, key signals, track, stations, bridge and maintenance facility SOGR projects were completed, reinforcing long-term asset reliability and operational efficiency.

There were a total of 43 SOGR projects completed in 2024-25. Highlights of SOGR initiatives include:

- 11,177 meters of fencing were installed along the GO network right-of-way. Additionally, through efficient use of materials, Metrolinx was able to install fencing on the Oakville and Bala subdivisions, locations that were previously descoped due to budget constraints, allowing for further securement of a high-priority trespass area on a critical rail corridor. With work progressing ahead of schedule, the project remains on track to be completed on time and within budget.
- Work was completed on an upgraded lighting system for the York and Bay concourse at Union Station. The upgrade remediated a failing lighting issue through the retrofit of existing lights to upgraded LED fixtures that will increase brightness and boost energy efficiency while adhering to Design Requirements Manual lighting requirements. The lighting system is expected to have a minimum service life of 12 years, and will enable quicker procurement of spare parts when required for repairs.
- Bridge rehabilitation work was completed at various locations along Metrolinx corridors, which includes work such as structural steel repairs and handrail replacement. This rehabilitation work sets the stage for future bridge replacements, including the bridge at mile 8.60 Bala, which was built in 1905 completely constructed from timber. This bridge replacement, set to be completed in early 2025-26, will see a new modern steel and concrete structure replace the old timber bridge.

Metrolinx concluded the feasibility and conceptual design phase for the Autonomous Testing of Track Infrastructure (ATTI) project, by conducting a 3D scanning survey of different locomotive models and performing an options analysis to identify the optimal locomotive for installation of the ATTI system. The ATTI system will enhance Metrolinx's ability to prioritize track maintenance and rehabilitation by identifying trends in track geometry and degradation, supporting predictive and preventative maintenance.

This year, work was completed to sign agreements with Alstom and Ontario Northland Transportation Commission (ONTC) for the refurbishment of 302 bi-level coaches and several F59 locomotives to support GO Transit operations. As part of the refurbishment, the coaches will extend their service life by 20 years and train car features will be upgraded. In addition, Metrolinx has finalized the procurement of up to 177 diesel buses in support of increasing GO Bus service. These buses will be critical for meeting increased service needs and supporting construction for capital projects during Major Track Closures.

Metrolinx is continuously exploring ways to develop a competitive market for maintenance and SOGR contracts while recognizing the work required is unique and necessitates specified skill sets performed by a limited number of vendors.

Engineering initiatives to improve safety

On January 1, 2025, Fault Control Services (FCS) at the Network Operations Centre successfully transitioned to in-house delivery, marking a significant milestone for Metrolinx. FCS coordinates responses to faults and incidents across the railway tracks, signalling and communications systems; offers guidance to field teams to address and resolve technical faults; analyzes office and field logs to identify patterns and optimize response time; and collaborates with teams to ensure safety standards are upheld.

The transition to in-house delivery has provided Metrolinx with greater control, accountability and a more seamless integration with railway operations, which is expected to result in improved on-time performance and enhanced collaboration across teams. Additionally, this shift has led to substantial cost savings through optimized resource management and reduced overhead.

In addition, Metrolinx is committed to upgrading the 132 public crossings and 34 private crossings it manages and operates to meet the latest Transport Canada standards and the GO Transit Grade Crossing Design standard, ensuring enhanced safety at these critical locations. This level crossing enhancement project will help improve safety, especially as increased vehicle and pedestrian traffic at these crossings increases the risk of accidents. Through the end of 2024, Metrolinx has achieved a cumulative risk reduction of 22 per cent against a baseline date of April 1, 2022, and will continue to implement strategies to further reduce risk, making it safer for customers, drivers and pedestrians to traverse the network.

PRESTO

In 2024-25, Metrolinx met or exceeded its targets for PRESTO. PRESTO adoption reached 88.8 per cent, surpassing the target of 87 per cent. PRESTO payment devices reader availability reached 99.89 per cent with card loading device availability at 99.81 per cent, surpassing the overall device availability target of 99.7 per cent. The average customer satisfaction score for 2024-25 reached 83 per cent, meeting the year's target. However, an all-time high score of 85 per cent was reached for the month of January 2025.

Metrolinx also provided exceptional support to PRESTO clients, maintaining outstanding system performance across PRESTO payment and load devices and consistently delivering on key commitments. This included supporting Ontario's One Fare program, advancing capabilities such as customer analytics and artificial intelligence, and completing the New Ways to Pay program, which provides more choice for customers in how they pay transit fares. As a result, Payments achieved its highest client satisfaction score to date, 73 per cent, across all participating PRESTO transit agencies.

A best-in-class client experience was continued at Metrolinx's first-ever Transit Payments Innovation Summit. The summit brought together transit agency clients, global peers and partners for a session focused on payments thought leadership and innovation. More than 60 participants attended, including keynote speakers from Apple and global transit peers. The session covered advancements in the PRESTO payment system, current trends and future developments, such as the role of AI, the evolution of mobile payments, and how these may influence the future PRESTO system.

Organizational transformation through the PRESTO Procurement Program

In 2024, Metrolinx completed the three-year long PRESTO Procurement Program, an organizational transformation part of PRESTO modernization that will help ensure the long-term sustainability of the PRESTO system. Five competitively procured contracts were successfully delivered and awarded to three vendors between February and October 2024 for all procurement lots. With this new vendor model, Metrolinx has laid a solid foundation to transition the PRESTO system from one key vendor to a multi-vendor model, which will conclude by early 2026.

Metrolinx is actively working to ensure the transition to the new vendor model will not disrupt customers. Metrolinx has established a strong governance framework and a Transition Program Office (TPO) to oversee the transition, ensuring accountability and clear execution strategies. The transition prioritizes a seamless customer experience, with proactive risk management strategies in place to prevent disruptions and maintain service continuity. Risk mitigation efforts include phased system deployment, quality assurance and vendor performance monitoring.

Active stakeholder engagement remains a priority, with ongoing coordination between transit agencies with dedicated embedded resources, new and existing vendors, and government partners to ensure change readiness and operational continuity.

Leading the transit payments industry with 'New Ways to Pay'

A final milestone in the delivery of the New Ways to Pay program was reached in July 2024 with the introduction of PRESTO in Apple Wallet, bringing the program to completion. With this accomplishment, PRESTO became the first transit payment card in Canada to be available in Apple Wallet.

Along with Google Wallet, which was introduced in 2023, PRESTO's expanded mobile fare payment options have collectively logged over 88 million taps, indicating the success of this mobile integration and underscoring the ease and convenience mobile wallet fare payment options bring to transit riders' daily lives.

PRESTO's contactless payment options, which include *Interac* Debit and credit cards, also gained significant momentum over the past year, with over 142 million taps since launch. Today, mobile wallets and contactless payments account for more than 35 per cent of all PRESTO transactions - or one in three PRESTO fare payments - are now being made using modern, new ways to pay.

The innovative technology behind these modern fare payment products not only enhances the customer and client experience today, but also recognizes Metrolinx as an industry leader and positions the organization for continued success. In November, PRESTO was awarded the Canadian Urban Transit Association (CUTA) award in the "Innovation" category for the New Ways to Pay program, for excellence in using technology to make services more efficient as the world's first real-time mass-transit transaction model solution. PRESTO also closed the year as runner-up for two awards at the Transport Ticketing Global annual conference in London, England, an award ceremony that honours significant achievements in smart ticketing and mobility practices across the worldwide industry. In the categories of "Best Passenger Experience Initiative," for the delivery of the One Fare Program, and "Best Smart Ticketing Programme (Between 200K and 1M Daily Journeys)," for the launch of PRESTO in Apple Wallet, PRESTO received a "Highly Commended" honour in both categories.

Capital Projects

Metrolinx is delivering an ambitious capital program with new LRT, subway and GO train infrastructure to fundamentally change how people move in the Greater Golden Horseshoe.

Following an extensive year of testing and commissioning activities on the Eglinton and Finch West LRTs, 30 kilometres of new LRT lines in Toronto will come online soon – the largest single-year expansion of the TTC network. Shovels are in the ground on an additional 41.2 kilometres of LRT projects stretching along Eglinton Avenue West from Toronto into Mississauga, along Hurontario Street in Mississauga and Brampton, and across the City of Hamilton. At the same time, 31.4 kilometres of subway lines are taking shape, including the 15.6-kilometre Ontario Line, which will pass through and under some of the densest urban environments in the country. Extensions to the existing Line 1 and Line 2 TTC subway lines will bring service 8 kilometres north to Richmond Hill and 7.8 kilometres farther into Scarborough, respectively.

These rapid transit lines will connect with the backbone of the future regional transit network, a transformed GO Rail system that will provide fast, frequent electric train service to many communities, following implementation of the GO Expansion program. Further projects like the 20-kilometre extension of the Lakeshore East GO Line to Bowmanville and upgrades to rail infrastructure into Niagara and along Kitchener will bring easier GO Rail access to new travelers, as will new stations like East Harbour Transit Hub, Mount Dennis and Caledonia.

GO Expansion program

In 2024-25, Metrolinx continued to make great progress on GO Expansion, a program transforming the GO network into a comprehensive regional rapid transit network with faster and more frequent electric service at all times of day.

While GO trains continue to operate, Metrolinx is upgrading signals, adding new tracks, building grade separations, enhancing layover and maintenance capabilities, electrifying the service along hundreds of kilometres of corridor and upgrading Union Station, as well as dozens of other stations in the network.

Early Works

Early Works is a suite of projects that will prepare the rail network for the implementation of the subsequent On-Corridor works. These projects are now significantly advanced, with most of the packages either complete or in advanced construction:

- The Stouffville Stations and Grade Separation project reached final completion in December 2024, improving amenities at Agincourt, Milliken and Unionville GO stations, and increasing safety for customers along the Stouffville GO Line.
- An important milestone was reached on the Lakeshore West Infrastructure Improvements Project with the Burloak track diversion in service, making way for the future road underpass.

- The Eglinton GO Station Accessibility Upgrades and Bradford Parking and Bus Loop Expansion projects reached completion.
- Following successful design and procurement phases, work began to prepare for the new Caledonia GO Station. These improvements will provide a direct connection between the Barrie Line and the Eglinton Crosstown LRT.
- A contract to construct the Heritage Road Layover was awarded. The new facility on the Kitchener rail corridor will provide increased fleet storage capacity to support future service levels.
- A direct connecting track at West Harbour GO Station was commissioned at the end of March. This eliminated the need for Niagara-bound trains to pass the station and reverse in, reducing travel time for St. Catharines and Niagara Falls customers, as well as enabling more trains travelling to and from Niagara Falls to stop at West Harbour.

Off-Corridor

In 2024-25, the first Existing Stations Renovations project contracts were awarded for Oakville, Hamilton and West Harbour GO stations. The Oakville GO Station contract was awarded under a Construction Manager at Risk model and detailed design work is ongoing, while the Hamilton and West Harbour contract was awarded under a Design, Bid, Build model. Detailed design of further station renovations on the Lakeshore West, Lakeshore East, Barrie, and Stouffville lines also progressed in 2024-25.

On-Corridor

In 2024-25, Metrolinx concluded the OnCorr Development Phase – a multi-stage process to finalize scope, designs, schedules, risk allocation and pricing of project elements. Over the course of the year, extensive due diligence and investigations work progressed in corridors across the network.

The Union Station Enhancement Project (USEP) is also being delivered to facilitate On-Corridor Works through an Alliance model. In 2024-25, the excavation of the future south concourse was completed, and concrete work progressed, including the pouring of the first concrete track slab. Farther east, utility bridges were installed across the Lower Jarvis and Sherbourne bridges, and relocated hydro cables were subsequently pulled through.

GO Rail Extensions program

The GO Rail Extensions program is extending Lakeshore East service through Oshawa to Bowmanville and enhancing Kitchener Line service by making capacity improvements beyond the end of the Metrolinx-owned track in Brampton:

- The development phase for the Bowmanville Extension project progressed to advance detailed design while optimizing cost and schedule in line with constructability reviews.
- On the Kitchener Extension, works completed at Guelph GO Station included platform construction and a new passing track along the corridor near Breslau.

SmartTrack Stations program

Metrolinx continues to advance the SmartTrack Stations program, which will add stations to inner portions of the GO rail network. This will leverage the frequency and capacity improvements of GO Expansion to bring new transit options to more communities.

- The East Harbour Transit Hub is Metrolinx's second Alliance project to reach the implementation stage. The project's development phase progressed in 2024-25 towards determining cost, schedule and design certainty. Meanwhile, early works continued as the project team coordinated major preparatory works with the Ontario Line Joint Corridor team, including shifting rail service from the northern tracks to 2,440 metres of new tracks to the south.
- Bloor-Lansdowne station completed detailed design in 2024-25 and construction will begin in 2025-26. The development phases for St. Clair-Old Weston, Finch-Kennedy and King-Liberty stations also progressed, alongside some preparatory works.

Rapid Transit program

In 2024-25, Metrolinx's eight LRT and subways projects sustained momentum through their respective stages of delivery.

Both the Eglinton Crosstown and Finch West LRTs made deliberate progress through testing and commissioning activities and ended the year with operator training underway. Work on the Hazel McCallion Line this year involved the installation of framing for the future Port Credit station and continued progress on the elevated guideway crossing over Highway 403.

While enabling works and property procurements were well underway for the Hamilton LRT project, the Request for Qualifications for the civil and utilities contract was released in November 2024 and closed in February 2025, marking a significant procurement milestone for the project. Similarly, the Yonge North Subway Extension project focused on procurement activities this year. The Request for Proposals (RFP) for the project's Advance Tunnel package had been previously issued and after an extensive in-market phase, two compliant submissions were received in March 2025, with contract award anticipated later in 2025.

Both the Scarborough Subway Extension (SSE) and the Eglinton Crosstown West Extension (ECWE) projects advanced below ground, as their tunnel boring machines created space for future transit infrastructure. ECWE's first segment of twin tunnels was completed between Renforth Drive and Scarlett Road as part of the Advance Tunnel 1 contract, while work on the second segment between Jane Street and Mount Dennis began later in 2024-25. The RFP for the ECWE stations, rail and systems (SRS) contract was released in the fall.

The SSE's tunnel was successfully constructed under Highway 401; although, technical challenges with ground conditions resulted in longer maintenance stops and slower progress than originally planned. In parallel, the project's SRS package had an important year. After the successful completion of the SSE SRS development phase, the contract

moved into implementation. Through the development phase, Metrolinx and contractor Scarborough Transit Connect collaborated to finalize an agreement on scope, designs, schedules, risk allocation and pricing of project elements. This was Metrolinx's first Progressive Design-Build (PDB) contract to move into implementation.

For the Ontario Line project, all major contracts had been awarded by the end of 2024, and construction is now well underway. In 2024-25, the Pape Station expansion site was cleared, and foundations were installed in advance of future excavation. Along the joint Lakeshore East GO/Ontario Line corridor, ongoing bridge work and major track shifts throughout the year made it possible to carry on with Ontario Line construction with limited disruption to Lakeshore East and Stouffville GO train service.

Development partners for the two Ontario Line PDB contract packages, Pape Tunnel and Underground Stations (PTUS) and Elevated Guideway and Stations (EGS), were selected in early 2024. In 2024-25, PTUS and EGS made progress through their respective development phases in areas such as risk reduction and analysis, value engineering and design.

Full-scale excavation began in 2024-25 for the majority of the downtown Ontario Line stations and for the launch shaft at Exhibition Station, where the two Tunnel Boring Machines will start their journey towards the Don Yard.

Off-setting ecological impact

Metrolinx reviews the sustainability of capital project designs to limit the environmental impact of building transit infrastructure. When disruption is unavoidable, teams work to implement mitigations. In 2024-25, this resulted in the planting of nearly 10,000 trees and shrubs, and the installation of 41 bat and two chimney swift replacement habitats. This offsets most of the ecological impact while also meeting regulatory requirements and commitments to Indigenous and local communities.

This year, Metrolinx completed its first-ever project-wide restoration plan on the ECWE by implementing best-in-class restoration methods, such as seed collection prior to tree removals, and forest-edge plantings adjacent to tree removals, which help these forests continue to thrive. Metrolinx also coordinated four tree giveaway events in neighbourhoods affected by transit construction. Nearly 1,000 trees and shrubs were sourced from an Indigenous-owned plant nursery associated with Six Nations of the Grand River.

Planning

Metrolinx is mandated to provide leadership in the coordination, planning, financing, development and implementation of an integrated transit network in its regional transportation area. The transit-related components of the 2041 Regional Transportation Plan (RTP), published in March 2018, along with Connecting the GGH: A Transportation Plan for the Greater Golden Horseshoe, the multimodal transportation plan for the region, published in 2022, serve as Metrolinx's guiding documents and blueprint to achieving its wide-reaching regional mandate.

Updating the 2041 RTP

Work to update Metrolinx's 2041 RTP into the 2051 RTP is nearing completion. Combining technical analysis and stakeholder input, Metrolinx has drafted an updated vision for transit in the GGH with three strategic goals and more than 120 proposed actions that provide a roadmap to achieve an integrated, effective, and sustainable regional transit network for all. Consultation with external stakeholders to date has included municipalities, transit operators, and MTO, along with targeted engagement of business and tourism organizations, and environmental and equity advocacy groups.

The update is focused exclusively on transit and will have a wider geographic mandate area - the GGH, as compared to the 2041 RTP's mandate of the Greater Toronto and Hamilton Area (GTHA) - representing an additional 80 municipalities, an additional 32 transit systems, and nearly three million additional people.

The new RTP addresses post-pandemic travel trends, spotlights connecting regional destinations, considers additional perspectives from equity-deserving and Indigenous communities, and supports marketing the use of transit for leisure, tourism and major events. Following strong progress in 2024-25, Metrolinx is now preparing to deliver a draft RTP document to MTO, municipalities, Indigenous communities, and other stakeholders in preparation for endorsement from the Metrolinx Board of Directors and the Minister of Transportation's review in 2025-26.

Business case advancement

Due to the increasingly complex nature of transit projects, Metrolinx business cases are crucial for supporting the processes for decision-making, internal and external documentation, benefits management, governance, and efficient project development. Metrolinx is currently managing seven active business cases at the Initial Business Case (IBC) and Preliminary Design Business Case (PDBC) stages.

For example, the Sheppard Subway Extension project is at the IBC stage of Metrolinx's project planning and development process. A second round of public consultation was held in 2024 to solicit community feedback and input on conceptual options for the project. Metrolinx has also initiated PDBC stage work on the Hazel McCallion Line extensions in Brampton and Mississauga, and two-way all-day service on the Milton GO Line.

Fare Integration through Ontario's One Fare Program and other initiatives

To make transit more connected, affordable and convenient, Metrolinx worked with the Province and local transit partners to further integrate transit fares and transfers between systems.

Since its launch on February 26, 2024, Ontario's One Fare Program has allowed transit riders to only pay once when connecting to and from the TTC and GO Transit, Brampton Transit, Durham Region Transit, MiWay and York Region Transit. Customers may tap with a PRESTO card, credit or debit, or PRESTO in Mobile Wallet to save money with One Fare. On May 15, 2024, One Fare was expanded to Peel TransHelp, which is the paratransit operator in Peel Region, providing riders with a free transfer to and from the TTC and GO Transit at designated locations. One Fare is making cross-boundary travel more affordable and convenient for students, seniors, commuters and other travelers.

During the first year of the One Fare Program, there were 38 million transfers representing collective savings of over \$123 million for customers due to the removal of double fares with the TTC. The success of the program can be attributed to a robust program management plan, collaboration with all five municipal transit system partners and MTO, as well as cross-functional efforts of various teams across Metrolinx.

Building on the One Fare Program, Metrolinx is undertaking an assessment of GO Transit's fare structure to examine policy options on how to improve ease of use and customer understanding, enhance affordability relative to local transit options for short distance trips, and bring more consistency to fares across the GO network. Metrolinx continues to work closely with the Province on fare structure policy options for future implementation.

To lower transit costs even more, Metrolinx has also reduced the PRESTO card issuance fee from \$6 to \$4 and continues to offer the Youth and Post-Secondary Discount. Finally, a key milestone for transit affordability was reached on March 1, 2025, when Metrolinx launched free year-round travel on GO Transit for veterans and Canadian Armed Forces (CAF) members when travelling with their Veteran's Service Card or a Canadian Military Service ID. This includes regular and reserve force members. Veterans and CAF members can take advantage of free transfers to and from the TTC through One Fare when they register the new fare type on their PRESTO card. Work is underway to expand free year-round travel for veterans and CAF members on UP Express in the future.

Metrolinx Corporate

Metrolinx's workforce

The expansion of Metrolinx's mandate, including increased project delivery scope and complexity, has necessitated additional investment in the size of Metrolinx's workforce over the past several years. To fulfill its vision, mission and mandate, Metrolinx has a workforce of 7,222.34 full-time equivalent (FTE) employees, working across 100 locations. This includes roles ranging from frontline and maintenance staff to office-based support staff offering a range of professional services. Metrolinx also supports Ontario students through summer jobs geared to students, co-op placements and internships.

The growth of Metrolinx's workforce over the past three years, represented as FTEs and excluding students, is outlined in the chart below. The number of active FTEs increased approximately five per cent from the previous year to support the organization's expanded mandate and several large-scale projects in varying stages of planning or execution.

To ensure the management of this expanded mandate remains prudent, Metrolinx has reimaged its organizational structure and associated resource allocation in response to the government's unprecedented investment in transit infrastructure. These changes were necessary to transform Metrolinx—and the capabilities within the organization—to successfully deliver on the largest transit build in North American history.

Employee Level	FY2022-23	FY2023-24	FY2024-25
Executive	95.46	119.28	124.00
Management	1,518.60	1,885.60	2,223.51
Employee	4,391.39	4,880.04	4,874.83
Total FTEs	6,005.45	6,884.92	7,222.34

Supporting our people

Metrolinx pursued several key business improvements in 2024-25 with a focus on mitigating an enterprise talent risk amid legislative restraints and a competitive labour market. These business improvements span the employee lifecycle, from talent acquisition and recruitment to professional development and enhanced Human Resources (HR) service delivery to offboarding.

Employee Value Proposition

Metrolinx's Employee Value Proposition (EVP) emphasizes investing in employee growth to foster engagement, loyalty and retention. To strengthen leadership, a comprehensive Leadership Strategy was launched in April 2023, including a Leadership Development Framework tailored to different career stages and refreshed leadership actions to enhance staff engagement. The strategy integrates equity, diversity and inclusion (EDI) and features flagship programs like Leadership Essentials, Advanced Leadership and the High Potential Program.

In 2024-25, new EVP programs were launched, such as Managing at Metrolinx for People Leaders and an Aspiring Leaders pilot tailored for high-potential individual contributors who could be future people leaders. Succession and performance management programs continue to align with organizational priorities and support key strategic objectives.

Metrolinx also successfully integrated the Making Possibilities Happen EVP platform, creating new and refreshed content, such as videos, LinkedIn, Glassdoor and job board and career site updates to expand reach to diverse talent and attract targeted candidates.

Furthermore, the Internal Mobility Policy was revamped to enhance inclusive, equitable practices, while the New Hire Buddy Program was optimized for stronger onboarding. The offboarding experience was also redesigned to gather deeper insights, especially for at-risk employee segments.

Finally, Metrolinx celebrated talent through its first-ever Metrolinx Excellence Awards Ceremony, receiving 342 nominations across six award categories, with 75 employees receiving awards. Additionally, the “Recognizing You” platform was launched to promote peer recognition, reinforcing the organization’s commitment to continuous improvement and employee feedback.

Enhanced HR services and programs

Metrolinx introduced a new HR Transformation Model to enhance service delivery, creating HR Generalist roles to streamline transactional support for people leaders, allowing HR Business Partners to focus on strategic partnerships. Strategic workforce planning was embedded into the budgeting process, consolidating fragmented systems into a single source to improve data integrity and decision-making. Analytics capabilities were expanded with new dashboards and advanced reporting, supporting organizational reviews and initiatives focused on equity-deserving communities. Additionally, a Data Literacy for HR program was launched to build analytical skills across the HR function through training, sessions, and resources.

Metrolinx successfully implemented the final two phases of the Disability Management Transformation, including in-sourcing short-term disability claims and launching a new case management software. This involved developing a new staffing model, selecting third-party service providers, enhancing policies and processes, improving reporting capabilities, and applying effective change management and stabilization strategies.

This year, Metrolinx introduced an Alternative Dispute Resolution (ADR) function, which fosters stronger conflict management and resolution across the enterprise. In 2024-25, 55 ADR inquiries were received with nearly 80 per cent of cases successfully resolved through consultation, conflict coaching and facilitated discussions. This model leads to improved working relationships, stronger employee morale, and reduces the need to launch formal and time-intensive investigations into minor complaints and issues.

Another important milestone was reached this year when Metrolinx launched a multi-year Holistic Wellness Strategy for employees that focuses on mental health, physical health and personal well-being. Organizational health metrics and evolving workforce demographics were key drivers of the strategy, which seeks to support long-term

employee well-being, retain and attract employees, and foster a more inclusive, supportive culture, particularly for equity-deserving communities.

Other key wellness initiatives that were launched in 2024-25 include a new pilot program to support Bus Operations employees with workplace musculoskeletal injuries and a mental health supports toolkit to assist leaders in supporting teams and individuals responding to traumatic incidents, mental health crises, or domestic or intimate partner violence. Collectively, these initiatives have been instrumental in fostering a more inclusive and supportive workplace culture across Metrolinx, while also delivering measurable business outcomes through increased employee engagement, reduced absenteeism and leave durations, enhanced productivity, and improved business continuity.

Finally, a wage re-opener agreement with the Amalgamated Transit Union (ATU) was successfully negotiated following the repeal of Bill 124. Successfully resolving the ATU wage re-opener improves the position of Metrolinx entering into 2025 Collective Bargaining with the ATU and contributes to improved engagement of unionized employees.

Championing an engaged, inclusive culture

Metrolinx continued to identify and implement strategies aimed at attracting, retaining and developing an engaged and inclusive workforce. Every year, Metrolinx issues a confidential survey that gathers employee feedback to gain insights into their experience and workplace culture. The survey is specifically developed to understand the levels at which employees are engaged, and feel heard, seen and valued at the organization.

The organization saw a record high participation in the survey of 75 per cent. Employee engagement results were strong at 82 per cent, exceeding the corporate strategic objective target of 80 per cent. Employees also reported a strong inclusion index score of 83 per cent, which exceeded the target of 79 per cent.

Metrolinx is in the second year of its three-year Equity, Diversity and Inclusion (EDI) Strategy, which encompasses 24 actions focused on colleagues, customers and communities. As of April 2025, all 24 actions are completed, ongoing or on track to completion.

Through education and awareness efforts, Metrolinx continues to strengthen organizational EDI competency by building equitable and inclusive practices that can drive impact and better business outcomes. This included enhancing learning for employees aimed at building awareness and understanding to support an equitable experience for our customers and the communities we serve.

Specific initiatives included the development and launch of mandatory training for people leaders on anti-Black racism, inclusive leadership and gender identity, and an enhanced module on allyship and microaggression. These efforts complement existing training on unconscious bias, accessibility, and Indigenous awareness, as well as race, racial discrimination and human rights protections through the Ontario Human Rights Commission.

In addition, Metrolinx developed and launched an equity lens tool to ensure employees proactively identify barriers, understand unintended equity impacts and ways to mitigate risks. The tool guides employees to ensure work and decision-making at Metrolinx is grounded in data-informed equity considerations and helps employees identify and address the potential impacts of initiatives, including policies, programs, services and practices. The tool has been incorporated into the organization's project management charter template to help embed this approach and inform work throughout the organization.

This year, Metrolinx exceeded gender balance targets, with representation of women at 39 per cent across the organization and 41.2 per cent at the Senior Manager and above levels. Notably, women comprised 44 per cent of all hires at both the organizational and senior leadership levels, surpassing our current gender representation and positioning Metrolinx among the top performers in our industry. Metrolinx has also maintained strong recruitment efficiency, achieving an average time-to-fill of 34 days—two business days faster than the target of 36 days. With a commitment to creating a diverse and inclusive workforce, Metrolinx regularly evaluates its gender balance progress and sets ambitious goals that continue to advance the organization's gender representation.

Metrolinx also builds capacity in its ongoing work supporting the organization's 14 Employee Resource Groups (ERGs). ERGs build community, provide supportive environments for their members and allies, and provide leadership development opportunities for ERG leaders.

Recruitment and workforce planning

Metrolinx advanced its Talent Acquisition efforts by establishing a dedicated Early Talent team focused on educating students and new Canadians about career opportunities at the organization. The team hosted multiple 'Inside Track' events for new graduates and increased its presence at job fairs, conferences and student events. Additionally, recruitment teams enhanced their efforts by using proactive sourcing to attract top talent, directly improving the quality of hires and contributing to the development of new hiring metrics.

In addition, Metrolinx introduced expanded workforce planning tools to support the 2025-26 budget planning exercise and reduced the enterprise vacancy rate to 8.7 per cent, which is both below the maximum target (11 per cent) and represents a 26 per cent reduction in vacancies since the start of the fiscal year.

Workplace Transformation

Metrolinx continued to deliver against the workplace transformation strategy, which included optimizing our existing spaces through efficient space planning and reconfigurations to increase capacity, and collaborative work environments that support more in-person teamwork. To date, more than 575 work points have been added to nine partial floors within the Metrolinx downtown office portfolio and more than 70 work points in regional locations. These areas have been transformed with modern flexible workplace solutions to create environments that foster collaboration, innovation, and productivity.

Community, Communications and Stakeholder Relations

Metrolinx continued to strengthen how we inform, engage and collaborate with communities, stakeholders, local businesses and government partners. As construction accelerated across the region, an integrated approach that combined strategic communications, always-on community engagement and dedicated stakeholder relations, helped Metrolinx remain transparent, responsive and community-focused.

As construction ramped up across the GGH, Metrolinx remained active and visible in impacted neighbourhoods to share information, listen to concerns and help communities and local businesses navigate the disruption caused by construction. Over the past year, Metrolinx representatives knocked on 103,883 doors, distributed 1,477,752 construction notices and connected with over 107,157 people through 1,982 community events. Metrolinx also hosted 86 public meetings and has over 20 active Construction Liaison Committees (CLCs) that meet monthly, creating spaces for open dialogue and local feedback.

Our team reflects the diversity of the communities we serve, speaking over 19 languages and delivering multilingual materials to ensure inclusive access to project information. Metrolinx also partnered with local organizations to meet the needs of underserved and equity-deserving communities, including providing accessible tours for youth living with disabilities, collaborating with social services agencies, and leading environmental education efforts on endangered species protection.

Metrolinx expanded its Good Neighbour Program, introducing construction standards and compliance measures to minimize disruption and promote more considerate construction practices including scheduling the most disruptive work during daytime, increasing the frequency of street sweeping, and installing mitigation tools such as sound barriers. Site teams participated in regular audits and developed Community Impact Mitigation Plans outlining contractor responsibilities at key sites. This approach supported an average Good Neighbour Score of 56 per cent reaffirming our commitment to transparency and accountability to the communities we serve.

To help raise public awareness and foster deeper understanding of the benefits coming to communities, Metrolinx delivered proactive and engaging content across digital platforms, from construction updates to behind-the-scenes videos. These efforts continued to expand Metrolinx's digital reach with 47 million social impressions, 10.7 million video views and 148 original stories published, which amassed over 918,000 views. Furthermore, the Metrolinx website saw 4.9 million page views and 1.6 million engaged sessions while an enhanced email newsletter strategy helped sustain an active and growing digital audience, achieving a 49 per cent open rate and a 2 per cent subscriber growth rate.

Metrolinx continued to be a responsive media partner. This year, we responded to 500 media calls, which includes calls resulting from 120 proactive media pitches. This work helps maintain positive sentiment among communities and positions Metrolinx as a reliable and transparent source for information as we continually improve service and build more transit.

Over the past year, Metrolinx also focused heavily on building positive relationships with key stakeholders. We engaged with over 250 elected officials at all levels of government, supported over 20 government announcements and led three Regional Roundtables with municipal Chief Administrative Officers, the TTC, MTO and Metrolinx leadership.

This work was complemented by the support of a robust governance system that includes nine steering committees designed to facilitate resolutions on shared initiatives between Metrolinx and municipalities. Through a coordinated effort across the organization and working hand-in-hand with municipal partners, Metrolinx resolved issues proactively and focused on building strong relationships with municipalities to advance our shared transit goals.

Finally, a key accomplishment in 2024-25 was the establishment of a new Stakeholder Relations unit. The addition of this team will help Metrolinx build trust, create meaningful partnerships and drive effective engagement with key stakeholders, including groups representing the transit, construction and business industries.

Community Benefits and Supports

Through Metrolinx's Community Benefits and Supports program, the organization is driving economic change by creating jobs and training opportunities for equity-deserving communities, promoting the use of social enterprises, supporting local businesses during construction and working with communities to better understand their needs and ensure their voices are heard. Communities have appreciated transparent communication, active engagement, and showcases of Metrolinx's overall achievements and community impacts in their neighborhoods.

The first-ever Metrolinx Community Benefits and Supports Annual Report was released in September 2024. The annual report is a testament to the organization's commitment to uplift the communities we serve by living our four-pillar values during transit construction. The Metrolinx Community Benefits and Supports Annual Report publishes outcomes and stories that showcase the impacts and progress towards these pillar objectives: Employment Opportunities, Local Business Supports, Public Realm Improvements, and Community Improvement Supports.

Indigenous Relations

This year, the Indigenous Relations Office has been fully resourced and structured to manage Metrolinx's relationships with Indigenous communities and peoples. The Indigenous Relations Office collaborates to fulfill Metrolinx's legal obligation to consult with Indigenous communities. It also leads and supports efforts across the organization to engage with communities outside of this legal duty and to undertake meaningful, focused engagement with Indigenous communities on a range of capital and operational initiatives. The Indigenous Relations Office also provides subject matter expertise to internal policy development and program areas.

In 2024-25, internal structures to support consultation with Indigenous communities, such as project delivery control boards, have helped Project Delivery Teams to meet

consultation milestones, minimize risk and provide greater clarity and awareness throughout the commercial program.

Preparations are being made to roll out the internal Indigenous Awareness Training Program to third-party consultants to ensure awareness of Metrolinx's commitment to engage meaningfully and safely with Indigenous communities and members who work on our projects.

Metrolinx worked with Indigenous communities and their Economic Development Offices to procure services from Indigenous-owned businesses. The initiative is the first of its kind within Metrolinx to promote economic reconciliation. More than \$3 million in procurement has been undertaken, including sourcing nearly 1,000 trees and shrubs from an Indigenous-owned plant nursery associated with Six Nations of the Grand River.

Metrolinx is pursuing transit connections to Indigenous communities. As discussed above in "Operations and Safety," GO Bus route 15 will be extended to Six Nations of the Grand River and Mississaugas of the Credit First Nation communities. This extension will mark the first time that Metrolinx extends GO Bus service to an Indigenous community. The expansion represents a significant opportunity for community members to connect with family, access essential services, and travel to job opportunities across the region.

This year, Metrolinx was proud to have entered into two additional agreements with Indigenous communities. A total of seven agreements have been signed to date, which represent the framework for establishing meaningful engagement and consultation with Indigenous communities on projects, and further ensuring Metrolinx provides capacity support to communities, ensuring that both parties have the capacity to work collaboratively.

Enterprise Commercial Management

Metrolinx formed the Enterprise Commercial Management (ECM) team in Spring 2024, with a mandate to lead transactions that have enterprise-wide impact and high-risk profiles by bringing expertise, resources and a corporate or programmatic view to transactions in meeting strategic business needs. Work is underway to complete the development of an enterprise commercial strategy by 2025 and implement a target operating model by 2026.

Since the team formed, a new ECM leadership team has been established, a Commercial Management Target Operating Model has been created and ECM has started managing enterprise commercial transactions. Progress is being made to create a shared services model for vendor management that will not only drive increased vendor performance and value for money, but also enable use of common practices and tools by all teams across the enterprise. Roll out of the operating model has focused on the corporate services divisions, Operations GO & UP, Operations Rapid Transit, and Asset Management & Maintenance. Implementation has begun for the corporate services divisions with new support and service being offered in all three areas of the operating model: Commercial Strategy, Vendor Management and Invoice Processing.

This year, Metrolinx created a centralized commercial claims management function, which improved central oversight for the office of the Chief Legal and Commercial Officer,

fostered integration among different divisions and their respective commercial teams, and supported the preparation and alignment for the management of commercial and claims issues associated with projects transferring from construction to operations.

Work to improve data management for claims and disputes is underway and being rolled out enterprise-wide. Once this information is consolidated, Metrolinx will effectively be able to track and manage any bottlenecks in processes as well as lag times for escalation and resolution of disputes, and will lead to improved foresight of early warnings and anticipated claims to enable risk mitigation and early intervention. Also, Metrolinx is working towards the process improvement and standardization of embedded contractors across the organization, which will enable automated extraction of monthly reports to show embedded contractors by division.

Finally, Metrolinx established a new governance model for Commercial decision-making. The model has established a consistent and improved approach to preparing and presenting commercial topics, created common practices to promote effective and strategic decision-making that also mitigates commercial risk for the organization, and reduced the number of meetings to work more effectively and foster greater collaboration among divisions.

Real Estate and Development

In 2024-25, Metrolinx continued to improve as a responsible owner and manager of real estate. The organization continued to advance the Real Estate Strategy to transition towards a more sustainable recurring revenue model, optimized the real estate portfolio for potential development opportunities and revenue sources from underutilized assets, undertook a comprehensive lifecycle-focused approach to real estate asset management to minimize holding costs, increase revenue and improve safety conditions, and prioritized safety and protecting rail corridor integrity.

Key highlights included:

- Achieved \$28.6 million in non-fare revenue through one-time sales of assets and recurring revenue sources, while limiting expenses to \$21.4 million for a 134 per cent cost recovery ratio.
- Minimized rental delinquencies to 4.6 per cent, maintaining a downward trend from 12 per cent in 2021-22.
- Completed four demolition and construction projects with all delivered on schedule.
- Involved in nine active Ontario Land Tribunal cases, seven of which were resolved while protecting Metrolinx's interests related to station access, development potential, property value, and technical requirements for rail-adjacent development.
- Reviewed 3,414 third party adjacent development, utility and roadway, and corridor development permit (CDP) applications to ensure safety and safeguard rail corridor integrity and to minimize disruptions to project delivery.

- Conducted 1,590 corridor site visits ensuring compliance with the conditions stipulated within Metrolinx CDPs, approved designs, work plans, and work permits, with only one Stop Work Order and five Non-Compliance Notifications issued along the subways and GO heavy rail corridors.

Following direction from the Province in June 2023, Infrastructure Ontario (IO) has been assessing sites at GO Rail and LRT stations for development opportunities under the Transit-Oriented Communities (TOC) Program. Metrolinx has been working closely with IO, using the framework established by a Memorandum of Understanding executed in November 2024. IO currently is exploring GO TOC opportunities at four Metrolinx-owned sites, and is exploring the potential for additional TOC opportunities at additional sites that include Metrolinx-owned land.

Business improvement plans

Metrolinx built momentum from the success of the implementation of business improvement plans over the last four years. These have allowed the organization to continue embedding a culture of LEAN continuous improvement to achieve better outcomes at a lower cost base.

Metrolinx implemented business improvement plans in 2024-25 spanning a wide variety of services and projects, including in-housing of train fault control work, engine maintenance services and marketing products. Additionally, business improvement plans also resulted in reducing costs related to payment fraud, improving PRESTO device reliability to reduce lost fare revenue claims, generating better value-for-money from insurance contract renewal, decommissioning of cellphones, as well as migrating databases to more cost-efficient options. These improvements have generated savings to help manage emerging operating financial pressures and further embed a culture of efficiency across the organization.

Sustainable Procurement Program

Metrolinx remains committed to removing systemic barriers and promoting inclusive economic participation. In 2024-25, the Sustainable Procurement program continued to grow, actively increasing diverse vendor engagement across targeted categories, collaborating with vendors and business units to award contracts to Indigenous-owned businesses and supporting the inclusion of more diverse vendors in invitational procurements. Early data collection, using 2023-24 as the baseline year, is informing the development of a KPI to track contract awards with diverse vendors and steady progress toward a target of diverse vendors accounting for 20 per cent of participating bidders in invitational procurements by 2026.

Initial outreach efforts and engagement with over 170 vendors have expanded the vendor pool to nearly 3,000 certified-diverse vendors in the Metrolinx directory. Implementation of the Indigenous Vendor Strategy is returning encouraging results, with capacity-building initiatives and partnership development efforts leading to \$3 million in contracts awarded to Indigenous-owned businesses. Sustainability and social equity considerations are being embedded in procurement activities, guided by attention to value, market readiness, and environmental impact.

Transit Procurement Initiative

The Transit Procurement Initiative (TPI) is a champion of innovation in North America's transit procurement landscape. Since its inception in 2006, the TPI has orchestrated 28 joint procurements involving 54 transit agencies. The initiative helps transit systems of all sizes deliver cost savings using a team of seasoned industry professionals who conduct market research, develop performance-based technical specifications, manage the procurement process and oversee contracts throughout their lifecycle.

Since the start of the TPI, transit systems have purchased over \$1.53 billion of goods and services through the initiative, which has generated savings and cost avoidance of \$73.5 million for Ontario taxpayers. Throughout 2024-25, the TPI team oversaw \$267 million worth of purchases under its contracts, saving Ontario taxpayers an estimated \$11 million.

This year, the TPI team awarded Canada's first joint procurement for charging systems and facilitated its first battery electric bus purchase. The TPI program also welcomed six new transit partners to the 2019-29 Governance Agreement and managed eight active contracts for its transit partners.

Innovation and Information Technology

Metrolinx Innovation and Information Technology (I&IT) is a technology partner, working in collaboration with the broader organization to advise, deliver and operate high-value, high-quality, cost-effective solutions to serve the diverse and evolving needs of Metrolinx and its customers. Metrolinx uses advanced information systems and technology to deliver transit services to its customers. Projects of various sizes are deployed to deliver value-added service for the organization in support of Metrolinx customers.

Select key business technology accomplishments in 2024-25 include:

- Substantially completed Disaster Recovery program and tested all critical applications.
- Significantly modernized infrastructure and application systems to current levels.
- Delivered enhanced signage across stations to provide improved customer experience.
- An enhanced cybersecurity stance with a focus on increasing cybersecurity capabilities to minimize, monitor and manage operational technologies, rapid transit systems, the Network Operations Centre and customer-facing technologies.
- Delivered over 30 automations, driving approximately 30,000 hours of time savings.

Governance

Metrolinx is an agency of the Government of Ontario and is guided by a mandate from the Minister of Transportation, on behalf of the Premier of Ontario.

The Board of Directors is responsible for setting Metrolinx's strategic direction, identifying, managing and monitoring key risks, as well as providing oversight to operations. The Chair of the Board is accountable to the Minister of Transportation as described in the Metrolinx Memorandum of Understanding.

The Metrolinx Board of Directors includes up to 15 members, including members from several communities in the Greater Golden Horseshoe Region. They are appointed through Order in Council under the *Metrolinx Act, 2006*. The table below provides an overview of the Board members, their period of service, annual remuneration and quarterly Board meeting attendance.

Director	Board Position	Date First Appointed	Term Expiration Date	Quarterly Board Meeting Attendance ¹	Remuneration ¹
Donald Wright ²	Chair	August 13, 2018	August 15, 2025	4/4	\$152,342.10
Bryan Davies	Vice-Chair	September 8, 2015	November 22, 2026	3/4	\$13,250.00
Deb Hutton	Member	February 24, 2022	February 23, 2025	3/4	\$5,100.00
Emily Moore	Member	January 17, 2019	July 17, 2024	2/2	\$3,500.00
James Dodds	Member	March 4, 2022	March 3, 2026	4/4	\$8,500.00
Karen Tam	Member	August 29, 2024	December 31, 2025	2/2	\$1,800.00
Luigi Ferrara	Member	January 17, 2019	July 16, 2025	3/4	\$7,500.00
Mark McQueen	Member	June 22, 2023	June 21, 2026	4/4	\$6,200.00
Paul Tsaparis	Member	January 17, 2019	January 17, 2026	3/4	\$10,800.00
Reg Pearson	Member	February 14, 2019	February 13, 2025	4/4	\$10,200.00
Robert Poirier	Member	January 17, 2019	November 20, 2024	3/4	\$12,600.00
Tony Marquis	Member	December 6, 2019	December 14, 2025	3/4	\$5,900.00
Mary Ellen Bench	Member	January 28, 2025	January 27, 2026	N/A	\$0.00
Nick Simone	Member	January 28, 2025	January 27, 2026	N/A	\$0.00
Nicole Verkindt	Member	January 16, 2025	January 15, 2027	N/A	\$0.00
Stewart Lyons	Member	January 16, 2025	January 15, 2027	N/A	\$0.00
Michael Lindsay	President & CEO	December 16, 2024	June 30, 2025	N/A	Michael Lindsay receives an

					annual salary as the current President & CEO of Metrolinx but does not receive remuneration as a Board member.
Phil Verster	<i>Former President & CEO</i>	October 2, 2017	December 13, 2024	4/4	Former President & CEO Phil Verster received an annual salary and did not receive remuneration as a Board member.
Note(s): 1 - The four quarterly Board meetings took place February 15, 2024, June 27, 2024, September 12, 2024, and November 28, 2024. 2 - The Chair is not compensated via per diems. The Chair receives an annual compensation amount under Order in Council 1019/2018. 3 - Compensation covers calendar year 2024.					

Management Discussion and Analysis

Corporate Performance

The 2024-25 fiscal year marked significant advancements in transit infrastructure, including progress on major transportation projects, modernization of payment solutions and supporting the management and delivery of the One Fare program to improve affordability and connectivity for cross-boundary travel. Metrolinx ridership recovery momentum anchored on four T-R-I-P strategies - Tourism & Leisure Momentum, Returned Rider Frequency, Increase Business & Commuter Travel, and Pull in New Audiences - bolstered growth in off-peak leisure and tourism travel, increased travel frequency among returned riders and business commuters, and attracted new customers including youth, newcomers and multicultural communities. Metrolinx also focused on optimizing schedules and services to ensure riders reach their destinations safer, faster and easier.

This year, significant progress was made in advancing major transit expansion projects, including expanded subway and light rail lines, and the GO Rail system, with Metrolinx ensuring Indigenous communities are consulted and engaged in a manner that is culturally sensitive and respectful. The expanded transportation network will offer faster, more comfortable journeys, particularly benefiting underserved communities across the GTHA and beyond.

Metrolinx expanded its payment solutions further to provide more modern and convenient options for riders. In addition to new payment methods implemented over the past two years, passengers can now also use PRESTO in Apple Wallet on PRESTO-enabled devices across the GTHA. Metrolinx also made significant progress on key priorities for PRESTO, including the completion of the PRESTO Procurement Program, which will reduce the total cost of ownership, improve customer experience, ensure greater access and enhance future technology agility. Together, these improvements make fare payments simpler, more efficient and enhance the overall travel experience.

Metrolinx continues to work with MTO and local transit partners to advance the development of an integrated regional transit network, aiming to make transit more connected, affordable, and convenient across the region. In its first year, the One Fare Program, delivered through Metrolinx, has saved transit users over \$123 million, across all participating transit agencies. The program continues to help riders to travel more seamlessly across multiple transit systems with a single, affordable fare, significantly reducing commuting costs and improving access to transit across the region.

Metrolinx remains committed to supporting the province's goals of improving transit accessibility, reducing congestion and promoting economic growth. This commitment is reflected in the continued reliability of GO Rail, GO Bus and UP Express services, which prioritize customer satisfaction and safety, and demonstrated through an on-target aggregate Customer Satisfaction (CSAT) score of 86 per cent and a Lost-Time Injury Frequency Rate (LTIFR) of 0.31 versus a target of 0.50 per 200,000 hours worked.

Looking back, the 2024-25 budget projected ridership growth to be the primary driver of revenue as travel patterns stabilize. Ridership has steadily grown this year and Metrolinx has remained focused on supporting this growth, through the four T-R-I-P ridership building strategies and adjusting products and services to meet evolving demands and changes in ridership seasonality. The organization continues to manage expenses and explore continuous improvements to increase efficiency, maximize effectiveness, and ensure long-term financial sustainability while delivering on its mandate.

Metrolinx has continued to work with the government to implement its operating and capital plans, fulfill its mandate, and ensure the delivery of safe and reliable transit services across the region. Metrolinx has also been essential in supporting the government's efforts to enhance transit services, ensure the responsible use of taxpayer funds, keep costs down, and deliver value to Ontarians.

The following Management Discussion and Analysis for Metrolinx should be read in conjunction with the audited financial statements and related notes for the fiscal year ended March 31, 2025, included within this 2024-25 Annual Report.

The following table summarizes the consolidated revenue, expense, subsidy, and ridership for Metrolinx for 2023-24 and 2024-25.

Summary of Corporate Performance

(in \$ millions)	2024-25 Actual	2024-25 Budget	2023-24 Actual	Actual vs. Budget 2024-25		Year over Year 2024-25 vs. 2023-24 Actual	
				Change	%	Change	%
Total Revenue ¹	770.7	778.7	689.4	(8.1)	(1.0%)	81.3	11.8%
Total Expense ²	2,064.3	1,987.8	1,918.2	76.5	3.8%	146.1	7.6%
Total Operating Subsidy ³	1,288.9	1,176.5	1,213.3	112.4	9.6%	75.6	6.2%
Amortization of deferred capital contributions ⁴	1,090.0	2,040.9	1,202.5	(950.9)	(46.6%)	(112.4)	(9.4%)
Amortization of capital assets ⁴	1,040.8	2,049.8	1,121.9	(1,009.0)	(49.2%)	(81.1)	(7.2%)
Amortization of long-term leases	0.3	0.3	0.3	0.0	n/a	0.0	0.0%
Loss / (Gain) on disposal and write-down of capital assets	53.3	-	102.7	53.3	n/a	(49.5)	(48.2%)
Net Income / (Loss)	(9.2)	(41.8)	(38.0)	32.6	(78.0%)	28.8	(75.8%)

Total Ridership (in millions)	71.8	74.7	59.0	(2.9)	(3.9%)	12.8	21.6%
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Notes:

1. Total Revenue includes fare revenue, PRESTO and other non-fare revenue, third-party construction revenue, and fare revenue funded through the One Fare Program; and after intercompany transactions.
2. Total Expense includes supplies and services, equipment maintenance, facilities and track, labour and benefits, rail and bus operations, and third-party construction expense; and after intercompany transactions.
3. Total Operating Subsidy reflects \$30.4M contribution from Province of Ontario to GO Transit for co-fare reimbursement under the One Fare Program; One Fare payments from the Province to other Transit Agencies are not reflected in Operating Subsidy figure.
4. Adjustment to prior year amounts - In 2024-25, Metrolinx undertook a review of accounting practices for construction-in-progress, which found that some costs initially recorded as construction-in-progress and not amortized, should have been reclassified to capital assets once they were put into use. This has resulted in adjustments being reflected in the comparative period of the 2024-2025 financial statements. Please refer to Note 3a in the Financial Statements for further details of these adjustments.

The following table provides the breakdown of revenue and expense for fiscal years 2023-24 and 2024-25.

Operating Results

(in \$ millions)	2024-25 Actual	2024-25 Budget ¹	2023-24 Actual	Actual vs. Budget 2024-25		Year over Year 2024-25 vs. 2023-24 Actual	
				Change	%	Change	%
Fare Revenue	510.8	557.0	431.8	(46.2)	(8.3%)	79.1	18.3%
PRESTO Non-Fare Revenue	129.2	130.9	119.2	(1.7)	(1.3%)	10.0	8.4%
Other Non-Fare Revenue	104.2	120.4	93.6	(16.3)	(13.5%)	10.6	11.3%
Revenue²	744.2	808.4	644.5	(64.2)	(7.9%)	99.6	15.5%
Third-party Construction Revenue ³	92.1	-	75.8	92.1	n/a	16.3	21.5%
Intercompany transactions	(35.2)	-	(28.3)	(35.2)	n/a	(6.8)	24.1%
Fare Revenue funded through One Fare program	(30.4)	(29.6)	(2.6)	(0.8)	2.7%	(27.8)	1073.8%
Total Revenue (incl. Third-party Construction Revenue, intercompany transactions, and fare revenue funded through One Fare)	770.7	778.7	689.4	(8.1)	(1.0%)	81.3	11.8%
Operations	596.9	526.8	475.1	70.1	13.3%	121.8	25.6%
Operating Labour & Benefits	650.4	615.3	586.5	35.1	5.7%	63.9	10.9%
Facilities & Track	258.9	255.4	212.8	3.5	1.4%	46.1	21.6%
Equipment Maintenance	179.1	138.6	156.2	40.5	29.2%	22.9	14.7%
Supplies & Services	334.7	451.8	414.6	(117.0)	(25.9%)	(79.9)	(19.3%)
Bid Fees	0.2	12.2	5.8	(12.0)	(98.3%)	(5.6)	(96.5%)
Operating Expense²	2,020.0	1,987.8	1,845.3	32.2	1.6%	174.7	9.5%
Third-party Construction Expense ³	79.5	-	101.3	79.5	n/a	(21.8)	(21.5%)
Intercompany transactions	(35.2)	-	(28.3)	(35.2)	n/a	(6.8)	24.1%
Total Expense (incl. Third Party Construction Expense and intercompany transactions)	2,064.3	1,987.8	1,918.2	76.5	3.8%	146.1	7.6%
Proceeds from Sale of Assets	14.7	32.6	21.6	(17.9)	(54.9%)	(6.9)	(31.9%)
Operating Subsidy⁴	1,258.4	1,146.9	1,210.7	111.6	9.7%	47.7	3.9%
Operating Subsidy - One Fare (GO Transit)	30.4	29.6	2.6	0.8	2.7%	27.8	1073.8%
Total Operating Subsidy⁵	1,288.9	1,176.5	1,213.3	112.4	9.6%	75.6	6.2%

Notes:

1. 2024-25 Budget Revenue and Operating Expense are as published in the 2024-25 Business Plan.

2. Revenue and Operating Expense are presented prior to intercompany transactions for comparability to budget; prior reporting period has also been adjusted for this view. Intercompany transactions reflect transactions between GO Transit and PRESTO business areas.

3. Third-party Construction Revenue and Expenses are included as part of Total Revenue and Total Expense respectively to recognize third-party reimbursements for capital assets constructed on the third-party's behalf.

4. Operating subsidy excludes long-term accrual for post-employment benefits of (\$6.1M) and (\$9.9M) for 2023-24 and 2024-25 respectively.

5. One Fare payments from the Province to other Transit Agencies are not reflected in Total Operating Subsidy figure.

Operating Subsidy

The Province of Ontario provides Metrolinx with an operating subsidy to cover operating expenses less revenue and proceeds from the sale of assets to ensure Metrolinx has sufficient funds to operate its transit services, implement commitments made under the 2041 Regional Transportation Plan and support the delivery of its mandate.

Metrolinx operating subsidy requirement, excluding One Fare subsidy, was \$1,258.4 million for 2024-25, an increase of \$111.6 million compared to the 2024-25 budgeted operating subsidy requirement of \$1,146.9 million. This increase in requirement was primarily driven by lower fare revenue and lower partnership and advertising revenues, as well as expense pressures mainly from extending existing rail services contracts. These pressures were partially mitigated by lower project financing costs from revised project schedules.

Metrolinx has continued to embed a culture of efficiency and continuous improvement by implementing business improvement plans across the organization, which have helped achieve better outcomes at a lower cost base, while managing emerging cost pressures throughout the fiscal year.

Revenue

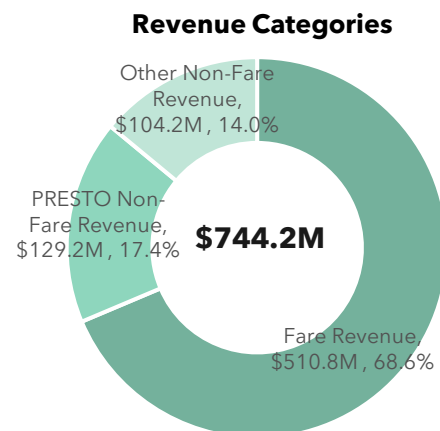
Metrolinx revenue categories include fare revenue, PRESTO non-fare revenue and other non-fare revenue.

In 2024-25, Metrolinx reported revenue of \$744.2 million, which was \$64.2 million (7.9 per cent) below budget. Revenue comprised of \$510.8 million in fare revenue, \$129.2 million in PRESTO non-fare revenue and \$104.2 million in other non-fare revenue. The lower-than-budgeted revenue was primarily driven by lower fare revenue that reflects new ridership seasonality with softened ridership in fall due to community illnesses and flexibility offered by hybrid work options, as well as lower partnership and advertising revenue, and lower proceeds from sale of assets.

The revenue of \$744.2 million represents an increase of \$99.6 million (15.5 per cent) compared to the prior year, demonstrating strong year-over-year growth as Metrolinx continued to drive sustainable growth in ridership and non-fare revenue through optimized services, expanded payment options, and targeted customer campaigns.

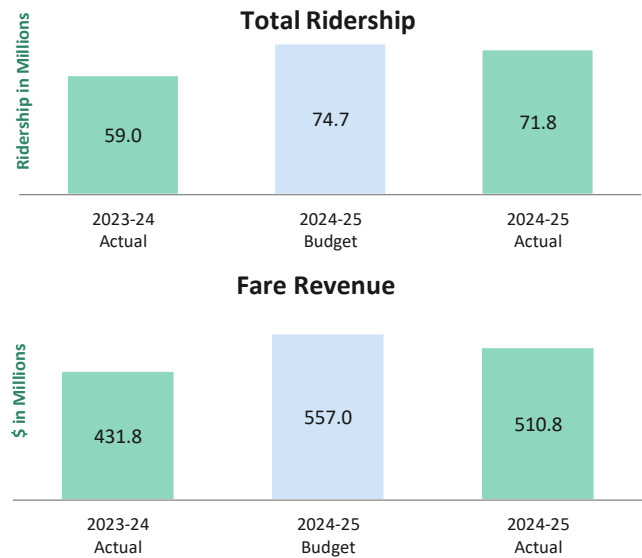
Fare Revenue

Metrolinx's fare revenue is directly tied to ridership and includes revenue related to fares from transit operations, including GO Transit and UP Express services. Ridership reflects the use of GO and UP trains and GO buses across the region and is calculated as rail boardings plus bus boardings less transfers across both train and bus routes.



Ridership increased to 71.8 million in 2024-25, with resulting fare revenue of \$510.8 million. This represents an overall recovery of 94.1 per cent when compared to the 2019-20 pre-COVID ridership of 76.3 million.

Over the past year, Metrolinx has seen a steady growth in ridership, which has been supported by the four T-R-I-P ridership building strategies, adjusting products and services to meet evolving demands and seasonality, and making fare payments simpler with expanded payment options. Metrolinx has continued to offer various fare promotions (e.g., youth and post-secondary student discount, weekend passes, Open Payment at PRESTO prices), which incentivise travel demand and have contributed to ridership gains, yet these fare promotions often limit the growth of fare revenue.



Change from Budget (Year-ended March 31, 2025, vs. Budget)

The budgeted ridership and revenue prepared during summer 2023 assumed commuter travel would continue to trend positively through the winter of 2023-24. However, Metrolinx experienced slower than expected ridership recovery, slower return of commuter travel, and softened ridership from community illnesses, which carried over into 2024-25. Prior to the start of this fiscal year, Metrolinx prepared a revised ridership and fare revenue target for 2024-25 to account for this softening. Since this revision, both ridership and fare revenue have remained consistently in alignment with this target. (Appendix - Strategic Objective 11)

Total Metrolinx ridership was 71.8 million in 2024-25, which was 2.9 million (3.9 per cent) below budget. Fare revenue of \$510.8 million was \$46.2 million (8.3 per cent) below budget.

Metrolinx’s weekend ridership recovery stands at 157.9 per cent compared to March 2019-20, with added rail and bus services and early promotion of leisure travel to key destinations and events driving this recovery. In addition, various promotional campaigns targeting business travellers, students and youth, as well as newcomers, have contributed to the overall ridership recovery.

As ridership is projected to transition from recovery to a phase of more predictable, stable and sustainable growth, Metrolinx will continue to leverage customer analytics to support the projection of ridership and fare revenue, deliver demand-driven service, and drive strategic ridership growth.

Change from Prior Year (Year-ended March 31, 2025, vs. March 31, 2024)

Metrolinx ridership and fare revenue continued to grow in 2024-25 as travel patterns have started to stabilize. In 2024-25, total Metrolinx ridership of 71.8 million was 21.6 per cent over the 2023-24 ridership levels. As mentioned, Metrolinx implemented four T-R-I-P growth strategies to continue growing ridership and fare revenue in areas of greatest demand. Further details on these strategies are provided below.

- **Tourism & Leisure:** Expanding the PRESTO Perks program and promoting GO for seasonal, destination, sports, concerts and events, including customer contests, train wraps, station and on-board activations for NHL GO Leafs GO, Taylor Swift Eras Tour and long-standing collaborations with the Canadian National Exhibition, Canadian International Autoshow, Toronto International Film Festival, and Oktoberfest. The special April 8th Solar Eclipse service delivered over 50 per cent increase in Niagara ridership compared to 2023.
- **Returned Rider Frequency:** Optimized service frequency, promoting new PRESTO payment methods and strategies to bolster youth and student ridership through integrated Gen Z campaigns, reading week extra service, and post-secondary school activations to amplify awareness of the youth concession. Student Gen Z ridership grew by 21.9 per cent compared to the prior year.
- **Increase Business & Commuter Travel:** Renewed business-to-business focus, including conference-related travel and strategic partnership with Simplii Financial, American Express, and Starbucks to reward customers for choosing transit, and expanded food and beverage options across the network to enhance customer journey experience.
- **Pull in New Audience:** Engagement with newcomers through the integrated GO newcomer campaign, days of significance to celebrate the region's cultural, diversity, connecting GO & UP to inclusive events and supporting diverse customers with multi-language awareness tactics, and a partnership with MagnusCards to support neurodiverse customers.

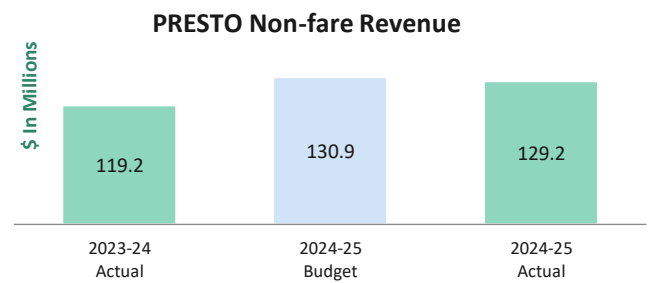
Fare revenue was \$510.8 million in 2024-25 or \$79.1 million (18.3 per cent) higher than the prior year due to continued ridership growth supported by Metrolinx's expansion of modern payment options, attractive fare strategies, demand-driven service and sustained customer satisfaction, combined with the success of fare integration programs which have reduced commuting costs and improved regional access to transit.

Metrolinx continued to support demand creation campaigns for leisure and business, changing ridership trends and increased service. Fare strategy continued to remain focused on making transit more affordable. Looking forward, as more customers return to transit, Metrolinx will continue to build on these growth strategies and bring even more value to customers to enhance their journeys.

PRESTO Non-Fare Revenue

PRESTO non-fare revenue includes fees collected from transit providers for the use of the PRESTO system and is heavily influenced by the fare revenue and ridership of transit providers in the region.

PRESTO non-fare revenue reached \$129.2 million in 2024-25.



Change from Budget (Year-ended March 31, 2025, vs. Budget)

Metrolinx reported PRESTO non-fare revenue of \$129.2 million in 2024-25, which was \$1.7 million (1.3 per cent) below budget. This was mainly due to lower ridership across TTC and 905 transit agencies because of weather-related delays and cancellations, ongoing maintenance and construction activities, as well as a slow down in student ridership observed in the last quarter. This was partially offset by favourable interest rates on bank balances versus budget assumptions.

Change from Prior Year (Year-ended March 31, 2025, vs. March 31, 2024)

PRESTO non-fare revenue grew from \$119.2 million in 2023-24 to \$129.2 million in 2024-25, an increase of \$10.0 million (8.4 per cent), mainly driven by an increase in commission revenue across transit systems from continuous ridership recovery over the past year, supported by increased adoption and usage of new and accessible payment methods.

In 2024-25, Metrolinx focused on advancing the PRESTO Modernization Program through the continued rollout of new ways to pay transit fares and enhancing PRESTO products and services to improve customer experience and drive adoption. Some of the primary drivers behind the increase in revenue include:

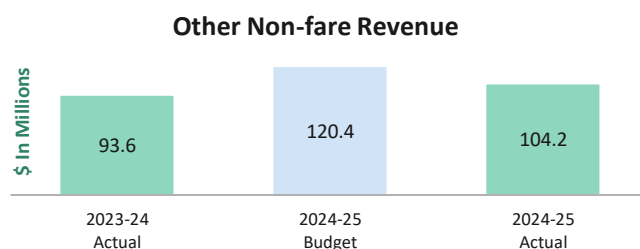
- Introducing digital PRESTO card in Apple Wallet on GO Transit, UP Express, TTC and all 905 transit systems to provide customers with an additional fast, secure and modern way to pay transit fares.
- Continuing to help enable a seamless regional travel experience for customers through the One Fare Program.
- Adding new PRESTO Perks program partners to continuously raise brand awareness and support PRESTO usage, while providing discounts to special events across the region.

PRESTO non-fare revenue continues to grow as transit ridership increases across the region. Metrolinx remains focused on continuously enhancing PRESTO products and services for customers to increase overall customer satisfaction and drive PRESTO adoption. Moving forward, Metrolinx will begin the transition to new systems and services which will reduce the total cost of ownership and improve the PRESTO experience for customers and clients.

Other Non-Fare Revenue

Other non-fare revenue primarily includes revenue from advertising, track usage fees from corridor ownership, partnerships, interest on working capital, reserved parking, and commercial and promotional space rent.

Other non-fare revenue continued to grow and reached \$104.2 million in 2024-25.



Change from Budget (Year-ended March 31, 2025, vs. Budget)

MetroInx reported non-fare revenue of \$104.2 million in 2024-25, which was \$16.3 million (13.5 per cent) below budget, primarily driven by reduced partnership revenue as clients postponed their marketing strategies, lower than anticipated advertising revenue, as well as other non-fare revenue opportunities that were cancelled, partially offset by higher revenues from favourable interest rates on bank balances and from commercial and promotional space rent.

Change from Prior Year (Year-ended March 31, 2025, vs. March 31, 2024)

Other non-fare revenue grew from \$93.6 million in 2023-24 to \$104.2 million in 2024-25, an increase of \$10.6 million (11.3 per cent) mainly driven by higher strategic partnerships revenues, higher advertising revenues across GO trains and stations, higher billboard revenue, and higher fees charged to other rail operators using MetroInx-owned network.

MetroInx continued to maximize non-fare revenue through initiatives such as:

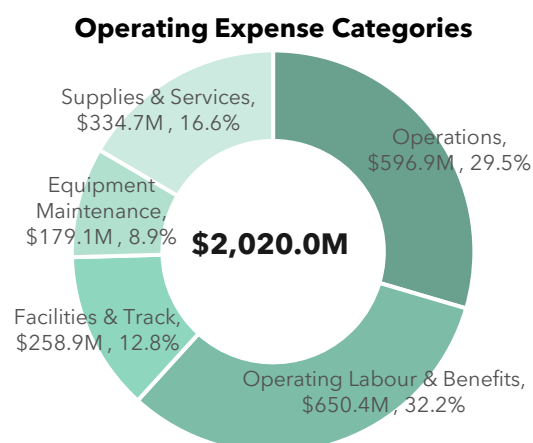
- Expanding retail vending offerings and food and beverage options across stations and platforms.
- Implementing a market engagement strategy to identify new strategic and corporate partnerships as ridership grows to maximize partnership revenue.
- Managing real estate assets through strategies that prioritize long-term and sustainable revenue.
- Advancing new commercial ideas, expanding client outreach and business-to-business initiatives to deliver revenue targets.
- Expanding the digital billboard portfolio through the construction of digital billboards in the GTHA.
- Modernizing the GO Transit advertising network through upgrading existing signage to digital advertising screens across the GO Station network.

MetroInx continues to deliver innovative non-fare revenue initiatives to maximize revenue and contribute toward long-term financial stability. MetroInx is committed to increasing non-fare revenue by expanding our digital advertising network, building a robust

partnership pipeline, and focus on expanding the retail network to enhance the customer experience at stations.

Operating Expense

Metrolinx's operating expense is allocated into five main expense categories. In 2024-25, operating labour and benefits expense is the largest allocation and accounts for 32.2 per cent of the total operating expense and includes salaries and benefits for Metrolinx employees. Operations expense accounts for 29.5 per cent of the total operating expense. This expense category includes items such as support train crew wages, train control dispatch, diesel fuel and PRESTO operations. Facilities and tracks account for 12.8 per cent of the total operating expense and includes rent, property taxes, hydro, winter maintenance and other facility repairs. Equipment maintenance accounts for 8.9 per cent of the total operating expense, covering support services, inventory, inspections, and yard operations. Finally, supplies and services represent 16.6 per cent of the total operating expense, which includes bid fees, capital expenses funded through operating, and all types of professional services, bank fees, staff development and advertising. Metrolinx reported operating expense of \$2,020.0 million in 2024-25.



Change from Budget (Year-ended March 31, 2025, vs. Budget)

Operating expenses, before amortization, third-party construction expenses and intercompany transactions, for the year were \$2,020.0 million, or \$32.2 million (or 1.6 per cent), higher than the budget of \$1,987.8 million. The increase in operating expense compared to budget was primarily due to:

- Extending the existing rail services contract to ensure the highest standards of safety and reliability are in place before the new contract provider assumes rail operations and fleet maintenance responsibilities for GO and UP rail services.
- Higher preventative maintenance costs for PRESTO devices arising from additional TTC requirements, as well as higher software, licenses and financial costs to match increased adoption and usage of Open Payment and Mobile Wallet.
- Partially offset by lower project financing costs and compensation to unsuccessful bidders of capital projects as part of the procurement process due to revised project schedule.

Various other revenue and expense pressures were managed through Metrolinx's business improvement plans which generated savings and continued efficiencies across the organization.

Change from Prior Year (Year-ended March 31, 2025, vs. March 31, 2024)

Metrolinx's 2024-25 operating expenses were higher by \$174.7 million (or 9.5 per cent) than 2023-24 actuals of \$1,845.3 million, largely due to:

- Extension of the existing rail services contract to ensure the highest standards of safety and reliability are in place before the new contract provider assumes rail operations and fleet maintenance responsibilities for GO and UP rail services.
- Increase in transit service levels resulting in higher costs of rail and bus fleet maintenance, equipment maintenance and other service-related costs such as crew and diesel fuel.
- Increase in costs to maintain track and corridor infrastructure, driven by inflationary pressures as well as renewed maintenance contracts with improved and increased scope.
- Higher technology and software consumption costs to run Open Payment and Mobile Wallet, driven by increased adoption and usage.
- Increased costs for PRESTO faregate support, visual inspections, preventative maintenance in alignment with growth in number of devices across the network.

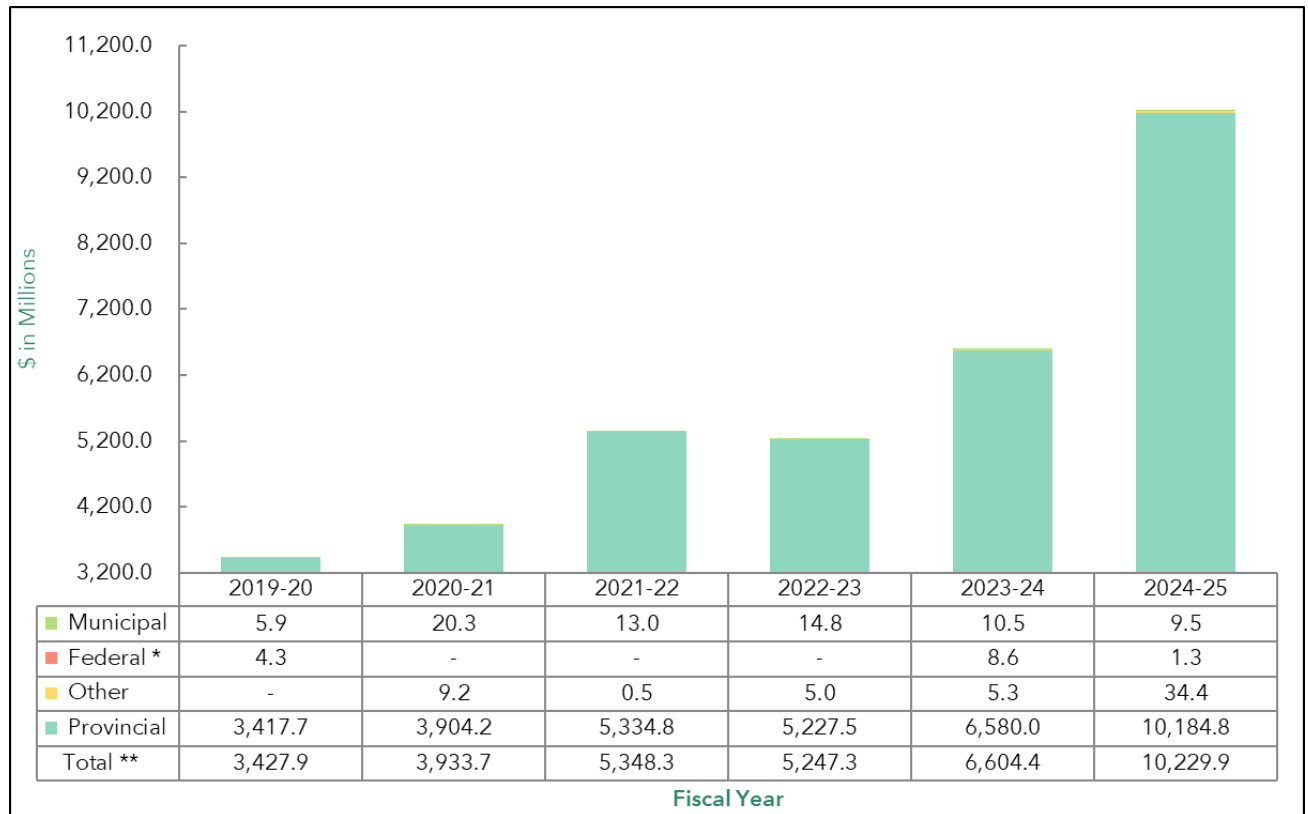
Year-end actuals are inclusive of savings from the implementation of business improvement plans to achieve better value-for-money, improved efficiencies and manage in-year operating pressures. Metrolinx is committed to continuing to implement business improvement plans to help transform our business to find efficiencies and achieve better outcomes at a lower cost base.

Capital Funding and Expenditure

Capital Funding

Metrolinx received capital funding from different levels of government to help fund its capital projects and programs. In recent years, the province has provided the majority of Metrolinx's capital funding.

Capital Funding



*For active federal agreements for GO Expansion and Finch West LRT, the Province provides the full project funding to Metrolinx. Federal funding is then flowed as a reimbursement to the Province. The same mechanics are expected to apply to future federally funded projects as agreements are signed.

**Includes capital adjustments such as advance payments

Funding from the Government of Ontario totaled \$10,184.8 million for 2024-25. Metrolinx also received capital funding of \$9.5 million from municipal governments, \$1.3 million from the Federal Government and \$34.4 million from other organizations. Capital funding received in 2024-25 supported construction and property acquisitions within the Subway program, continued construction for GO Expansion Early Works, completion of the Development Phase for GO Expansion OnCorr, investments in the light rail program for continued construction work, testing and commissioning, as well as investments in technology, payments, and state of good repair for GO transit infrastructure.

Municipalities contribute towards the GO Growth program. Municipal capital contributions decreased to \$9.5 million from \$10.5 million last year as scope currently eligible through GO Growth is ramping down as projects near completion.

Federal funding totaled \$1.3 million and was a contribution for at-grade crossing improvements funded through the Federal Government's Rail Safety Improvement Program.

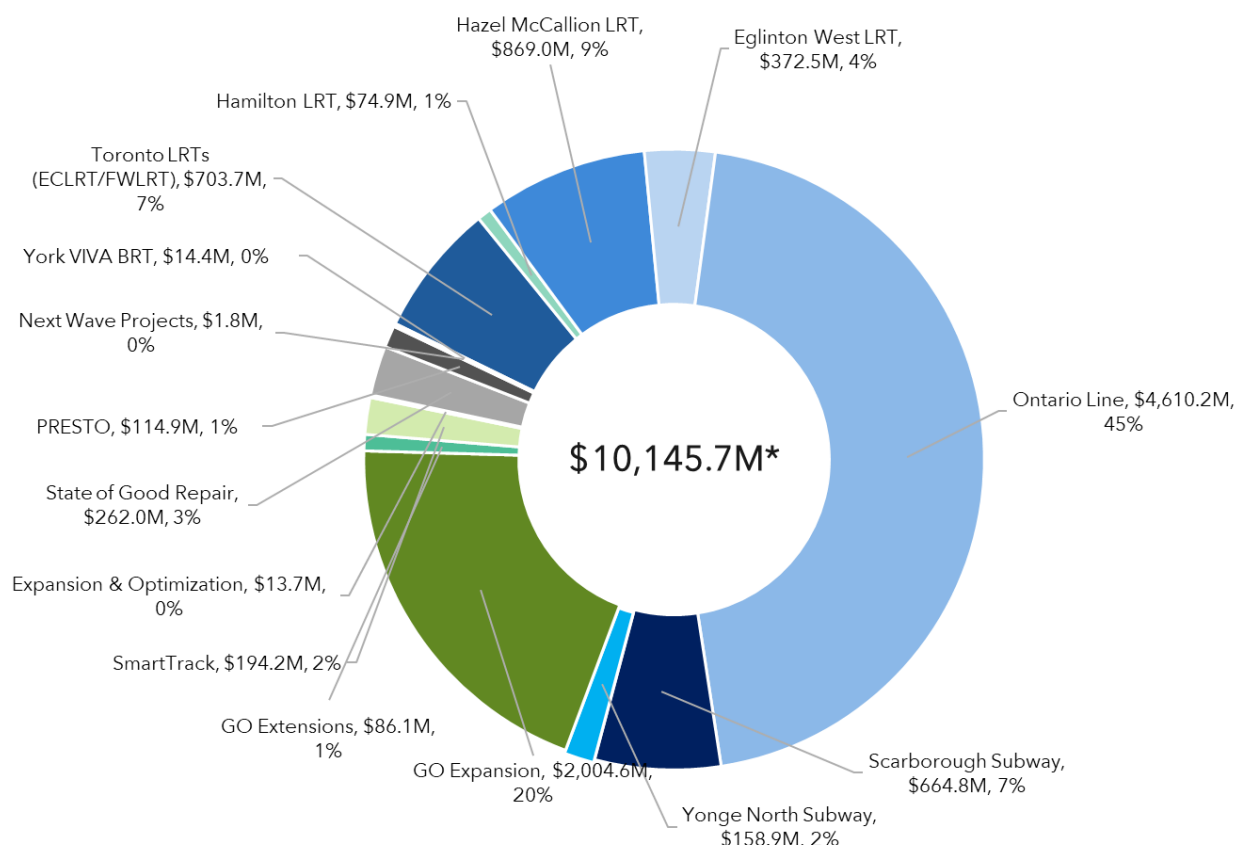
Funding from other organizations totaled \$34.4 million in 2024-25 relating to third-party reimbursements of capital assets owned by Metrolinx as part of Metrolinx's existing capital projects. These reimbursements are beneficial for Metrolinx projects and demonstrate positive relations with the development community.

Amortization expense for the year was \$1,040.8 million, representing a variance of \$81.1 million relative to the prior year's \$1,121.9 million.

Capital Investments

In 2024-25, Metrolinx continued working towards the province's priority to significantly increase investment in public transit infrastructure. Key milestones were achieved throughout the year on major capital projects such as continued implementation of GO Expansion Early Works and conclusion of the Development Phase of OnCorr; and further progression into completing the training, testing, and commissioning activities for the Eglinton Crosstown LRT and the Finch West LRT projects. Progress was also made on the Subways projects through continuing design, development, and physical construction. Significant investments were also made towards the State of Good Repair (SOGR) program for existing infrastructure to maintain and improve safety and reliability. Capital expenditure in 2024-25 was \$10,145.7million which excludes adjustments such as write-offs and advance pre-payments.

2024-25 Capital Expenditures by Category



*Excludes capital adjustments such as advance payments

In 2024-25, Metrolinx's first three LRT projects all advanced into the latter stages of the delivery lifecycle. The Eglinton Crosstown LRT continued to progress through testing and commissioning activities. Over the course of 2024-25, the Finch West LRT project made progress on implementation and is now in the final stages of delivery prior to transition into revenue service. The focus now remains on testing and commissioning activities as well as operator and driver training. Mobilinx, the consortium delivering the Hazel McCallion Line, continued to make progress on construction in 2024-25, including installing the framing for the future Port Credit station and continued progress on the elevated guideway section.

In 2024-25, the Scarborough Subway Extension (SSE) Stations Rail and Systems (SRS) contract completed Development Phase and achieved Target Price agreement and contract award for the implementation phase. In addition, construction continued on a variety of infrastructure upgrades to Kennedy Station to support the additional power and

ventilation needs of the extended subway line. Progress was also made on tunneling for the extension and on the construction of the retrieval shaft for the tunnel boring machine.

For the Eglinton Crosstown West Extension (ECWE), the first advance tunnel contract for six kilometres of tunnelling between Renforth Drive and Scarlett Road saw two tunnel boring machines in parallel tunnels complete their journey to Scarlett Road in the summer of 2024.

On the Ontario Line, the major enabling and advance works packages including construction in the Don Yard, Joint Corridor segment works, Pape Support of Excavation (SOE) and Don Valley Crossings (DVC) have been awarded and construction is well underway. Full-scale excavation began in 2024-25 for the majority of the downtown Ontario Line stations and for the launch shaft at Exhibition Station, where the two Tunnel Boring Machines will start their journey towards the Don Yard.

The Yonge North Subway Extension (YNSE) project continued to progress through the planning and procurement process. The Request for Proposals (RFP) for the Advance Tunnel procurement package has been completed with contract award anticipated for Summer 2025. Finally, for the Hamilton LRT, the Request for Qualifications for the Civil and Utilities contract was released in November 2024 while progress continued with enabling works such as watermain relocations and archeological assessments.

GO Expansion delivers on the province's commitment to transform the GO Transit rail network into a comprehensive, two-way, all-day rapid transit network. The GO Expansion program achieved significant progress throughout 2024-25, reaching final completion on the Stouffville Stations (Unionville, Milliken and Agincourt) and Grade Separation project, as well as various early station improvements across the GO network. An important milestone was reached on the Lakeshore West Infrastructure Improvements Project with the Burloak track diversion in service, making way for the future grade separation. The Eglinton GO Station Accessibility Upgrades and Bradford Parking and Bus Loop Expansion projects also reached completion. Construction progressed on the series of enabling grading or track contracts along the Barrie, Kitchener and Lakeshore corridors. Finally, the OnCorr Development Phase reached completion resulting in the transition to the next phase including committing to an innovative Logistics Hubs strategy to accelerate construction and minimize disruptions. The Logistics Hubs will enable modular construction, using off-site prefabrication at these hubs and continuous, assembly line-type production through Engineering Trains, known as "yellow plant" equipment.

SOGI includes investments in existing Metrolinx infrastructure and technology assets to maintain a state of good repair for our assets to ensure the safety and reliability of our transit systems. In 2024-25, these rehabilitation and renewal investments were prioritized based on asset condition assessments and asset management plans. The execution of the SOGI program has produced remarkable outcomes by supporting On-Time Performance (OTP) and supporting I&IT initiatives and enhancements. This underscores the significance of continued investment in Metrolinx's asset portfolio.

PRESTO completed its payment methods modernization program to introduce new ways to pay by delivering PRESTO in Apple Wallet. Customers are now able to tap their PRESTO in Apple Wallet and Google Wallet, as well as tap their *Interac* Debit cards and credit cards, on PRESTO devices throughout all GTHA transit agencies, including the TTC. In addition, Metrolinx made significant progress against its other priorities for PRESTO including completion of the PRESTO Procurement Program by awarding all five competitively procured contract lots and beginning the transition to new PRESTO systems and services. The PRESTO Transition Program will reduce the total cost of ownership, improve the PRESTO experience for customers and clients, ensure access and equity, and enhance future technology agility.

The following table summarizes the 2024-25 capital expenditures compared to budget and the change in expenditure year-over-year.

Capital Expenditures

Capital Expenditures by Category (\$ in millions)	2024-25 FY Actuals	2024-25 FY Budget	2023-24 FY Actual	Actuals vs. Budget FY 2024-25		2024-25 FY Actuals vs. 2023- 24 FY Actuals	
				Variance	%	Change	%
Toronto LRTs (ECLRT/FWLRT)	703.7	210.8	471.4	492.9	234%	232.3	49%
Hamilton LRT	74.9	107.4	35.3	(32.5)	(30%)	39.6	112%
Hazel McCallion LRT	869.0	568.3	361.8	300.7	53%	507.2	140%
Eglinton West LRT	372.5	417.9	367.1	(45.4)	(11%)	5.4	1%
Ontario Line	4610.2	2,827.9	2,080.9	1,782.3	63%	2,529.3	122%
Scarborough Subway	664.8	682.2	467.2	(17.4)	(3%)	197.6	42%
Yonge North Subway	158.9	395.9	245.0	(237.0)	(60%)	(86.1)	(35%)
GO Expansion	2004.6	2,789.6	1,877.1	(785.0)	(28%)	127.5	7%
GO Extensions	86.1	213.8	94.8	(127.7)	(60%)	(8.7)	(9%)
SmartTrack	194.2	321.8	199.4	(127.6)	(40%)	(5.2)	(3%)
Expansion & Optimization	13.7	82.8	18.8	(69.1)	(83%)	(5.1)	(27%)
State of Good Repair	262.0	435.8	249.5	(173.8)	(40%)	12.5	5%
PRESTO	114.9	190.3	51.3	(75.4)	(40%)	63.6	124%
Next Wave Projects	1.8	3.6	3.5	(1.8)	(50%)	(1.7)	(49%)
York VIVA BRT	14.4	20.5	6.0	(6.1)	(30%)	8.4	140%
Internal Levers	-	(1,172.9)	-	1,172.9	(100%)	-	-
Total	10,145.7	8,095.7	6,529.1	2,050.0	25%	3,616.6	55%
Capital Adjustments and Prepayment*	84.2	-	75.2	-	-	9.0	12%
Total Funding	10,229.9	8,095.7	6,604.3	2,050.0	25%	3,625.6	55%

*Includes capital adjustments such as advance payments

**The 2024-25 Budget reflects the final fiscal year budget

Change from Budget (Year-ended March 31, 2025, vs. Budget)

In 2024-25, the actual spend was \$2,050.0 million or 25 per cent above the budget for the year. This variance is mainly caused by increased spending in Subways and LRT's offset by lower-than-forecasted spend in GO Expansion and Extensions.

Change from Prior Year (Year-ended March 31, 2025, vs. March 31, 2024)

Compared to 2023-24, Metrolinx's 2024-25 capital expenditure increased by \$3,616.6 million, or 55 per cent. This increase was mainly a result of the following:

- Advancement of procurement, planning and design, and ramp up of early works construction on the subway projects as well as progress on the LRTs.
- Within GO Expansion, there was the completion of the OnCorr Development Phase and significant progress in design and scoping work, along with continued construction progress within the GO Expansion Early Works projects.
- Continued prioritization and implementation of SOGR and fare payment systems.

Enterprise Risk Management

Identifying, evaluating, managing, monitoring, and reporting risks is crucial for the organization to achieve its strategic and transformational goals. In 2024-25, the Enterprise Risk Management (ERM) Program further strengthened its risk management efforts organization-wide, improving risk identification, visibility, and informed decision-making, while adhering to the Government of Ontario's ERM Directive, which mandates a risk-informed approach for all provincial agencies.

Over the past fiscal year, the Office of the Chief Risk Officer (OCRO) carried out its

mandate by focusing on further elevating the risk conversation throughout the organization. It drove discussions – supported by improved risk intelligence – at the enterprise, program and project levels, including areas such as customer service, ridership, safety, cybersecurity, PRESTO/Payments, the environment, capital projects, talent management, and the transition from construction to operational readiness for LRT projects.

Metrolinx reviews emerging and significant risks regularly through multiple forums, including divisional, senior management team, Committee and Board of Directors meetings. These discussions support the achievement of the organization's strategic objectives through active management of risk ensuring appropriate visibility, integration, collaboration and mitigation plans are established and in place. Reported risks are categorized by the following:

- **Financial:** Risks relating to financial performance and stability, potential impact to project funding and operations, liquidity, movements in price of products and services, interest rates, currencies and commodities.
- **Operational:** Risks associated with day-to-day operations relating to people, process, technology, security, compliance and implementation of mandate which can impact Metrolinx's ability to achieve its corporate objectives.
- **Reputational:** Risks relating to Metrolinx's brand, image or reputation as a result of the expected outcomes, actions of the agency or partners such as vendors, suppliers.
- **Safety:** Risks to safety of Metrolinx's customers, staff, contractors and communities it operates and builds.
- **Strategic:** Risks pertaining to Metrolinx's mandate & commercial environment. It can include risks that threaten to disrupt the assumptions at the core of Metrolinx's strategy resulting in potential for financial loss or reputational damage.

Metrolinx continues to focus on enhancing Enterprise Risk programming through its ERM framework and policy. These enhancements include elevated identification and response methods, focused training and being the centre of expertise in support of the Enterprise Risk Directive. The ERM function will continue to provide guidance, oversee, identify,

assess and report on current and emerging risks, and ensure ongoing discussion of risk, exposures and opportunities at all levels of the organization.

Metrolinx Key Risks

Risk	High Level Overview of Mitigation Actions
	Financial
Achieving a sustainable operating subsidy for 2024-25 and beyond to deliver on Metrolinx's strategic objectives and expanding government commitments	• Metrolinx has continued to proactively mitigate the operating subsidy risk, including through contract negotiation efficiencies, recovering a portion of our expenses related to HST, resource optimization, and additional savings opportunities as part of business improvement plans. • Metrolinx has managed diesel fuel price volatility for 2024-25 by hedging a portion of its diesel fuel volume, which has provided cost certainty and generated savings against market price. • Metrolinx maintains momentum in driving ridership growth by meeting changing customer needs through optimized service and schedules, delivering targeted marketing strategies, attracting new customers, encouraging more frequent business and leisure travel, while also continuing to grow non-fare revenue to drive financial sustainability and enhance the overall customer experience. • Metrolinx worked closely with MTO to provide financial updates and request additional operating subsidy, which it received mainly to mitigate for revenue decreases resulting from lower ridership trends relative to Metrolinx's original assumptions.

Risk	High Level Overview of Mitigation Actions
	Operational
Technological risks within the following areas: cyber security, disaster recovery, end-of-life hardware/hardware refresh and project delivery	- Enhanced cybersecurity measures have been implemented to improve incident response time through automation and cloud-based operations. - Vendors are in place for strengthening critical infrastructure and services. A new Cybersecurity Awareness Training program has been launched, offering tailored cybersecurity education to Metrolinx employees and contractors. - Cybersecurity put significant effort into achieving compliance with the new Payment Card Industry Data Security Standard (PCI-DSS) version 4.0 for the first time—a pivotal milestone in safeguarding the security and integrity of payment card data processing—and active user accounts now comply with the updated Metrolinx Password Standard to strengthen user password hygiene. - The Disaster Recovery (DR) and Infrastructure Modernization projects are nearing completion as significant advancements have been made in modernizing data centre servers, network storage, and foundation cloud technologies. Additionally, the migration of applications to the cloud is underway; failover testing has been successful for critical applications, with further testing scheduled for applications newly added to the DR program's scope. - The end-of-life hardware – data center servers and network equipment – has been refreshed with modern hardware under the Infrastructure Modernization project. Most of the end-of-life hardware has been decommissioned, with the remaining hardware decommissioning nearing completion. - To support successful project delivery, the Cybersecurity team has implemented key strategies to reduce risks, strengthen security and ensure compliance. This includes conducting proactive risk assessments throughout the project lifecycle, using advanced monitoring tools to detect potential threats and integrating security controls into project planning. Regular security audits and compliance reviews help maintain alignment with the National Institute of Standards and Technology (NIST) Cybersecurity Framework and PCI-DSS, supporting resilience and minimizing disruptions.

Risk	High Level Overview of Mitigation Actions
Talent risks associated with the acquisition, retention and engagement of employees	• Strengthen the talent brand and attraction practices through the rollout of the employer of choice strategy, the build of the Metrolinx talent brand strategy, and the introduction of targeted recruitment tactics for niche and difficult-to-fill roles. • Implemented a global talent acquisition strategy to address internal skill gaps for hard-to-fill and niche roles within CPG, Asset Management & Maintenance, Operations and Safety Divisions. Introduced measures to build and develop talent pipelines through several new initiatives to address the highest areas of risk and address in-demand skills including new Early Talent Programs (e.g., Inside Track series, Capital Projects Early Career Development Program), tactical and customized career pathway mapping, and development of specialized competency models. • Enhanced leadership capabilities across the organization by delivering a flagship Leadership Development Strategy with a specific focus on inclusive behaviours, fostering high-performing teams, supporting employee wellbeing and maximizing leadership trust. • Integrated strategic workforce planning into reporting and planning processes to ensure Metrolinx has the skills needed to sustainably evolve the organization, deliver the current mandate and priorities, and prepare for future trends and priorities.
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.	• Ensure the dissemination of timely and accurate information to customers and the general public. • Correcting inaccuracies in a timely manner. • Providing responsive and personalized support through digital, customer and community management channels to ensure customer inquiries are being addressed in a timely way.

Risk	High Level Overview of Mitigation Actions
Risk to relationships with Indigenous communities and subsequently, Metrolinx's reputation and commercial program. Differing perspectives regarding impacts to Aboriginal and treaty rights and interests and the management of such impact between Metrolinx and rights-holding Indigenous communities may impact capital programs.	• Metrolinx continues to implement an effective consultation program. At the core of this is meeting monthly with Indigenous communities to provide crucial opportunities for Project Delivery Teams to provide information to, and receive feedback from, Indigenous communities. These meetings, along with relationship building activities between the Indigenous Relations Office (IRO) and Indigenous communities, support ongoing dialogue and collaboration between both parties to hear community concerns and ideas. • This year, Metrolinx continued to pursue and finalize capacity agreements with Indigenous communities. The ongoing development and implementation of capacity agreements ensures that communities have the ability to participate in duty to consult conversations related to Metrolinx's capital projects program. These agreements facilitate discussions about engagement objectives and outcomes, with a focus on building and strengthening relationships. • Control boards initiated last year have proven to be highly effective in ensuring that Capital Project Delivery teams provide real-time progress, communication and issues management to meet consultation milestones throughout the project lifecycle, and regularly consult with Indigenous communities to receive feedback to further enhance engagement and mitigate potential risks. • This year, Metrolinx entered into a number of procurement agreements with Indigenous Owned Businesses who are already actively working on several commercial programs. Metrolinx is preparing a long-term procurement strategy.

Risk	High Level Overview of Mitigation Actions
	Safety
Damage to assets, service disruption and threats to safety due to extreme weather events	• Risk assessments of vulnerabilities to climate change for new assets are completed as per the Metrolinx Sustainable Design Standard and the federal Climate Lens, where applicable. • Methods were developed to incorporate climate resiliency benefits in business cases. • Application of the Climate Resiliency Standard to all new build capital projects and into long-term State of Good Repair planning. • Extreme weather and environmental notices to operational frontline for pre-emptive mitigation.
Threats and Violence to Customers and Staff	• A systemwide effort is underway to provide a safe transit system for customers and staff and connect vulnerable individuals with social services through the execution of a Vulnerable Person Strategy which includes a three-pronged approach of Enforcement (station hardening), Outreach (community partnerships, Internal Advisory Committee) and Infrastructure initiatives (External Advisory Committee's and round tables). • Customer Protection Services resources are strategically deployed across the network and at priority stations to deter disorderly conduct and violence, as well as to promote an increased sense of safety and security for customers and employees. • At the close of 2024-25, Metrolinx achieved the target with a rate of 7.44 incidents per million customer journeys, representing a 35.3 per cent reduction below the set target of 11.5 incidents per million customer journeys. Through a targeted, risk-based approach, incidents of threats and violence have successfully reduced year-over-year.
Safety of Track Workers, Passengers, and Train Crew	• Developed Red Zone/Green Zone Initiative, an enhanced program designed to better control safety and improve efficiency of construction and maintenance work occurring in the rail corridor by reducing or eliminating the major safety risk factors in the train to worker and train to equipment interface.

Grade Crossing Collisions	• Railway crossings are critical points of interaction between trains, pedestrians, cyclists, and motorists, requiring heightened safety measures. Metrolinx continues to advance its system-wide initiatives to improve crossing safety including upgrading our crossing infrastructure with modernized signalling, gating, and lighting.
Construction and Public Interface	• Establishing comprehensive construction safety standards and guidelines, ensuring consistent safety measures across all projects in alignment with our Construction and Public Interface Standard. • Taking a robust approach to construction safety with proactive risk monitoring and oversight, including strict controls for construction interfaces with the public at stations, excavation near active transit routes and utility works, reducing safety occurrences and service disruptions. • Enhancing communication and training to promote public awareness and best practices in safety, including initiatives like Transit in Your Community (TIYC), where our Community Engagement team educates students on grade crossings, LRT, subway, and rail safety near capital projects. • Metrolinx partners with external transit agencies and stakeholders to promote rail safety and awareness of risks for the public e.g. Rail Safety Week • Collaborating with delivery partners and contractors to uphold safety standards and strengthen accountability. • Conducting regular audits and inspections to ensure compliance with safety guidelines.

Risk	High Level Overview of Mitigation Actions
	Strategic
The PRESTO Transition Program aims to shift to a fully account-based ticketing system.	• Metrolinx has established a strong governance framework and a transition program office to oversee the transition to the new PRESTO multi-vendor model, ensuring accountability and clear execution strategies. • The transition prioritizes a seamless customer experience, with proactive risk management strategies in place to prevent disruptions and maintain service continuity. Risk mitigation efforts include phased system deployment, quality assurance and vendor performance monitoring to ensure a smooth transition. • Active stakeholder engagement remains a priority, with ongoing coordination between transit agencies with dedicated embedded resources, new and existing vendors, and government partners to ensure change readiness and operational continuity.
Metrolinx may not realize the full benefits of the progressive contracting models used on some of our capital projects due to limited familiarity in the supply chain or internally.	• Strategically staggered releases of key procurements to allow for bidders to be able to plan which works to pursue given the limited resources with the necessary experience. • Training and awareness campaigns to educate our integrated team members on best practices and to build the skills and capabilities needed to effectively guide and manage the delivery of work through progressive contracting models. • Leveraging the role of the Independent Value Assessor to provide detailed review and challenge of approach to delivery and its risk allocation and other cost drivers during the development phase in effort to assure that a fair and reasonable target price is being agreed to. • Integrated project delivery teams who possess the necessary experience, knowledge and capabilities in progressive contracting models to support the achievement of our project outcomes and maximize the benefits of these models on our capital projects. • Implementation measures are ongoing to codify the base requirements needed for successful collaborative contracting. These include: ○ Committed Client - Executive and senior level training to ensure effective capital project oversight. ○ Contract & Administration - Driving performance through strengthened contract administration.

	○ Data Exchange - Establishment of a structured approach focused on open book principles. ○ Shared Vision - Defining expectations and ways of working with charters and behavioural frameworks.
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Key Performance Indicators

Our corporate key performance indicators (KPIs) measure our performance in delivering services, progressing capital infrastructure and provide a view of Metrolinx's overall performance to our stakeholders, including the public and MTO. These KPIs are reported against targets which are developed through annual business planning with our Senior Management Team, endorsed by our Board of Directors, and submitted to MTO as part of the provincial budgeting process.

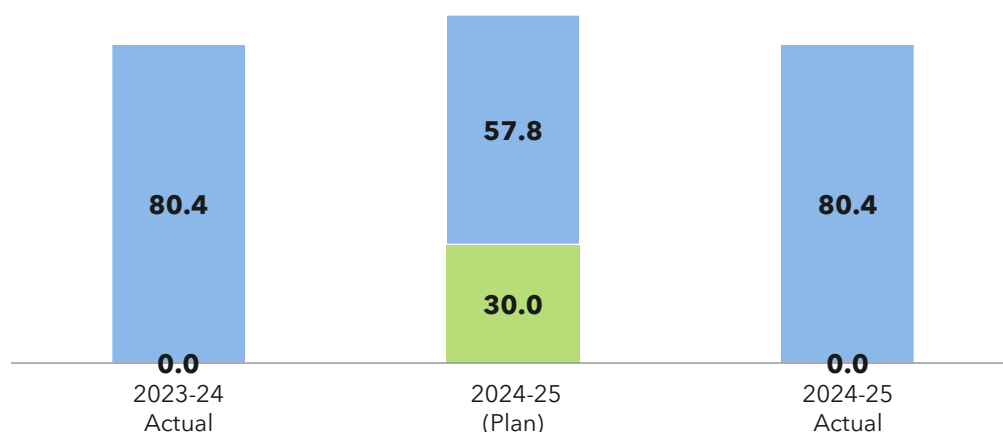
New Rapid Transit Corridors

The new rapid transit corridors KPI measures the number of kilometres of rapid transit corridors that are under construction, built and in-service.

As of March 31, 2025, the total length of rapid transit corridors under construction held constant at 80.4 km, the same value as twelve months prior. The 2024-25 Business Plan had noted that due to contractor performance issues, the entry into service of the Eglinton Crosstown and Finch West LRTs could not be reliably predicted at time of publication, but provision had been made to commence service in the 2024-25 fiscal year if the respective contractors were able to demonstrate that the lines were safe and reliable. This was not achieved. The 2024-25 Business Plan also forecast that the Advance Tunnel contract for the Yonge North Subway Extension would break ground late in the fiscal year, which would have added 7.4 km to the length of the rapid transit network under construction. Based on feedback from bidders, the RFP period for that contract was extended so additional geotechnical investigations could be completed and contractor bids adjusted accordingly. As such, this milestone is now forecast to be achieved in fiscal year 2025-26.

Length of rapid transit network (kms)

■ Built and in Service ■ Under Construction

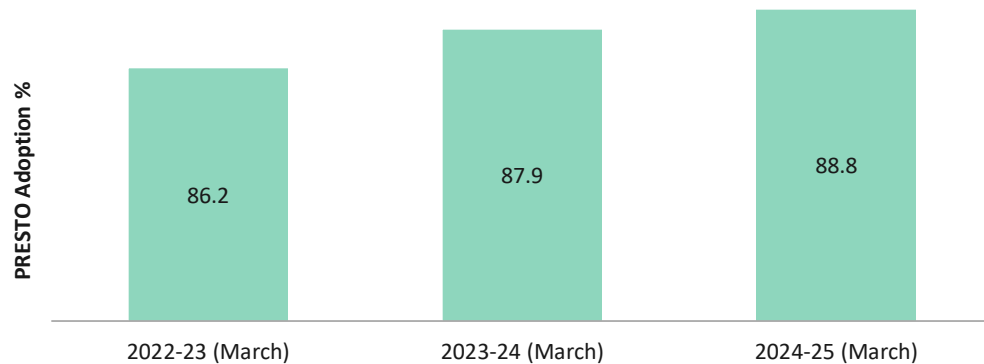


PRESTO Adoption

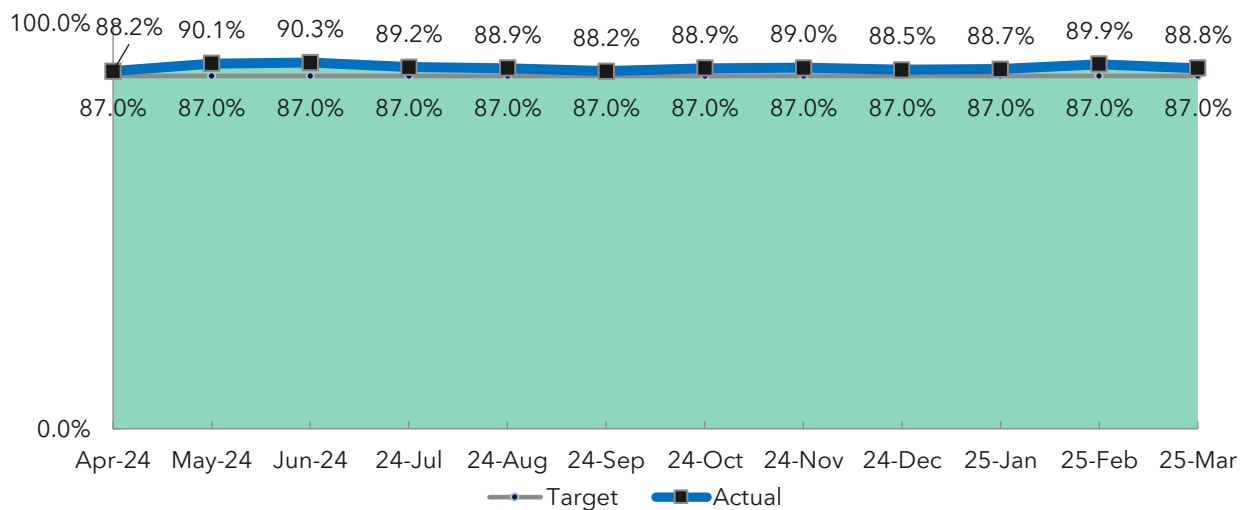
PRESTO Adoption measures the percentage of ridership with fares processed by the PRESTO system. PRESTO Adoption across transit agency partners peaked at 90 per cent, contributing to a 2024-25 fiscal year adoption score of 88.8 per cent, exceeding the target of 87 per cent established at the outset of the year. This performance represents increase of 0.9 per cent points from previous fiscal year.

Adoption has continued to be strong throughout 2024-25 with four transit agencies reaching record months, and all transit agencies, with the exception of one, surpassing 90 per cent. Payment methods of Contactless payment, Mobile Wallet and Sigma TVMs have been key drivers in the healthy adoption rate trends achieved.

PRESTO Adoption Rate by Year (in percentage)



PRESTO Adoption Trend in 2024-25 (in percentage)

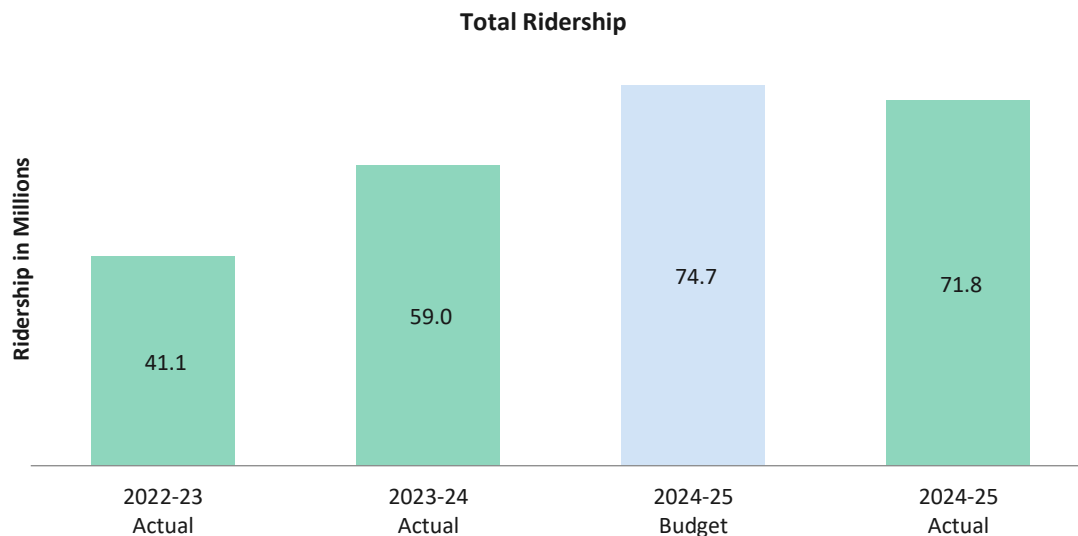


Ridership

Ridership, measured as the use of GO and UP Express trains and GO buses across the region, is calculated as rail boardings plus bus boardings minus transfers across both train and bus routes. In 2024-25, total Metrolinx ridership was 71.8 million in 2024-25, demonstrating continued strong year-over-year growth of 21.6 per cent. This ridership result was 2.9 million (3.9 per cent) below budget, due to slower than expected ridership recovery, slower return of commuter travel, and softened ridership from community illnesses, which carried over into 2024-25. Prior to the start of this fiscal year, Metrolinx prepared a revised ridership and fare revenue target for 2024-25 to account for this softening. Since this revision, both ridership and fare revenue have remained consistently in alignment with this target.

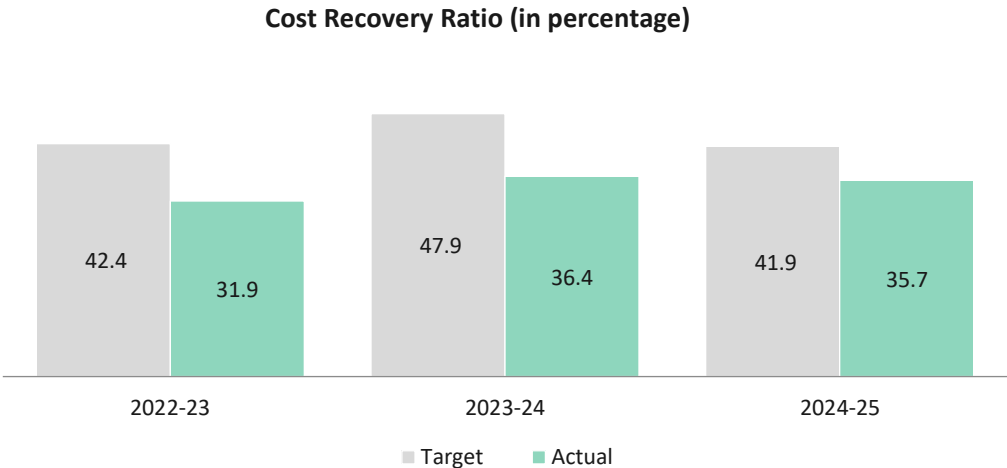
The average trip operated during the year (inclusive of new trips) carried 8.9 per cent more customers than the previous year. Areas of growth have focused on newcomers, Gen Z and students, as well as business commuters, with tourism and leisure travel emerging as a key ridership driver through the year. All-day GO Transit service and UP Express' reliable and frequent service allowed schedule flexibility for customers. Bus routes linking key destinations and student fares have additionally contributed to growing ridership.

Service changes are being used to balance demand with operational constraints to continue building per trip ridership growth, and the upcoming summer months are an opportunity to attract net new customers to the GO network.



Cost Recovery Ratio

The cost recovery ratio (CRR) measures the degree to which regular operating activities are self-funded. CRR is calculated as the ratio of total revenue (before proceeds from sale of assets from Transit-Oriented Communities Program) to total expense (excluding long-term interest expense for capital projects, write-offs, pension adjustment, bid fees associated with capital project procurement, and third-party construction revenue and expenses). The CRR of 35.7 per cent was lower than the target of 41.9 per cent, largely driven by slower than expected ridership recovery, slower return of commuter travel, and softened ridership from community illnesses. Metrolinx faced emerging in-year pressures, which included extending existing rail services contracts, higher maintenance costs for PRESTO devices driven by TTC requirements, and higher costs due to the increased adoption and usage of Open Payments and Mobile Wallet. Metrolinx helped to mitigate a portion of in-year pressures by managing costs through business improvement plan initiatives and robust continuous improvement strategies, which resulted in savings and efficiencies across the organization.

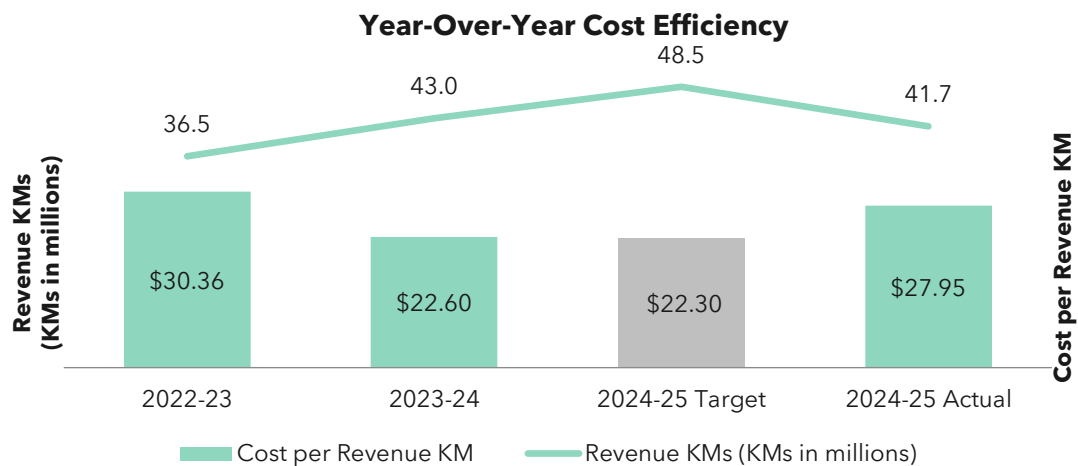


Note: Third-party Construction Revenue and Expense have been excluded from CRR calculation. Actual for prior years have been re-calculated for consistency and comparability.

An analysis of Metrolinx’s performance compared to peer regional transit providers across North America indicates that Metrolinx’s CRR performance is on par with or better than similar agencies. Additionally, Metrolinx’s performance is comparable to that of large municipal and subway systems, which operate in different geographic contexts and serve varying customer demographics and route types.

Cost Per Revenue Kilometre

Cost per revenue kilometre performance for Operations (GO&UP) was closely aligned to the budgeted year-end target of \$22.30/km up until November 2024 with a year-to-date actual of \$20.70/km. An extension to retain the services of the existing Rail Operator was required as the incoming Rail Operator was not ready to commence services on the planned date of January 1, 2025. The contract extension for the current operator coupled with overlapping ramp-up costs incurred for the incoming operator caused the overall Rail operations costs to increase for the last quarter of the fiscal year. This lengthened transition led to an overall cost per revenue kilometre increase of \$5.65/km with \$27.95/km becoming the year-end result. This was necessary as achievement of critical readiness milestones is essential to ensure the highest standards of safety and reliability are met before the new contract provider can assume responsibilities for GO and UP services.



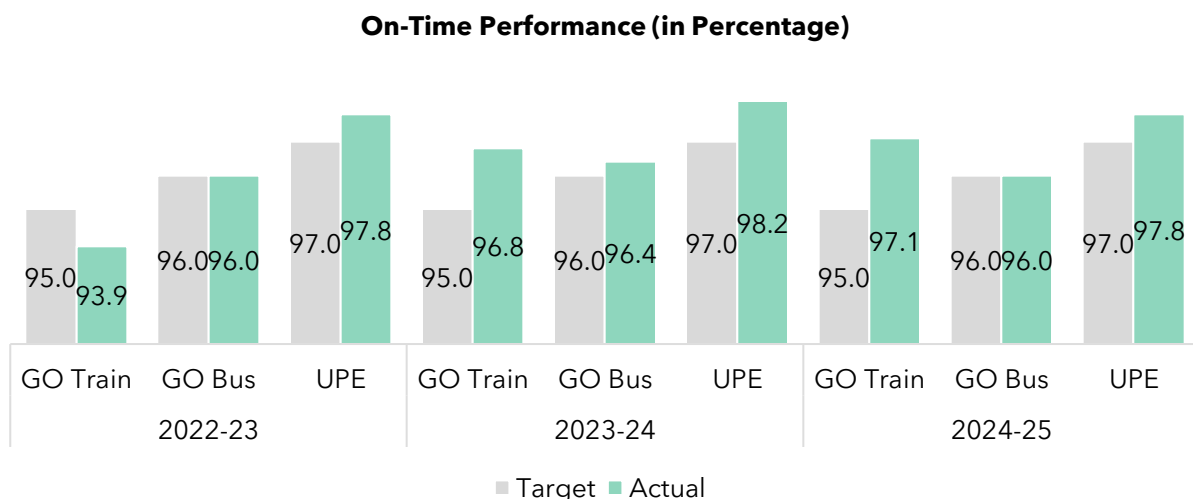
On-Time Performance

The On-Time Performance (OTP) KPIs are a measure of the punctuality of GO Rail, GO Bus, and UP Express services. As each service offering is distinct, the OTP metrics are calculated using service-specific definitions. For GO Rail, on-time arrival is defined as reaching the final destination within five minutes of the scheduled time for journeys under 90 minutes, and within 10 minutes for trips over 90 minutes. For GO Bus, the measure is defined as arrival within 15 minutes of scheduled arrival time. UP Express performance is measured based on arrival within five minutes of the targeted journey time, with a scheduled journey time of 25 minutes between Union Station and Toronto Pearson Airport.

Over the past year, the strong performance of GO Transit and UP Express services has maintained a solid foundation for customer satisfaction through reliable and consistent service delivery. This success is driven by a commitment to data-informed decision-making and structured problem-solving. Cross-functional teams apply LEAN methodologies to identify root causes of delays and implement corrective actions that drive ongoing improvements.

Proactive planning tools, including the Extreme Weather Action Plan and Special Control Periods, have enhanced operational resilience during periods of high ridership and challenging conditions. These measures have been key in maintaining service reliability.

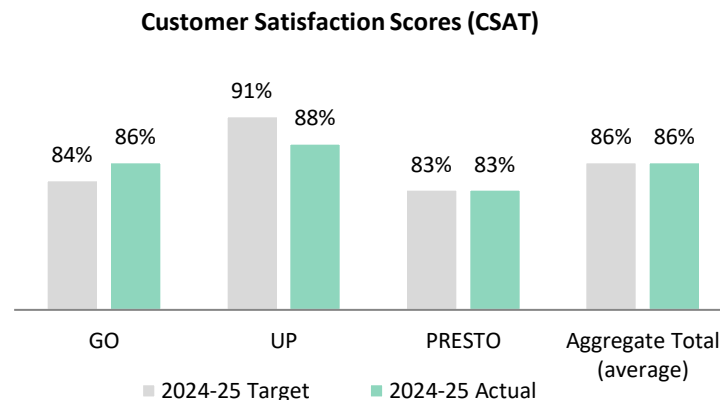
Focused initiatives helped to sustain high levels of punctuality, including the implementation of a commercial performance regime for train crews and rail fleet maintenance, enhancements to onboard disruption management processes, and the broader adoption of standardized network operational practices.



Customer Satisfaction

For 2024-25, GO Transit continued to improve the customer experience by providing a safe and reliable service while increasing capacity, frequency, and travel options supporting ridership demand. Customer satisfaction is defined as the percentage of customers that selected either a 7, 8, 9 or 10 on a scale of 1 to 10 when asked to rate their overall satisfaction with GO Transit, UP Express or PRESTO.

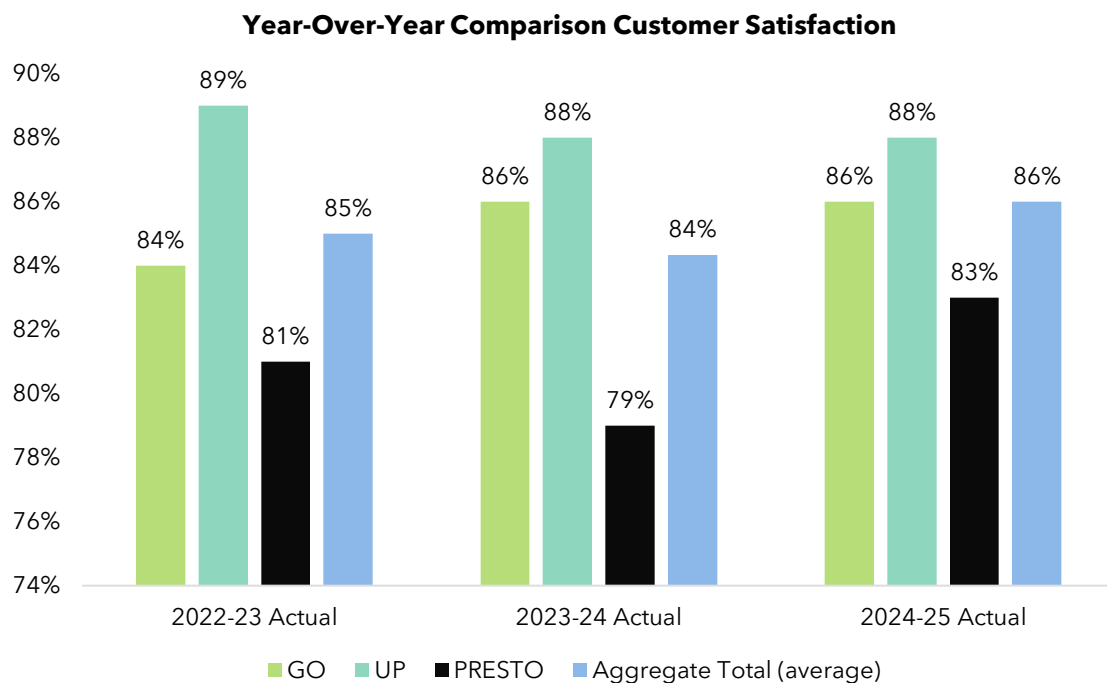
Depending on the brand, customers are invited to complete an online survey through multiple channels including email invitations, website links, mobile app (PRESTO), and postcard handouts at stations (GO and UP Express).



GO Transit customer satisfaction (CSAT) ended the year on target at 84 per cent, with GO Rail at 86 per cent and GO Bus at 89 per cent. UP Express CSAT concluded at an average of 88 per cent, against the target of 91 per cent, reflecting significant improvement since the start of the fiscal year. Despite a challenging winter and increased construction activity, Metrolinx continued to prioritize safety and deliver reliable, on-time service.

Throughout the year, Metrolinx expanded event-based services and successfully supported major events, including the solar eclipse, six Taylor Swift concerts, peak holiday travel and sporting games. Building on past success, the agency operated all-night rail service on New Year's Eve, which was a historic first on the UP Express, with no safety incidents reported.

To ease crowding and improve seat availability during peak periods on UP Express, Metrolinx implemented a migration strategy to shift commuters to the GO Kitchener Line. Through additional service on the Kitchener Line, targeted communications and on-site brand ambassadors, 1,944 riders were redirected to GO Transit at Bloor and Weston stations during morning peaks between November 2024 and fiscal year-end.

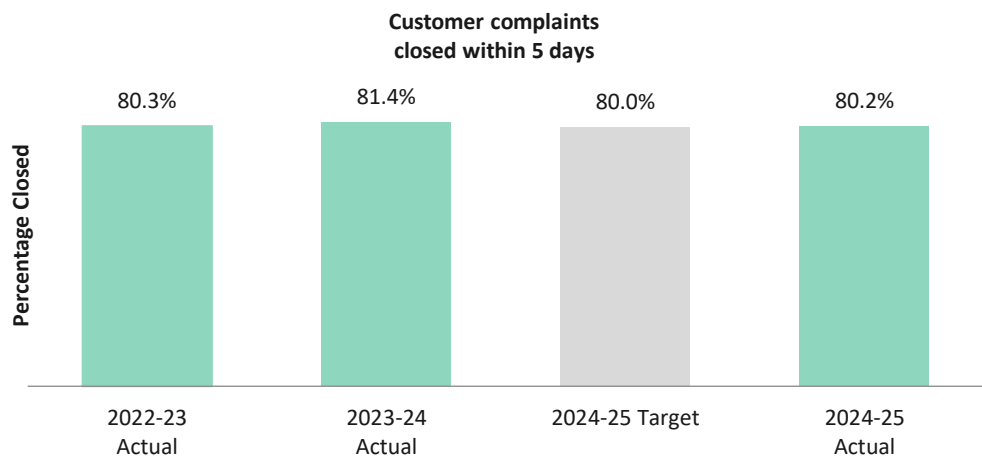


PRESTO CSAT is measured through a biannual deep dive survey, with progress monitored further in-year through a monthly Pulse survey. The year-to-date average PRESTO CSAT score for 2024-25 was 83 per cent, meeting the target of 83 per cent. This performance was driven by consistent enhancements to the customer experience, supported by an average of 38 customer-impacting improvements implemented monthly across the fiscal year. Customer sentiment was bolstered throughout the year, with notable interest in expanding mobile wallet functionality, particularly for Apple Wallet, following the Google Wallet launch.

To sustain and build on performance, focus remains on addressing transaction processing speed issues, which is among persistent concerns heard from customers as they seek real-time account updates. Transition efforts to a cloud-based backend, along with website and app improvements and contact centre enhancements, are expected to further improve service responsiveness in the upcoming year.

GO/UP Customer Complaints

The GO/UP Contact Centre met its service target by resolving 80.2 per cent of customer cases within five days, where no further action was required. This result maintains performance in line with the 80 per cent benchmark set for the year. While this reflects a slight decrease from the 81.4 per cent achieved in 2023-24, it was accomplished despite a 10 per cent increase in case volume. This increase was driven by higher ridership and a rise in customer feedback and complaints related to expanded track closures and construction activities tied to infrastructure upgrades. The team's ability to sustain performance under these conditions is attributed to targeted continuous improvement initiatives and team skill development. These included the introduction of standardized response templates, streamlined processes, and updated procedures – collectively enhancing efficiency, accuracy and overall case-handling capacity.



Lost Time Injury Frequency Rate

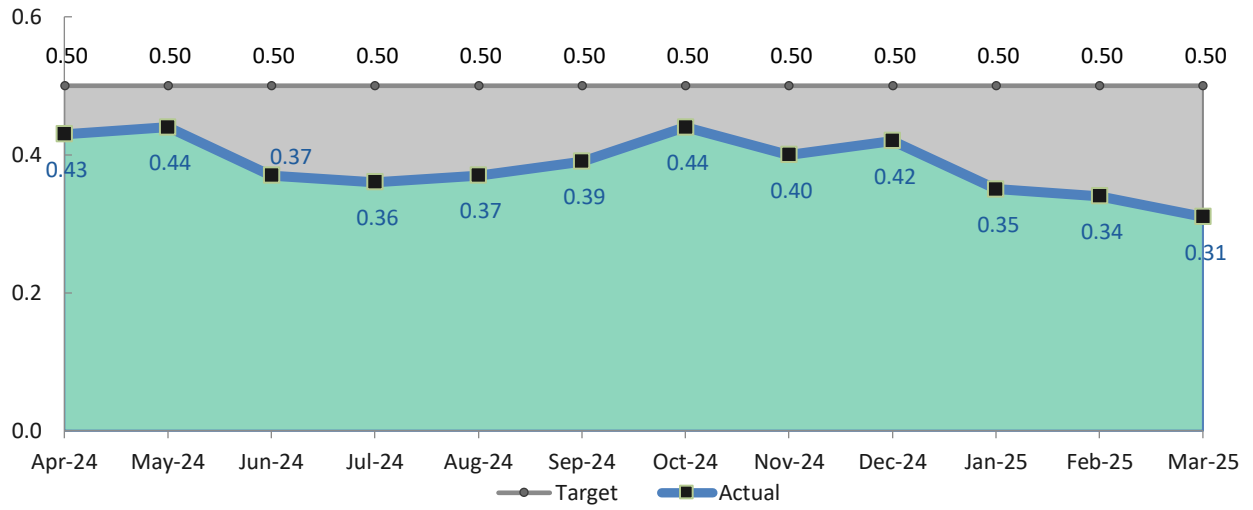
Lost Time Injury (LTI) refers to any work-related injury that results in an employee being unable to perform their regular duties and requires them to take time off from work. The time lost can vary from a day, weeks, or even months depending on the severity of the injury. The Lost-Time Injury Frequency Rate (LTIFR) measures the number of LTIs per 100 workers based on 200,000 hours worked. As a lagging indicator, the LTIFR reflects incidents that have already occurred, offering insights into the effectiveness of past safety practices and decisions rather than predicting future performance. The measure of all parties includes employees from Metrolinx and contractors performing work for Metrolinx, including train operations, track and maintenance work, and construction contractors.

The organization's continued focus on trends and targeted interventions have achieved an LTIFR of 0.31 against the corporate target of 0.50 for this fiscal year for Metrolinx employees, construction contractors, and engineering and maintenance contractors. This is 38 per cent below the target and a 26.2 per cent decrease compared to the previous fiscal year's closing LTIFR of 0.42. This improvement was largely driven by targeted efforts to reduce the most frequent types of employee injuries, especially among frontline teams.

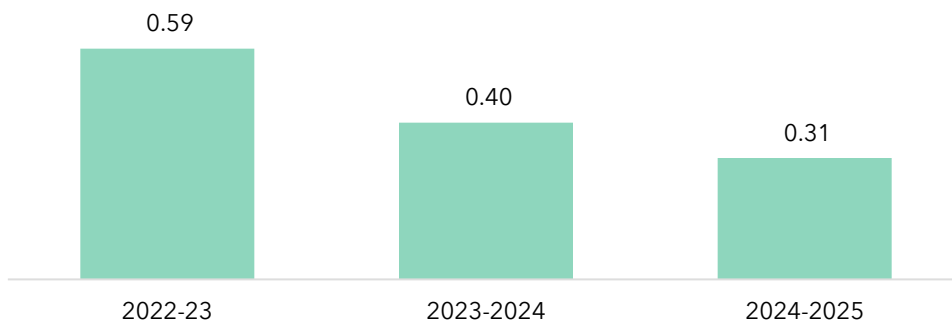
While the monthly all-parties LTIFR fluctuated throughout the year, with the highest rates recorded in the first quarter, the overall trend demonstrated improvement compared to the previous year. The most common causes of LTIs continued to be injuries from being struck by or against objects, and slips, trips and falls, particularly during winter.

To address these risks, the organization implemented several preventative strategies, including focused safety campaigns on walking safely, preventing slips and falls, proper manual handling and waste disposal, and promoting ergonomic practices, supporting injury reduction across all business areas.

All Parties LTIFR 12 - Month Rolling Average



All-Parties LTIFR Year-Over-Year



Metrolinx

Financial Statements

March 31, 2025



Independent auditor's report

To the Board of Directors of Metrolinx

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Metrolinx (the Organization) as at March 31, 2025 and the results of its operations, its remeasurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

What we have audited

The Organization's financial statements comprise:

- the statement of financial position as at March 31, 2025;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of remeasurement gains and losses for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2500, Toronto, Ontario, Canada M5J 0B2
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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Emphasis of matter – restated comparative information

We draw attention to note 3a to the financial statements, which explains that certain comparative information presented for the year ended March 31, 2024 has been restated. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
July 10, 2025

Metrolinx

Statement of Financial Position

As at March 31, 2025

(in thousands of dollars)

	2025 \$	2024 (Restated) (note 3a) \$
Assets		
Current assets		
Cash and cash equivalents (note 5)	647,902	593,022
Accounts and other receivables (notes 8 and 22)	361,108	152,743
Contributions receivable (note 9)	4,198,500	2,961,263
Spare parts and supplies	63,167	36,245
Prepayments (note 6)	128,489	58,908
Derivatives (note 24)	2,238	305
	5,401,404	3,802,486
Contributions due from Province of Ontario - long-term (note 12)	2,825,268	2,703,655
Other assets (note 6)	153,359	200,444
Capital assets (note 7)	51,026,492	41,836,966
Deposits on land (note 10)	174,011	254,748
Advances on capital projects (note 10)	187,955	158,922
Long-term lease (note 11)	24,610	24,937
	59,793,099	48,982,158
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (notes 17 and 22)	6,884,070	3,836,499
PRESTO Farecard E-Purse (note 5)	126,385	128,301
Liabilities for asset retirement obligations - current (note 25)	28,337	23,795
	7,038,792	3,988,595
Long-term payable (note 12)	2,825,268	2,703,655
Liabilities for asset retirement obligations - long-term (note 25)	234,761	222,586
Deferred capital contributions (note 13)	43,229,908	36,622,558
Pension plan top-up benefits payable (note 15)	52,651	61,065
Other employee future benefits payable (note 16)	164,607	166,108
	53,545,987	43,764,567
Net Assets		
Invested in capital assets (note 18)	6,399,717	5,381,697
Invested in long-term lease (note 11)	24,610	24,937
Internally restricted (note 19)	26,332	26,332
Deficiency of net unrestricted assets	(205,785)	(215,680)
	6,244,874	5,217,286
Accumulated remeasurement gains and losses (note 24)	2,238	305
	59,793,099	48,982,158
Economic dependence (note 2)		
Commitments (note 20)		
Contingencies (note 21)		

Approved by the Board of Directors

Director

Director

Metrolinx

Statement of Operations

For the year ended March 31, 2025

(in thousands of dollars)

	2025 \$	2024 Restated \$ (note 3a)
Revenue		
Fare revenue	480,412	429,191
Presto non-fare revenue	86,871	82,500
Other non-fare revenue	71,713	60,821
Third party construction revenue	92,086	75,803
Contribution from the Province of Ontario	1,288,853	1,213,296
Interest income	39,579	41,095
Amortization of deferred capital contributions (note 13)	1,090,010	1,202,460
	<u>3,149,524</u>	<u>3,105,166</u>
Expenses		
Supplies and services	330,391	410,430
Equipment maintenance	179,085	156,174
Facilities and track	258,918	212,849
Labour and benefits	650,368	586,503
Rail and bus operations	566,086	450,973
Third party construction expense	79,469	101,259
Amortization of capital assets	1,040,828	1,121,922
Amortization of long-term lease	327	327
Loss on disposal and write-down of capital assets	53,260	102,744
	<u>3,158,732</u>	<u>3,143,181</u>
Excess of expenses over revenues	<u>(9,208)</u>	<u>(38,015)</u>

The accompanying notes are an integral part of these financial statements.

Metrolinx

Statement of Changes in Net Assets

For the year ended March 31, 2025

(in thousands of dollars)

	2025				2024
					Restated
	Invested in capital assets \$ (note 18)	Invested in long- term lease \$ (note 11)	Internally restricted net assets \$ (note 19)	Unrestricted deficiency \$	Total \$ (note 3a)
Balance – Beginning of year	5,381,697	24,937	26,332	(215,680)	5,217,286
Excess of expenses over revenue	-	-	-	(9,208)	(9,208)
Amortization – net of amortization to revenue	(13,127)	(327)	-	13,454	-
Land acquisitions including deposits	1,036,796	-	-	-	1,036,796
Disposal of land	(5,649)	-	-	5,649	-
Balance – End of year	6,399,717	24,610	26,332	(205,785)	6,244,874

The accompanying notes are an integral part of these financial statements.

Metrolinx

Statement of Cash Flows

For the year ended March 31, 2025

(in thousands of dollars)

	2025 \$	2024 (Restated) \$ (note 3a)
Cash provided by (used in)		
Operating activities		
Excess of expenses over revenue	(9,208)	(38,015)
Amortization of capital assets and long-term lease	1,041,155	1,122,249
Loss on disposal and write-down of capital assets	53,260	102,744
Amortization of deferred capital contributions	(1,090,010)	(1,202,460)
Employee future benefits – net of payments	(9,915)	(6,113)
	(14,718)	(21,595)
Changes in non-cash working capital		
Accounts and other receivables	(208,365)	44,365
Spare parts and supplies	(26,922)	(9,339)
Prepayments	(69,581)	3,707
Accounts payable and accrued liabilities	154,562	45,258
PRESTO Farecard E-Purse	(1,916)	5,710
Other assets	47,085	(68,013)
	(119,855)	93
Capital activities		
Purchase of capital assets	(6,853,304)	(6,188,462)
Proceeds from sale of capital assets	14,698	11,595
Deposits on land (note 18)	(174,011)	(254,748)
Advances on capital projects (note 10)	(187,955)	(158,922)
	(7,200,572)	(6,590,537)
Financing activities		
Grants received for purchase of land	1,036,796	534,268
Capital contributions	6,338,511	6,210,886
	7,375,307	6,745,154
Net change in cash, cash equivalents and internally restricted cash	54,880	154,710
Cash and cash equivalents – Beginning of year	593,022	438,312
Cash and cash equivalents – End of year	647,902	593,022
Supplemental cash flow information		
Non-cash capital activities		
Change in accounts payable and accrued liabilities relating to capital assets	2,893,007	475,090
Change in liabilities for asset retirement obligations	16,717	20,362
Change in long-term capital payable	121,613	(478,925)
Non-cash financing activities		
Change in capital contributions receivable	(1,237,237)	(338,133)
Change in contribution due from Province	(121,613)	478,925

The accompanying notes are an integral part of these financial statements.

Metrolinx

Statement of Remeasurement Gains and Losses

For the year ended March 31, 2025

(in thousands of dollars)

	2025 \$	2024 \$
Balance, beginning of year	305	(2,351)
Unrealized gains attributable to Forward fuel purchase contracts (note 24)	2,238	305
Amounts reclassified to the statement of operations Forward fuel purchase contracts (note 24)	(305)	2,351
Net remeasurement gains	1,933	2,656
Balance, end of year	2,238	305

The accompanying notes are an integral part of these financial statements.

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

1 Nature of operations

Metrolinx is a Crown agency, reporting to the Minister of Transportation of Ontario (MTO). It is a non-share capital corporation and is exempt from income taxes under Section 149(1) (d) of the Income Tax Act (Canada).

Metrolinx was created by sections of the Greater Toronto Transportation Authority Act, 2006, which were proclaimed on August 24, 2006. On May 14, 2009, Bill 163 was proclaimed amending the Greater Toronto Transportation Authority Act, 2006 and changing the title of the Act to the Metrolinx Act, 2006. Metrolinx's mandate is to lead the coordination, planning, financing and development of an integrated multi-modal transportation network for the Greater Toronto and Hamilton Area (GTHA), to transform mobility and connect communities across the Greater Golden Horseshoe (GGH). Taking a regional approach, Metrolinx brings together the Province of Ontario (the Province), municipalities and local transportation authorities to produce long-term economically and environmentally sustainable transportation solutions.

GO Transit is a business unit of Metrolinx that operates an inter-regional public transit system consisting of integrated rail and bus corridors. The network of rail and bus services primarily serves communities across the GTHA, including the cities of Toronto and Hamilton. GO Transit also serves the regions of Halton, Peel, York, Durham, Simcoe County, Dufferin County, Wellington County and the cities of Barrie, Guelph, Kitchener, London and Niagara Falls and the Town of Bradford-West Gwillimbury.

The Union Pearson (UP) Express provides high quality dedicated express rail service connecting Canada's busiest transportation hubs, Union Station in downtown Toronto and Toronto Pearson International Airport. The UP Express began operations on June 6, 2015.

PRESTO is a business unit that operates the PRESTO fare system. In its current state, PRESTO uses smart card technology to replace the need for tickets, tokens, passes or cash, and also offers payment with debit and credit cards on almost all Transit Agencies, providing transit users with seamless travel across boundaries.

2 Economic dependence

Metrolinx currently generates revenue primarily from the provision of transportation services provided by GO Transit, UP Express and PRESTO services.

In addition, Metrolinx receives government grants:

- from all three levels of government to support its investment in capital infrastructure to be used in the delivery of current and future transportation services; and
- through an annual operating subsidy from the Province of Ontario to further support the delivery of transportation services.

The ability of Metrolinx to continue to offer and grow its services and meet its obligations is dependent on the ongoing government grants it receives as outlined above. As a Crown agency of the Government of Ontario, Metrolinx receives subsidy funding every year from the Province to cover for the shortfall between revenue and expenses, and capital funding for infrastructure renewal and expansion.

(in thousands of dollars)

3 Summary of significant accounting policies

Financial statement presentation

These financial statements have been prepared by management in accordance with Public Sector Accounting Standards (PSAS) for government, including not-for-profit organizations, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada).

Financial instruments

Financial instruments are financial assets or liabilities of Metrolinx which, in general, provide Metrolinx the right to receive cash or another financial asset from another party or require Metrolinx to pay another party cash or other financial assets.

Financial instruments reported on the statement of financial position of Metrolinx are measured as follows:

Cash and cash equivalents	amortized cost
Accounts and other receivables	amortized cost
Contributions receivable	amortized cost
Contributions due from Province of Ontario – long-term	amortized cost
Derivatives	fair value
Accounts payable and accrued liabilities	amortized cost
PRESTO Farecard E-Purse	amortized cost
Long-term payable	amortized cost

The fair value of Metrolinx’s cash and cash equivalents, accounts and other receivables, contributions receivable, accounts payable and accrued liabilities and PRESTO Farecard E-Purse approximate their carrying values due to the short-term nature of these financial instruments. Fair value represents the amount that would be exchanged in an arm’s length transaction between willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists. Metrolinx’s fair values are management’s estimates and are generally determined using market conditions at a specific point in time. The determinations are subjective in nature, involving uncertainties and the exercise of significant judgment.

From time to time, Metrolinx enters into contracts for diesel fuel to manage exposure to diesel fuel price risks. These derivative instruments are recorded on the statement of financial position as an asset or liability and are measured at fair value. The unrealized gains or losses in the derivative instruments’ fair value are recognized on the statement of remeasurement gains and losses.

Metrolinx does not hold or issue derivative financial instruments for trading or speculative purposes, and controls are in place to detect and prevent these activities.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, internally restricted cash, balances with banks and highly liquid short-term investments with maturities of three months or less at the time of purchase.

(in thousands of dollars)

Spare parts and supplies

Spare parts and supplies are carried at the lower of cost and net realizable value. Cost is determined using the weighted average method.

Capital assets

Capital assets are recorded at cost. The cost of a capital asset includes all costs directly related to the acquisition, construction, development or betterment of the capital asset. Salaries, wages and associated employee benefits for staff directly involved in the acquisition, development or construction of a capital asset are included in the cost of the capital asset. Construction-in-progress is recorded based on a percentage of completion as determined by Metrolinx's Project Delivery Team, Infrastructure Ontario or an external consultant (e.g., independent certifier).

Metrolinx has adopted a whole property approach in capitalizing and amortizing its buildings, rail equipment and bus equipment. Under this approach, all components attached to the building structure (lighting, elevators, air conditioning, etc.) are amortized over a composite service life of the property as a whole.

If the development or construction of a capital asset is terminated or cancelled before completion, the costs capitalized to date are expensed, unless there is an alternative use for the capital asset or unless recovery of those costs from a third party can be reasonably estimated and collection is likely based on related agreements.

Capital assets derived through an Alternate Financing Procurement (AFP) contract for activities such as design, build, finance, maintain and operate will contain a portion of the capital design and construction costs that will be paid on substantial completion of the construction of the capital asset and the remainder over the useful life. A matching contribution receivable from the Province of Ontario is recorded. Annual service payments and lifecycle payments will be paid annually over the term of the contract.

Amortization

Metrolinx provides for the amortization of the various classes of assets over their estimated useful lives on a straight-line basis as follows:

Buildings (including shelters and ticket booths)	5 – 20 years
Leasehold improvements	lease life
Locomotives and other railway rolling stock	20 – 30 years
Improvements to railway right-of-way plant	20 years
Track work and installation	20 years
Light rail vehicles	40 years
Buses (including double decker buses)	10 years
Bus rapid transit system	10 – 30 years
Parking lots	20 years
Computer equipment and software	5 – 7 years
Grade separations and corridor barriers	50 years
Other (including furniture and equipment)	3 – 12 years

Construction-in-progress comprises design construction and development costs. No amortization is recorded until the assets are in service. Land and permanent easements both have indefinite useful lives and therefore are not subject to amortization.

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

Public private partnerships

Public private partnerships (P3s) are arrangements between a private sector entity and Metrolinx in order to build, design, finance, and operate and/or maintain tangible capital assets such as transit infrastructure. The assets are reported as capital assets on the statement of financial position and are initially recognized at cost, which represents fair value at the date of recognition. Cost includes the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset, along with any directly attributable costs such as interest charges during the asset's construction. Construction-in-progress is recorded based on a percentage of completion, which is provided by Metrolinx's Project Delivery Team, Infrastructure Ontario or an external consultant (e.g., independent certifier).

When Metrolinx has recognized a tangible capital asset in relation to a P3 arrangement and has an obligation to provide consideration to the private sector entity, Metrolinx recognizes a corresponding liability reported as a long-term payable on the statement of financial position. The long-term payable is initially measured at the same amount as the related asset, reduced for any consideration that Metrolinx previously provided to the private sector entity. Other costs attributable to the P3 agreement, such as operating and maintenance payments, are excluded from the measurement of the long-term payable.

Financial models are used to calculate the value of ongoing maintenance costs during the operating and maintenance (O&M) period. The long-term payable is recorded at amortized cost using the implicit interest rate, which typically corresponds to the interest rate per the P3 agreement. The implicit interest rate must remain consistent throughout the arrangement unless the terms have been renegotiated.

Long-term lease

Long-term lease represents the pre-payment of the lease regarding Union Station. The amount is being amortized straight-line over 100 years, which is the term of the lease plus one renewal period.

Pension plan top-up benefits and other employee future benefits

Metrolinx provides pension plan benefits through the multi-employer Ontario Municipal Employees Retirement System (OMERS) Pension Plan. The expense for the period equals the required contribution for the period.

Metrolinx provides a top-up pension plan benefit calculated by using the accrued benefit method, which reflects the projected benefits for services rendered to date. Adjustments arising from employee benefit plan amendments, experience gains and losses and changes in assumptions are amortized to earnings over the average remaining service period of the active employees. Any past service costs are expensed when incurred.

Metrolinx also provides other employee future benefits calculated by using the accrued benefit method, which reflects the projected benefits for services rendered to date. Adjustments arising from employee benefit plan amendments, experience gains and losses and changes in assumptions are amortized to earnings over the average remaining service period of active employees. Any past service costs are expensed when incurred.

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

Revenue

All revenue is reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year-end is recognized as unearned revenue and recorded in accounts payable and accrued liabilities.

Depending on the characteristics of a revenue transaction with performance obligations, Metrolinx can either be acting as a principal or an agent. When Metrolinx is acting as a principal, revenue is recognized on a gross basis, with revenue and the related direct expenses recorded on separate lines on the statement of operations. If Metrolinx is acting as the agent, revenue is recognized on a net basis, where revenue less any related discounts, commissions and direct expenses are recorded on one revenue line.

Fare revenue

Fare revenue includes fares received from transit operations including GO Transit and UP Express services. Fare revenue is recognized when the transportation service is provided. Fare revenue is generated through ticket vending machines, and the sale of paper tickets, e-tickets, etc. Fare revenue is recognized when the transaction or event has occurred, and the performance obligation related to the underlying services have been met.

PRESTO non-fare revenue

PRESTO non-fare revenue includes fees collected from transit providers for the use of the PRESTO system and is heavily influenced by the fare revenue and ridership of transit providers in the region they operate. PRESTO non-fare revenue is recognized when the transaction or event has occurred, and the performance obligation related to the underlying services or goods have been met.

Other non-fare revenue

Other non-fare revenue primarily includes revenue from advertising and partnerships, charges for track usage, reserved parking fees, and commercial space rent. Other non-fare revenue is recognized ratably over the term of the agreement, which transcribes to when the transaction(s) or event(s) have occurred, and the performance obligation(s) related to the underlying services or goods have been met. For revenue without performance obligations, revenue is recognized when Metrolinx has the authority to claim or retain an inflow of economic resources and when revenue is expected.

Third party construction revenue and expense

Third party construction revenue comprises revenue from third party reimbursements of capital assets ultimately owned by third parties. Revenue is recognized when a transaction or event has occurred and Metrolinx expects to obtain future economic benefits. Third party construction expense comprises expenditures incurred on capital assets ultimately owned by third parties. Expenses are recognized on an accrual basis.

Contributions

Metrolinx follows the deferral method of accounting for contributions. Unrestricted contributions, including operating grants, are recognized as revenue in the period to which they relate.

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

Deferred capital contributions relate to funds received for the acquisition of capital assets other than land. These deferred capital contributions are recognized as revenue over the same period as the amortization of the related capital asset.

Contributions received for the acquisition of land, including deposits for land, are recognized as direct increases in net assets.

Internally restricted net assets

Internally restricted net assets are internally restricted to provide a funding source for planned future obligations and to provide flexibility against uncertainties that may arise. All reserves are approved by the Board of Directors and are disclosed on the statement of financial position as net assets.

Liabilities for contaminated sites

Metrolinx reports environmental liabilities related to the management and remediation of contaminated sites where Metrolinx is directly responsible or accepts responsibility to incur such costs. Metrolinx assessed and developed a complete inventory of all contaminated sites, as defined under PSAS and environmental regulations. The remediation cost is calculated based on the best available information and is reviewed on an annual basis.

Liabilities for asset retirement obligations

Metrolinx reports liabilities related to legal obligations where Metrolinx is obligated to incur costs to retire a tangible capital asset. An asset retirement obligation (ARO) liability has been recorded for activities to fulfill the retirement of obligations identified based on estimations for the extent and cost of activities to fulfill the requirements of the obligations.

A significant part of the ARO liability results from the removal and disposal of designated substances such as asbestos from Metrolinx's buildings and bridges, and retirement activities legally required related to tanks and leases. The measurement of AROs is also impacted by the activities that occurred to settle all or part of the obligation in the year, or any changes in the legal obligation. On initial recognition of an ARO, the cost of the associated asset in productive use is increased by the amount recognized and amortized over the remaining useful life of that asset. Subsequently, revisions to the estimated cost of the obligation will result in changes to the carrying amount of the associated assets that are in productive use and amortized over the remaining useful life of that asset.

To estimate the liabilities for large portfolios of similar buildings with asbestos and other designated substances and retirement activities legally required related to tanks, Metrolinx uses experts' assessments on the extent and nature of the retirement activities for the asset to measure the liability, and this information is extrapolated to a group of similar assets. To estimate the liabilities for bridges with designated substances, Metrolinx uses historical costs to measure the ARO liability and extrapolates the findings.

To estimate the liabilities for the removal of leasehold improvements, Metrolinx uses historical costs or an expert's assessment of an appropriate rate to measure the ARO liability and extrapolates the findings. As more information becomes available on specific assets, the liability is revised to be asset-specific.

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

Metrolinx discounts significant obligations where there is a high degree of confidence on the amount and timing of cash flows and the obligation will not be settled for at least five years from the reporting date. The discount and inflation rate would be reflective of the risks specific to the asset retirement liability. As at March 31, 2025, all liabilities for asset retirement obligations are reported at current costs in nominal dollars without discounting.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The items subject to the most significant estimates are capital assets valuation, impairment and amortization, certain accrued liabilities, liabilities for asset retirement obligations, pension plan top-up benefits payable and other employee future benefits payable.

3a Adjustment to prior year amounts

In the 2024-25 fiscal year, as part of Metrolinx's maturing financial governance and ongoing efforts, Metrolinx undertook a review of its accounting practices related to construction-in-progress for capital projects. This review revealed that costs, that were initially recorded as construction-in-progress and not amortized, should have been reclassified to capital assets once they were put into use. The adjustment has been made by restating the comparative figures presented for the prior year as follows:

	2023-24 Previously reported \$	Adjustments \$	2023-24 Restated \$
<u>Statement of Financial Position</u>			
Assets			
Capital assets	41,972,887	(135,921)	41,836,966
Liabilities			
Deferred capital contributions	36,759,156	(136,598)	36,622,558
Net Assets			
Net assets invested in capital assets	5,381,020	677	5,381,697
<u>Statement of Operations</u>			
Amortization of deferred capital contributions	1,134,468	67,992	1,202,460
Amortization of capital assets	1,053,930	67,992	1,121,922
<u>Statement of Changes in Net Assets</u>			
Land acquisitions including deposits	533,591	677	534,268
Balance – End of year	5,216,609	677	5,217,286
<u>Statement of Cash Flows</u>			
Amortization of capital assets and long-term lease	1,054,257	67,992	1,122,249
Amortization of deferred capital contributions	(1,134,468)	(67,992)	(1,202,460)
Grants received for purchase of land	533,591	677	534,268
Capital contributions	6,211,563	(677)	6,210,886

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

Metrolinx also determined that, in the 2024–25 fiscal year, recoveries of construction expenses through third party reimbursements that were not expected to be invoiced within a year were initially classified as accounts and other receivables – current, but should have been reclassified as long-term receivables under other assets. The impact is as follows:

	2023-24 Previously reported \$	Adjustments \$	2023-24 Restated \$
Statement of Financial Position			
Assets			
Accounts and other receivables	260,262	(107,519)	152,743
Other assets	92,925	107,519	200,444
Statement of Cash Flows			
Changes in non-cash working capital			
Accounts and other receivables	(21,091)	65,456	44,365
Other assets	(2,557)	(65,456)	(68,013)

4 Financial instruments and risk management

Metrolinx's financial assets and liabilities have exposure to the following risks:

Credit risk

Metrolinx is subject to credit risk through its receivables. It is management's opinion that the risk is minimal, as most of the receivables are from federal, provincial and municipal governments and other organizations under common control of the Province of Ontario.

Interest rate risk

Metrolinx does not have significant exposure to interest rate risk related to its long-term liabilities, as they are primarily with related parties and are non-interest bearing or as a result of AFP contractual agreements and are not exposed to interest rate fluctuations as they have fixed interest rates.

Other price risk

Metrolinx is exposed to changes in crude oil prices as a result of diesel fuel consumption. The potential fluctuations in crude oil prices could have a significant impact on the cost of providing transportation services. This risk is reduced, from time to time, through the use of diesel fuel forward purchase contracts to lock in firmly committed future operating costs for own use consumption. There are three outstanding diesel purchase contracts as at March 31, 2025.

5 PRESTO Farecard E-Purse balances

The balance of funds held in PRESTO Farecard E-Purse in the amount of \$126,385 (2024 – \$128,301) has been included in cash and cash equivalents. The E-Purse balance is held on behalf of the farecard owner and, therefore, a liability is recorded on the statement of financial position.

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

6 Prepayments and other assets

Other assets comprise the following:

	2025 \$	2024 (Restated) (note 3a) \$
Prepayments – long-term	107,603	92,925
Third party reimbursements – long-term	45,756	107,519
	<u>153,359</u>	<u>200,444</u>

Included in prepayments – long-term is an amount of \$65,042 (2024 – \$66,144) relating to enhanced quality warranties for a period of 30 years. As at March 31, 2025, the underlying assets that the warranties relate to have not been put into service. Also included in prepayments – long-term are insurance premiums relating to capital projects, amounting to \$27,672 (2024 – \$11,646).

Prepayments include insurance premiums relating to capital projects amounting to \$44,533 (2024 – \$8,742), payments to Alstom Transport Canada Inc., for operating and maintenance contract extension \$21,454 (2024 – \$nil).

7 Capital assets

	2025			2024 (Restated) (note 3a)
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Land	5,533,765	-	5,533,765	4,652,108
Buildings	2,750,535	1,057,081	1,693,454	1,751,963
Leasehold improvements	125,954	84,848	41,106	43,282
Locomotives and other railway rolling stock	3,883,132	1,903,984	1,979,148	2,104,093
Improvements to railway right-of-way plant	1,675,721	967,669	708,052	704,234
Grade separations, track work and installations	5,736,369	1,772,641	3,963,728	3,904,284
Construction-in-progress	34,285,186	-	34,285,186	25,639,796
Buses	475,055	321,093	153,962	173,867
Parking lots	1,566,629	671,021	895,608	953,513
Computer equipment and software	2,296,637	1,738,389	558,248	650,246
Other	1,789,742	575,507	1,214,235	1,259,580
	60,118,725	9,092,233	51,026,492	41,836,966

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

Construction-in-progress includes the following:

	2025 \$	2024 (Restated) (note 3a) \$
Rail corridor expansion	4,966,662	3,528,521
Union Station	561,113	555,008
Rail fleet	81,563	61,883
PRESTO system	92,710	84,514
Light Rail Transit and Bus Rapid Transit	14,366,746	12,770,089
Subways	11,392,967	6,153,438
Other	2,823,425	2,486,343
	<u>34,285,186</u>	<u>25,639,796</u>

Metrolinx has written off \$55,149 (2024 – \$91,628) of costs related to capital assets during the fiscal year.

8 Accounts and other receivables

Accounts and other receivables comprise the following:

	2025 \$	2024 (Restated) (note 3a) \$
Recoverable harmonized sales tax	186,374	102,205
Third party reimbursements	132,821	11,126
Other receivables	41,913	39,412
	<u>361,108</u>	<u>152,743</u>

9 Contributions receivable

Contributions receivable comprise the following:

	2025 \$	2024 \$
Contributions due from Province of Ontario	4,197,124	2,952,716
Contributions due from Government of Canada	1,376	8,547
	<u>4,198,500</u>	<u>2,961,263</u>

Metrolinx

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(in thousands of dollars)

10 Deposits on land and advances on capital projects

Deposits on land and advances on capital projects comprise the following:

	2025 \$	2024 \$
York Region	154,209	147,045
TTC	3,368	3,368
Ontario Line – various	12,954	103,436
Other land deposits	3,480	899
Total deposits on land	174,011	254,748
	2025 \$	2024 \$
York Region	16,489	1,591
Alstom Transport Canada Inc.	61,725	44,226
Ontario Northland Transportation Commission	27,582	34,585
Crosslinx Transit Solutions General Partnership	10,492	10,836
Kiewit Alberici Union General Partnership	16,501	7,382
Toronto Hydro-Electric System Limited	10,697	11,129
Hydro One Networks	14,351	31,942
TTC vending machines	10,085	-
Motor Coach Industries Limited	7,273	-
Alectra Utilities Corporation	7,919	-
Other advances on capital projects	4,841	17,231
Total advances on capital projects	187,955	158,922

Metrolinx has entered into Memorandum of Agreements (MOAs) with York Region Rapid Transit Corporation (YRRTC), The Regional Municipality of York (York Region), City of Toronto and the TTC. The MOAs outline the projects, expected costs and responsibilities of the parties involved. The MOAs also outline the definition of eligible costs and ownership rights of the projects specified in the agreements. A Master Agreement with YRRTC and York Region was signed April 14, 2011 and covers both past and future eligible costs of constructing the bus rapidway. The MOA with the City of Toronto and the TTC was extended until the earlier of September 30, 2012 and the date on which Metrolinx, TTC and the City finalize definitive legal agreements. A Master Agreement with the TTC and the City of Toronto was signed November 28, 2012 and covers the cost of constructing the Eglinton LRT, Scarborough RT, Finch West Light Rail Transit (FWLRT) and Sheppard East LRT. The Master Agreement also covers project governance and costs related to the East Rail Maintenance Facility AFP.

Pursuant to these agreements, advances were paid to York Region and to the TTC to provide working capital for deposits on land totaling \$157,577 (2024 – \$150,413) and advances on capital projects totaling \$16,489 (2024 – \$1,591) to fund projects being developed by York Region and TTC on behalf of Metrolinx. The deposits on land referred to above relate to obtaining, in the future, perpetual easements required for the operation of the York Region bus rapidway. The advances on capital projects are to be held in a separate account and any interest accrued will be applied against the project.

Ontario Line land deposits total \$12,954 (2024 – \$103,436) for the construction of the Ontario Line capital project. Other land deposits total \$3,480 (2024 – \$899) for construction of Barrie Corridor capital projects.

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Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

Other advances on capital projects include: \$61,725 (2024 – \$44,226) paid to Alstom Transport Canada Inc., of which \$61,725 (2024 – \$38,763) was for the refurbishment of bi-level rail coaches and cab cars for GO Expansion (increase in 2025 due to the addition of 181 bi-level coaches to the scope of work) and \$nil (2024 – \$5,463) was for signaling changes for the Ontario Line; \$27,582 (2024 – \$34,585) paid to Ontario Northland Transportation Commission for the refurbishment of 56 bi-level rail coaches for GO Expansion; \$10,492 (2024 – \$10,836) paid to Crosslinx Transit Solutions General Partnership for the ECLRT project in support of community and developer relations; \$16,501 (2024 – \$7,382) paid to Kiewit Alberici Union General Partnership (KAGP) for the construction of utilities, platforms and tracks for GO Expansion; \$10,697 (2024 – \$11,129) paid to Toronto Hydro-Electric System Limited for temporary primary service connection of the Tunnel Boring Machine (TBM) Launch Site at Corktown for the Ontario Line project and for the design, supply and installation of THESL infrastructure to provide permanent power for the FWLRT; \$14,351 (2024 – \$31,942) paid to Hydro One Networks for utilities relocation for Ontario Line; \$10,085 (2024 – \$nil) capital advances for TTC single ride vending machines upgrades, replacements, mobilization fees and bus kitting installations; \$7,273 (2024 – \$nil) paid to Motor Coach Industries Ltd. to design and build the in-market-diesel-buses to support the GO Bus Fleet requirements; \$7,919 (2024 – \$nil) paid to Alectra Utilities Corporation for Expansion and Offer to Connect agreements for Heritage Road Layover project on Kitchener line; and \$4,841 (2024 – \$17,231) in various other advances.

11 Long-term lease

	2025		2024
	Cost \$	Accumulated amortization \$	Net \$
Leasehold – Union Station	32,704	8,094	24,610
			24,937

12 Contributions due from Province of Ontario – long-term payable

Since 2015, Metrolinx and Infrastructure Ontario have entered into various AFP agreements with contractors. Costs incurred on these contracts as at March 31, 2025 are as follows and are included in construction-in-progress.

	Hazel McCallion Line \$	Whitby \$	Eglinton Crosstown LRT \$	Finch West LRT \$	Ontario Line \$	Eglinton Crosstown West Extension \$	Scarborough Subway Extension \$	2025 \$	2024 \$
Cost incurred to date	2,049,156	518,570	6,709,801	1,806,173	2,631,204	955,436	646,318	15,316,658	12,938,650
Less: Amount paid or amount payable within 1 year	1,182,793	348,246	6,041,704	1,704,159	1,798,334	944,375	471,779	12,491,390	10,234,995
Long-term payable	866,363	170,324	668,097	102,014	832,870	11,061	174,539	2,825,268	2,703,655

A matching contribution receivable from the Province for costs incurred to date is included in deferred capital contributions.

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Notes to Financial Statements

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(in thousands of dollars)

Metrolinx has five agreements that meet the criteria of a public private partnership per PSAS: the Eglinton Crosstown LRT (ECLRT), Hazel McCallion Line (HML), Finch West LRT (FWLRT), Whitby - East Rail Maintenance Facility (ERMF), and the Rolling Stock, Systems, Operations and Maintenance (RSSOM) contract within the Ontario Line project. The LRT projects and RSSOM have not yet reached substantial completion and therefore assets constructed to date are currently recorded in construction-in-progress. The EMRF project was completed and in service for 2023; therefore, it is recorded as a capital asset.

Long-term interest during the O&M period will be calculated using the implicit interest rate and is based on the total annual service payment – capital portion less the principal repayment and the Base Relevant Insurance Costs if applicable. Under these agreements, key rights and obligations of Metrolinx are that Metrolinx obtains ownership of the assets constructed upon substantial completion of each project. For ECLRT and FWLRT, key rights and obligations of the private sector company are performing ongoing maintenance to the assets (i.e., LRT lines and maintenance facility). For HML and RSSOM, the Private Partner is also performing ongoing operations of the line in addition to maintenance.

Capital assets have been recognized on the face of the statements in order to account for the LRT assets (various rail, stations, signals, light rail vehicles) and maintenance storage facility/rail. A long-term payable has also been reflected in the statements to account for the future payments to the private companies. During the current reporting period, there were no changes to the terms of the agreements.

Required assumptions made pertain to the basis of recognition, discount rate, and percentage of completion. The discount rate is the implicit contract rate.

13 Deferred capital contributions

The changes in the deferred capital contributions for the year are as follows:

	2025 \$	2024 (Restated) (note 3a) \$
Balance – Beginning of year	36,622,558	31,754,925
Contributions received or receivable in the period for capital acquisitions		
Province of Ontario	7,681,841	6,045,768
Municipalities	9,464	10,473
Government of Canada	1,263	8,550
Other organizations	4,792	5,302
Amortization of deferred capital contributions	(1,090,010)	(1,202,460)
Balance – End of year	43,229,908	36,622,558

MetrolinxThe Province has provided funding to bridge certain municipal shortfalls in the capital program in the current year in the amount of \$31,631 (2024 – \$25,881) and the cumulative amount is \$1,493,342 (2024 – \$1,461,711). The Province is working with its municipal partners to reevaluate and address the funding shortfalls.

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Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

14 Pension contributions

Metrolinx provides pension benefits for substantially all of its permanent employees through participation in the OMERS multi-employer defined benefit pension plan. The amount expensed in pension contributions for the year ended March 31, 2025 is \$90,451 (2024 – \$75,115).

Because OMERS is a multi-employer plan, Metrolinx does not recognize any share of the pension funding deficit of \$2.9 billion as at December 31, 2024.

15 Pension plan top-up benefits payable

With repatriation of the former GO Transit to the Province in 2002, bargaining and non-bargaining employees requested the Province to rectify the difference in pension benefits to be received by employees of GO Transit. When GO Transit was transferred from the Province to the Greater Toronto Services Board in 1999, the provincial plans were frozen and a new plan commenced under OMERS. It had been resolved that GO Transit was responsible for the pension obligation. GO Transit completed an actuarial valuation as at March 31, 2025. The pension recovery recognized during the year is \$3,413 (2024 – \$2,047).

The cost of pension plan top-up benefits is actuarially determined using the projected benefit method pro-rated on service. The discount rate used to determine the accrued benefit obligation was determined based on the Ontario provincial bond yields. The actuarial gains and losses are amortized over the average remaining service period of active employees.

Information about Metrolinx's pension plan top-up is as follows:

	2025 \$	2024 \$
Accrued benefit obligation	56,551	57,536
Fair value of plan assets	(7,318)	(5,531)
Funded status – plan deficit	49,233	52,005
Unamortized net actuarial gain	3,418	9,060
Accrued benefit liability	52,651	61,065

Details of the accrued benefit obligation are as follows:

	2025 \$	2024 \$
Accrued benefit obligation – Beginning of year	57,536	59,544
Current service cost	193	192
Interest cost on accrued benefit obligation	2,355	2,328
Benefit payments	(3,325)	(3,079)
Actuarial gain on accrued benefit obligation	(208)	(1,449)
Accrued benefit obligation – End of year	56,551	57,536

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March 31, 2025

(in thousands of dollars)

Details of the pension expense are as follows:

	2025 \$	2024 \$
Current service cost	193	192
Interest cost on accrued benefit obligation	2,355	2,328
Actual return on plan assets	(112)	(82)
Expected return versus actual return on plan assets	112	82
Amortization of actuarial gain	(5,961)	(4,567)
	<u>(3,413)</u>	<u>(2,047)</u>

The significant actuarial assumptions adopted in measuring Metrolinx's pension plan top-up benefit obligations are as follows:

	2025	2024
Discount rate	4%	4.2%
Rate of compensation increase	2.75%	3%
Inflation per annum	2%	2.25%
Expected average remaining service life	2 years	3 years

16 Other employee future benefits payable

Metrolinx provides post-retirement life and health benefits, Workplace Safety and Insurance Board (WSIB) liabilities and retiree severance benefits. The plan is unfunded and requires nominal contributions from employees. Substantially all full-time active employees are eligible for life and health benefits. A limited number of employees are eligible for severance benefits.

The measurement date of the plan assets and accrued benefit obligation is March 31 of each year. The most recent actuarial valuation of the other employee future benefits was as at March 31, 2025. The post-retirement non-pension benefits recognized during the year were \$4,121 (2024 – \$3,920).

The cost of post-retirement non-pension benefits is actuarially determined using the projected benefit method pro-rated on service, retirement ages of employees and expected health-care costs. The discount rate used to determine the accrued benefit obligation was determined based on the Ontario provincial bond yields. The actuarial gains and losses are amortized over the average remaining service period of active employees. Past service costs are expensed when incurred. Information about Metrolinx's post-retirement non-pension benefits is as follows:

	2025 \$	2024 \$
Accrued benefit obligation	<u>118,779</u>	<u>106,702</u>
Funded status – plan deficit	118,779	106,702
Unamortized net actuarial gain	<u>45,828</u>	<u>59,406</u>
Accrued benefit liability	<u>164,607</u>	<u>166,108</u>

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March 31, 2025

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Details of the accrued benefit obligation are as follows:

	2025 \$	2024 \$
Accrued benefit obligation – Beginning of year	106,702	108,529
Current service cost	3,080	3,074
Interest cost on accrued benefit obligation	4,493	4,350
Benefit payments	(5,621)	(4,987)
Actuarial loss (gain) on accrued benefit obligation	10,125	(4,264)
Accrued benefit obligation – End of year	118,779	106,702

Details on the post-retirement non-pension benefits expense are as follows:

	2025 \$	2024 \$
Current service cost	3,080	3,074
Interest cost on accrued benefit obligation	4,493	4,350
Amortization of actuarial gain	(3,452)	(3,504)
	4,121	3,920

The significant actuarial assumptions adopted in measuring Metrolinx's post-retirement non-pension benefit obligations are as follows:

	2025	2024
Discount rate for post-retirement non-pension benefit	4.1%	4.2%
Discount rate for WSIB liabilities	3.8%	4.2%
Discount rate for retiree severance benefits	3.6%	4.2%
Expected average remaining service life for post-retirement non-pension benefit	13 years	13 years
Expected average remaining service life for WSIB liabilities	10.5 years	10.5 years
Expected average remaining service life for retiree severance benefits	5 years	5 years
Rate of compensation increase	2.75%	2.75%
Inflation per annum	2%	2%
Initial Weighted Average Health Care Trend Rate	5.04%	4.69%
Ultimate Weighted Average Health Care Trend Rate	3.04%	3.18%
Dental care benefits increase	2%	2.75%

17 Accounts payable and accrued liabilities

Liabilities for contaminated sites

Metrolinx reports environmental liabilities related to the management and remediation of contaminated sites where it is obligated or likely obligated to incur such costs. A contaminated sites liability of \$2,784 (2024 – \$7,071) has been recorded based on environmental assessments or estimations for those sites where an assessment has not been conducted. The contaminated site obligations will be settled between 2025 and 2028.

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

18 Net assets invested in capital assets

	2025 \$	2024 (Restated) (note 3a) \$
Capital assets	51,026,492	41,836,966
Deposits on land	174,011	254,748
Advances on capital projects	187,955	158,922
Unfunded capital asset additions		
Asset retirement obligations	(263,098)	(246,381)
Other	(1,495,735)	-
Deferred capital contributions used to purchase capital assets	(43,229,908)	(36,622,558)
	<u>6,399,717</u>	<u>5,381,697</u>

Other capital asset additions amounting to \$1,495,735 made during the fiscal year 2024–25 remained unfunded as at March 31, 2025, as it exceeded the Province of Ontario's contributions in accordance with the fiscal year's appropriations. Metrolinx will seek the necessary appropriation in fiscal year 2025–26.

19 Internally restricted net assets

The internally restricted net assets are as follows:

	2025 \$	2024 \$
MCOR	21,051	21,051
Employment obligation	889	889
Self-insured retention	2,013	2,013
Stabilization	2,379	2,379
	<u>26,332</u>	<u>26,332</u>

The Municipal Capital and Operating Restructuring (MCOR) reserve was established to assist in funding large capital expenditures.

The employment obligation reserve was established to assist in funding general employment related obligations of Metrolinx.

The self-insured retention reserve was established to assist in funding any claims against the self-insured retention layer of Metrolinx's insurance program.

The stabilization reserve was established to assist in funding fluctuations in operating and capital budgets of Metrolinx from year to year.

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Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

20 Commitments

- a) The minimum operating lease payments for property in each of the next five years and thereafter are as follows:

	\$
2026	55,054
2027	47,809
2028	35,731
2029	34,198
2030	31,539
2031 and thereafter	<u>568,558</u>
	<u>772,889</u>

- b) A significant amount of the services provided by Metrolinx are operated and maintained by outside parties. These services are governed by the agreements with the Canadian National Railway Company (CN), Canadian Pacific Railway Company (CP), Alstom, PNR Rail Works Inc. (PNR), Siemens Mobility, Toronto Terminals Railway Ltd. (TTR) and by a number of minor service agreements. Metrolinx has entered into the following major agreements with payments of approximately \$409,347 per year:

- Master Operating Agreement with CN terminating on July 31, 2026.
- Commuter Agreement with CP terminating on December 31, 2029;
- Equipment Maintenance contract with Alstom expires on October 4, 2025. Service beyond this date needs to be negotiated.
- Rail Crew contract with Alstom expires on October 4, 2025. Service beyond this date needs to be negotiated.
- Metrolinx terminated its 25 year Operating and Maintenance Agreement with ONxpress Operations Incorporated (OOI). These services will be completed by Alstom in 2025/26. Remaining commitments relate to costs to transfer assets to Metrolinx and will be closed out in 2025/26 as the parties negotiate a settlement. A provision for the estimated liability is recorded in the financial statements at March 31, 2025, with a corresponding expense on the statement of operations. The accrual represents management's assessment of the likely amount payable relating to the contract termination as outlined in a term sheet with OOI.
- Routine Track and Signal Maintenance contract with PNR terminating on June 30, 2029 for East region; Siemens contract terminating on June 30, 2029 for Central region and Siemens contract terminating on June 30, 2026 and option years are expected to exercise for West region.
- Rail Corridor Management Service Agreement with TTR terminating on June 30, 2029.

- c) Metrolinx has also committed approximately \$15,580,000 for various capital asset additions/projects.

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Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

The remaining annual capital and/or service payments relating to AFP contracts in nominal dollars, as at March 31, 2025, are as follows:

	Contract amount \$	Amount disbursed \$	Outstanding obligation \$	Outstanding obligations to be disbursed by March 31					
				2026 \$	2027 \$	2028 \$	2029 \$	2030 \$	2031 and thereafter \$
Lakeshore West	487,865	244,932	242,933	56,993	42,909	42,909	42,909	42,909	14,304
Whitby	921,794	431,441	490,353	18,454	18,668	19,046	19,462	19,978	394,745
Stouffville Station	329,123	325,386	3,737	3,737	-	-	-	-	-
Davenport Diamond	205,210	204,808	402	402	-	-	-	-	-
Eglinton West									
Extension	1,125,395	540,805	584,590	419,183	-	165,407	-	-	-
Scarborough									
Extension	1,090,010	326,930	763,080	185,790	577,290	-	-	-	-
Hazel McCallion Line	4,886,254	1,157,636	3,728,618	81,769	81,769	762,768	64,733	65,691	2,671,888
Eglinton	10,491,677	5,027,295	5,464,382	1,014,410	149,004	146,877	149,004	146,877	3,858,210
Finch	2,920,221	891,181	2,029,040	831,065	34,276	34,287	34,351	34,756	1,060,305
Ontario Line	15,387,998	1,408,540	13,979,458	1,391,418	885,940	914,872	914,872	2,144,530	7,727,826
Total	37,845,547	10,558,954	27,286,593	4,003,221	1,789,856	2,086,166	1,225,331	2,454,741	15,727,278

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. Metrolinx has contractual rights because of agreements entered into with various transit agencies for the use of the PRESTO fare system. The agreements allow for a commission fee paid to Metrolinx based on the percentage of revenue collected via PRESTO. The terms of the agreements vary in length for periods between 9 and 15 years from inception.

As at March 31, 2025, Metrolinx had outstanding letters of credit totaling \$53 (2024 – \$53).

21 Contingencies

Various claims have been issued against Metrolinx for incidents that arose in the ordinary course of business. Additionally, contractors and other stakeholders on capital projects make claims against Metrolinx for compensation and delay events such as late access to lands, delayed permits and differing geotechnical site conditions, and property acquisitions. Portions of these claims are considered contingencies until the counterparties substantiate the claim or Metrolinx enters into a settlement agreement with the counterparties.

Management reviews all of the relevant facts for each claim and applies judgment in evaluating the likelihood and, if applicable, the amount of any potential settlement. Where a potential settlement is considered likely and the amount can be reasonably estimated, provisions for claims are made based on management's assessment of the likely outcome and amount. The actual amount of any settlement may vary materially from the estimate recorded. Metrolinx does not provide for claims for which the outcome is not determinable or claims for which the amount of the settlement cannot be reasonably estimated.

As at March 31, 2025, Metrolinx has recorded provisions relating to claims on various projects that are currently under construction based on management's assessment of the likely outcomes. There is significant measurement uncertainty relating to the amounts accrued and to the corresponding amounts capitalized to these construction projects. Metrolinx may be exposed to amounts in excess of the amounts accrued and that exposure may result in a material adjustment to liabilities to the counterparties and the cost of these capital projects in future periods. The extent of the liability accrued is not disclosed because, in management's judgment, this information would have a significant adverse effect on the outcome of the ongoing negotiations.

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(in thousands of dollars)

Property acquisitions

Metrolinx is subject to various claims related to property acquisitions, including those concerning fair market value, injurious affection, business losses, disturbance damages, and statutory interest. Metrolinx has recorded portions of the claims that have been assessed as likely. Where portions of the claims consist of costs that are not determinable or estimable, they have not been accrued.

Ontario Line

Various claims have been made against Metrolinx in connection with the Ontario Line project. These claims relate to compensation and delay events for late access to lands and delayed completion of Early Works. Claims that have been assessed by management as likely have been accrued in the financial statements at March 31, 2025. Where portions of the claims consist of costs that are not determinable or estimable, they have not been accrued.

ECLRT and FWLRT

Various claims have been made against Metrolinx in connection with the ECLRT and FWLRT projects. These claims relate to compensation and delay events such as testing and commissioning and stakeholder management. Metrolinx has recorded portions of the claims that have been assessed as likely. Where portions of the claims consist of costs that are not determinable or estimable, they have not been accrued.

HMLRT

Various claims have been made against Metrolinx in connection with the Hazel McCallion LRT project. These claims relate to compensation and delay events such as alleged unknown utilities and differing geotechnical conditions. Metrolinx has recorded portions of the claims that have been assessed as likely. Where portions of the claims consist of costs that are not determinable or estimable, they have not been accrued.

As at March 31, 2025, there are other claims for which management has assessed a potential settlement as is not determinable and therefore, no accrual has been made. Where the outcome of a claim is not yet determinable, any provision will be recorded when it is determined that a claim is substantiated, is likely to be settled and the amount can be estimated. Further, there are claims outstanding for which Metrolinx has assessed the potential settlement as likely to result; however, an estimate of the amount cannot reasonably be made. There are many reasons that Metrolinx cannot make these assessments, including, among others, one or more of the following: the early stages of a claim does not provide sufficient detail, amounts sought are unspecified, unsupportable, unexplained or uncertain; substantiation has not been provided or is incomplete; the facts that are in dispute are highly complex; the difficulty of assessing novel claims; the parties have not engaged in any meaningful settlement discussions; the possibility that other parties may share in any ultimate liability; and the often slow pace of resolution.

Overall, claims made by the counterparties are approximately \$8.2B for the transit delivery portfolio – this represents approximately 8.5% of the estimated value of projects in progress. These claims arise from normal course of project delivery in respect to the rights of contracted parties to file claims for consideration. A portion of this value has been recognized as a liability as described above. In addition, through the course of negotiations and claims substantiation process, a further portion of this value may be determined as a liability to Metrolinx. However, the substantiation process is an iterative exchange between parties to determine reasonable quantum which can be fluid and may take place over an indeterminate period of time. As this process is ongoing across the program, the outcomes are not determinable for certain claims, and changes to estimates are reflected in the period they are assessed by management.

(in thousands of dollars)

22 Related party disclosures and transactions and balances

Metrolinx receives government grants from the Province to support its investment in capital infrastructure to be used in the delivery of current and future transportation services and an annual operating subsidy to further support the delivery of transportation services. Balances due from/to the Province are separately disclosed on the statement of financial position. In addition, Metrolinx had the following transactions with related parties during the year for the provision of services provided by/to these organizations.

- a) Transactions during the fiscal year: Infrastructure Ontario, \$37,764 (2024 – \$42,912) for AFP procurement and transaction advisory services and Ontario Northland Transportation Commission, \$16,810 (2024 – \$12,774) for refurbishment services. Metrolinx charged Infrastructure Ontario \$24,533 (2024 – \$nil) for construction services and Ministry of Transportation \$1,530 (2024 – \$1,450) for railway flagging and other services.
- b) As at March 31, 2025, accounts payable and accrued liabilities included \$18,630 (2024 – \$26,171) owing to Infrastructure Ontario and \$1,971 (2024 – \$2,035) owing to Ontario Northland Transportation Commission; accounts and other receivables included \$14,815 (2024 – \$nil) owing from Infrastructure Ontario and \$1,460 (2024 – \$916) from Ministry of Transportation.

The transactions above are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

23 Guarantees

In the normal course of business, Metrolinx enters into agreements that meet the definition of a guarantee.

- a) Metrolinx has entered into agreements that include indemnities in favour of third parties, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisers and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require Metrolinx to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulations or as a result of litigation claims statutory sanctions that may be suffered by the counterparty as a consequence of the transaction.
- b) Indemnity has been provided to all directors and/or officers of Metrolinx including, but not limited to, all costs to settle suits or actions due to association with Metrolinx, subject to certain restrictions. Metrolinx has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined but is limited to the period over which the indemnified party served as a trustee, director or officer of Metrolinx. The maximum amount of any potential future payment cannot be reasonably estimated.

The nature of these indemnification agreements prevents Metrolinx from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability, which stems from the unpredictability of future events and the unlimited coverage offered to counterparties.

Historically, Metrolinx has not made any significant payments under such or similar indemnification agreements and, therefore, no amount has been recorded with respect to these agreements.

Metrolinx

Notes to Financial Statements

March 31, 2025

(in thousands of dollars)

24 Diesel fuel forward contracts

As at March 31, 2025, Metrolinx has entered into three future contracts for 44.9 million litres of diesel fuel, at prices ranging from \$0.7991 to \$0.8115 per litre, which mature in fiscal 2025-26. The change in fair value of the derivative instruments of \$2,238 for the year ended March 31, 2025 is recorded as an unrealized gain on the statement of remeasurement gains and losses.

25 Liabilities for asset retirement obligations

	2025 \$	2024 \$
Liabilities for asset retirement obligations – Beginning of year	246,381	226,019
Liabilities incurred during the year	7,180	3,857
Liabilities settled during the year	(63)	(1,155)
Revisions in estimated cash flows	9,600	17,660
Liabilities for asset retirement obligations – End of year	263,098	246,381

As at March 31, 2025, approximately 52% of liabilities for asset retirement obligations pertained to the retirement activities legally required for land, tanks and leases, and approximately 44% related to the removal and disposal of designated substances from Metrolinx's buildings and bridges. The asset retirement obligations will be settled between 2025 and 2071.

Appendix

2024-25 Strategic Objectives and status report

EVERYONE SAFE	
Strategic Objective (SO)	Status at end of FY2024-25 and commentary on results
SO 1. Achieve a Lost-time Injury Frequency Rate (LTIFR) for all parties of 0.5/200,000 hours worked.	MetroInx achieved the LTIFR target for all parties, concluding the fiscal year at 0.31 per 200,000 hours worked. LTIFR for MetroInx employees contributed to the overall performance for all parties, and the reduction is attributed in part to various cross-divisional activities, including training, improvement in modified work duties, and safety awareness campaigns targeting frequent injury factors.
SO 2. Reduce the incidents of threats and violence against MetroInx employees and customers to less than 11.5 incidents per million customer journeys.	Incidents of threats and violence against MetroInx employees and customers have remained below the target of 11.5 incidents per million customer journeys throughout the fiscal year, concluding at 7.44 per million customer journeys.
SO 3. Reduce by 50 per cent the rule and procedural violations for rail and fleet operations and maintenance to 78, rail construction and maintenance to 17, and track protection to 8.	The reduction in rule and procedural violations for Track Protection, Rail and Fleet Operations and Rail Construction and Maintenance did not meet the corporate target. Concluding the fiscal year, rule and procedural violations reported 102 for rail and fleet operations, 42 for rail construction and maintenance, and 10 for track protection. To address this, MetroInx is implementing targeted strategies to reduce the risk of CROR violations by alleviating train crew workload and enabling improved focus on rule compliance and operational procedures.
SO 4. Implement a significant step change in 50 per cent of work delivered to improve the safe planning and delivery of work in the rail corridor.	A 57 per cent score was achieved showing an improvement of overall projects.

ENGAGED PEOPLE	
Strategic Objective (SO)	Status at end of FY2024-25 and commentary on results
SO 5. Support our people and achieve an employee engagement score of 80 per cent.	Achieved an employee engagement score of 82 per cent, exceeding strategic objective of 80 per cent.
SO 6. Build an equitable, inclusive culture and achieve an inclusion index score of 79 per cent and women as senior managers and above to a minimum of 41 per cent and 39 per cent across Metrolinx.	Achieved an inclusion index score of 83 per cent, exceeding the strategic objective of 79 per cent. The gender balance across Metrolinx was achieved at 39 per cent and 41.5 per cent for senior managers and above.
SO 7. Achieve a minimum of two Safety Engagement Tours (SET), one Community Engagement Tour (CET) and Customer Satisfaction Engagement Tour (CSET) per director and above, annually.	The cumulative SET, CSET and CET compliance rate closed at 100 per cent, meeting the annual target.
SO 8. Each division to identify and implement a minimum of three priority work process improvements using LEAN tools.	All 36 SO 8 projects, with three projects per division, have been successfully closed out in the Continuous Improvement (CI) application to mark their completion. All projects have undergone thorough validation, ensuring that proper implementation has been achieved. We have confirmed that the expected benefits have been realized and documented with A3s and supporting project artifacts.

TRUSTED PARTNER	
Strategic Objective (SO)	Status at end of FY2024-25 and commentary on results
SO 9. Manage our projects on time, and on budget within 10 per cent of the 2024-2025 forecasted capital expenditure.	The year-end actuals for 2024-25 are \$10,146 million, and off target with a 25 per cent variance compared to the Budget forecast of \$8,096 million. The individual programs have variances; on aggregate, Metrolinx is above target. Spending on GO Extensions and GO Expansion behind the forecast pace was offset by spending ahead of pace on Subways and LRTs.
SO 10. Achieve 14 critical milestones on Rapid Transit and 14 on GO Expansion by the end of the fiscal year while reducing customer and community impacts.	For 2024-25, 13 of the 14 key milestones that were identified in the GO Expansion program were completed by the end of the fiscal year. Ten of 14 key milestones that were identified across the Rapid Transit projects were completed by the end of the fiscal year. Incomplete milestones were largely attributable to performance issues with LRT contractors.
SO 11. Build ridership to 68.1M and achieve our P&L total operating requirement target of \$1,194.1M, revenue of \$801.6M, and manage expenses to \$1,995.7M.	Total operating requirement for Metrolinx was \$1,258.4 million, which was \$64.3 million unfavourable compared to the target of \$1,194.1 million. Ridership was 71.8 million, which was higher than target of 68.1 million and represented an overall recovery of 94.1 per cent when compared to 2019-20 pre-COVID ridership of 76.3 million. Total revenue, including proceeds from sale of assets, was \$758.9 million, lower than target by \$42.7 million, primarily driven by lower cash partnership, non-fare revenue opportunities that were cancelled, and lower advertising revenue and Proceeds from Sale of Assets. Fare revenue exceeded target by \$1.0 million. Total operating expenses were \$2,017.3 million, higher by \$21.6 million compared to target mainly driven by in-year pressures to extend the rail services contract, higher preventative maintenance costs for PRESTO

	devices arising from additional TTC requirements, as well as higher software, licenses and financial costs driven by increased adoption and usage of Open Payment and Mobile Wallet. Pressures were partially offset by lower P3 Interest and bedding-in costs due to the delay in substantial completion of the LRTs, and lower bid fees.
SO 12. Implement the enterprise environmental management system to increase waste diversion from 100 metric tonnes to 111 metric tonnes of waste diverted per month. Reduce GHG emissions for rail and bus operations and facilities to a target of 27.1 tonnes of carbon dioxide equivalent (tCO₂e) per million revenue seat kilometres.	The enterprise Environmental Management System has been implemented. The waste diversion metric has exceeded the corporate target, diverted a total of 1,653.5 metric tonnes in the fiscal year. GHG emissions have been reduced and achieved 21.8 tCO₂e/MRSK, against the year-end target of 27.1 tCO₂e/MRSK.

SATISFIED CUSTOMER	
Strategic Objective (SO)	Status at end of FY2024-25 and commentary on results
SO 13. Maintain our positive impression with high impact customer residents at 49 per cent and improve awareness amongst low impact customer residents to 49 per cent.	Positive Impression closed the fiscal year at 51 per cent, maintaining performance above the annual target of 49 per cent. The metric remained stable throughout the year, reinforcing its value as a reliable barometer of high-impact resident perceptions of Metrolinx. In contrast, Awareness remained below target for most of the year and ended at 41 per cent.
SO 14. Achieve a seamless and on-time transition of Rail Operations & Fleet Maintenance to ONxpress Operations Inc. (OOI) by December 2024.	OOI was awarded the contract to take over operations and maintenance of GO rail and UP Express effective January 1, 2025. While both teams worked closely toward this goal, the parties are working on an amicable settlement to end the partnership.
SO 15. Deliver On-Time Performance of moving annual average of 95 per cent for GO rail, 96 per cent for GO bus, 97 per cent for UP, and payment equipment availability of 99.7 per cent and adoption of 87 per cent for PRESTO.	GO Rail, GO Bus and UP Express achieved the On-Time Performance corporate targets. GO Rail exceeded the target at 97.1 per cent against the 95 per cent target. GO Bus scored 96.0 per cent against the target of 96 per cent, and UP Express achieved the target of 97 per cent, reaching 97.8 per cent. The 99.7 per cent PRESTO payment equipment availability target was exceeded for both PRESTO payment devices (99.89 per cent) and PRESTO kiosks across the network (99.81 per cent). PRESTO Adoption reached 88.8 per cent, exceeding the target of 87 per cent.
SO 16. Deliver customer satisfaction of 84 per cent for GO Transit, 91 per cent for UP Express and 83 per cent for PRESTO to achieve an aggregate of 86 per cent.	Concluding fiscal year-end, GO Transit customer satisfaction (CSAT) concluded at 86 per cent and UP Express CSAT concluded at 88 per cent. The 83 per cent target for PRESTO customer satisfaction was met at 83 per cent. The aggregate CSAT score target was achieved at 86 per cent.