

2025-26 Metrolinx Business Plan

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Message from CEO

Transit is an essential public service, driving economic growth and development by improving mobility and accessibility for customers, residents and businesses across the region. I am passionate about the work Metrolinx does to improve the lives of Ontarians and I feel immensely privileged to have joined the organization at such a critical time.

Our 2025-26 Business Plan describes Metrolinx's priorities and areas of focus as we continue operating, planning, and building an affordable, integrated and sustainable transit network. This includes our commitment to key government priorities around innovation, sustainability, and accountability, while successfully delivering exceptional customer experiences.

We are motivated by tremendous customer growth. We now have more unique riders on GO and UP Express than pre-COVID, and total transit ridership is expected to recover to 77.4 million – close to pre-pandemic levels – by 2025-26. Our operational plans capture how Metrolinx is adjusting to evolving travel patterns and changes in customer expectations to sustain ridership growth with strategic investments that focus on what is most important to our customers.

This will include increased service frequency that accommodate for shifts to peak and off-peak ridership and enable customers to get where they need to go better and faster. More efficient service plans will be complemented by demand generation campaigns that focus on maintaining tourism and leisure travel, returned rider frequency, increasing business and commuter travel and pulling in new audiences.

The PRESTO payments system will continue its transformation to support future innovation and deliver a more seamless and affordable customer experience, building off of key fare and service integration initiatives such as Ontario's One Fare Program. In 2025-26, we will complete the final phase of the PRESTO Procurement Program and begin phasing in new contracts while ensuring a smooth transition and customer experience.

In 2025-26, we will continue transitioning more projects into development and construction phases. Metrolinx is projecting a capital budget of approximately \$8.9 billion in 2025-26. We will continue to manage risks related to the capital program using various contracting models, close collaboration with key project stakeholders, leveraging lessons learned, and proactive issues management and community engagement.

In 2025-26, we will also enter the final stage of transition to revenue service on the Eglinton Crosstown and Finch West LRTs. This will entail extensive operation of fully integrated LRT systems in actual conditions to ensure that all required readiness activities are completed in advance of safely welcoming customers on board.

To enable this work, Metrolinx will accelerate systematic improvements in 2025-26, including a focus on value for taxpayers' money through cost control and commercial contract management, optimizing service delivery while ensuring quality of operations and customer satisfaction, maximizing revenue by building new ridership opportunities and revenue streams, and optimizing resources.

The year ahead will be one of opportunity and impact as we continue to deliver on government commitments and enhance our service offerings. Thank you to our people for their continued dedication and to our partners, stakeholders and customers for holding us accountable. We are optimistic and confident in the plan we have in place to continue to achieve our objectives, and we remain excited and hopeful about the future of transit and delivering results for our region – it's happening.

Best regards,

Michael Lindsay
President & CEO
Metrolinx

Executive Summary

Metrolinx's 2025-26 Business Plan outlines our strategic direction and multi-year priorities as we continue working with our partners to safely plan, build and operate an integrated transit network. This Business Plan also demonstrates Metrolinx's commitment to key government priorities for 2025-26, which include transforming into an innovative, sustainable and accountable organization, while successfully delivering exceptional customer and community experiences.

Over the last several years, Metrolinx has been cultivating a continuous improvement culture to build and enhance the necessary capabilities and methods to properly and safely deliver on significant regional transit and transportation priorities. We are amid transforming the GO Transit network into a comprehensive, two-way, all-day network; delivering on key provincial priority transit projects (Ontario Line, Yonge North Subway Extension, Scarborough Subway Extension, Hamilton Light Rail Transit, Eglinton Crosstown West Extension and Hazel McCallion Line Extensions) throughout the Greater Toronto and Hamilton Area (GTHA); transforming our PRESTO payments system to deliver superior flexibility for future innovation; and continue building on programs such as One Fare, enabling seamless fare and service integration. The coming years will be critical as we deliver enhanced service offerings, ensure value for taxpayers' money, and continue to make travel across the region more easy and more affordable.

The 2025-26 Business Plan was developed in alignment with the budget endorsed by our Board of Directors and submitted to the Ministry of Transportation (MTO) as part of the provincial budget process, and in accordance with the requirements of the *Metrolinx Act, 2006*, the government's *Agencies and Appointments Directive* and the *Memorandum of Understanding between the Minister of Transportation and Metrolinx*. The Business Plan also outlines specific actions and activities that Metrolinx will undertake on a multi-year basis to meet the Government of Ontario's regional transit priorities as outlined in the Annual Letter of Direction.

Over the coming years, Metrolinx will accelerate its continuous improvement drive through systematic improvements that will increase efficiency, maximise effectiveness, strengthen the organization and ensure long-term financial sustainability, while delivering on its mandate. Metrolinx has made proactive decisions and built specific actions into our plan to:

- Focus on value for money to increase effectiveness through cost control and commercial contract management to demonstrate our commitment to financial stewardship.
- Deliver improved and effective operations by optimizing service delivery, ensuring quality of operations, and balancing customer satisfaction.
- Maximize revenue by building new ridership opportunities, implementing innovative revenue streams and improving revenue recovery.
- Optimize resources through Lean processes that continuously enhance operational efficiency and reduce waste.

At the same time, Metrolinx is progressing toward the launch of revenue service on the Eglinton Crosstown and Finch West Light Rail Transit (LRT) lines with a focus on ensuring that all required readiness activities are completed, in addition to the testing and commissioning required for a seamless transition. Other key capital projects such as the GO Expansion program continue to progress and will involve years of planned major constructions with increasing legal and commercial complexity as well as contractual, stakeholder, safety and asset management risks. To maintain focus on the goal of building a fully integrated regional transportation network, Metrolinx will continue to manage risks related to the capital program through transaction and compliance support, stakeholder and issues management, and active strategic community engagement. In delivering these priorities, Metrolinx is committed to building meaningful and long-term relationships with First Nations. We are dedicated to collaboration and partnership with First Nations and to improving transportation connections between First Nations and the GO Transit network.

Metrolinx will also sustain post-pandemic growth in GO and Union Pearson (UP) Express ridership, supported by increased service frequency and demand generation campaigns, by focusing on maintaining tourism and leisure travel momentum through destination and event services, retaining returned ridership, encouraging commuter and business travel recovery, and attracting new audiences. In addition, PRESTO will continue its shift into next generation technology to further improve customer experiences and payment flexibility to create a more simple, affordable and seamless travel experience for customers in the years to come.

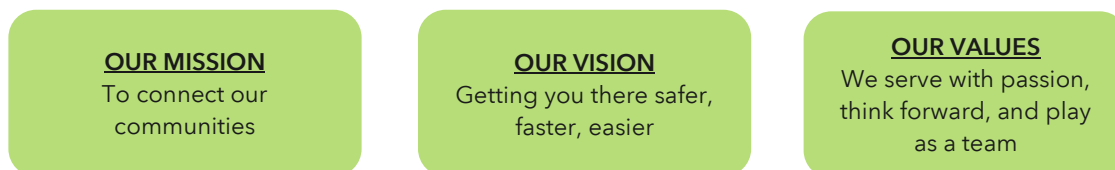
1.0 Introduction

1.1 Metrolinx Overview

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

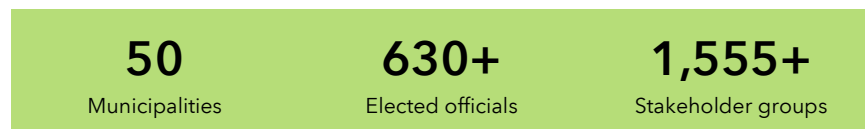
- GO Transit, a regional public transit service for the Greater Golden Horseshoe (GGH), serving more than 70 million passengers per year.
- UP Express, a dedicated air-rail link, which provides service between Toronto Pearson International Airport and downtown Toronto.
- PRESTO, an electronic payment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

Exhibit 1: Metrolinx Mission



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

Exhibit 2: Connecting Communities



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

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

Metrolinx is also actively collaborating with Infrastructure Ontario to advance the Province's Transit-Oriented Communities (TOC) program, which leverages third-party investment to build vibrant, mixed-use communities within a short distance of transit stations.

Exhibit 3: Regional Transit Network Map

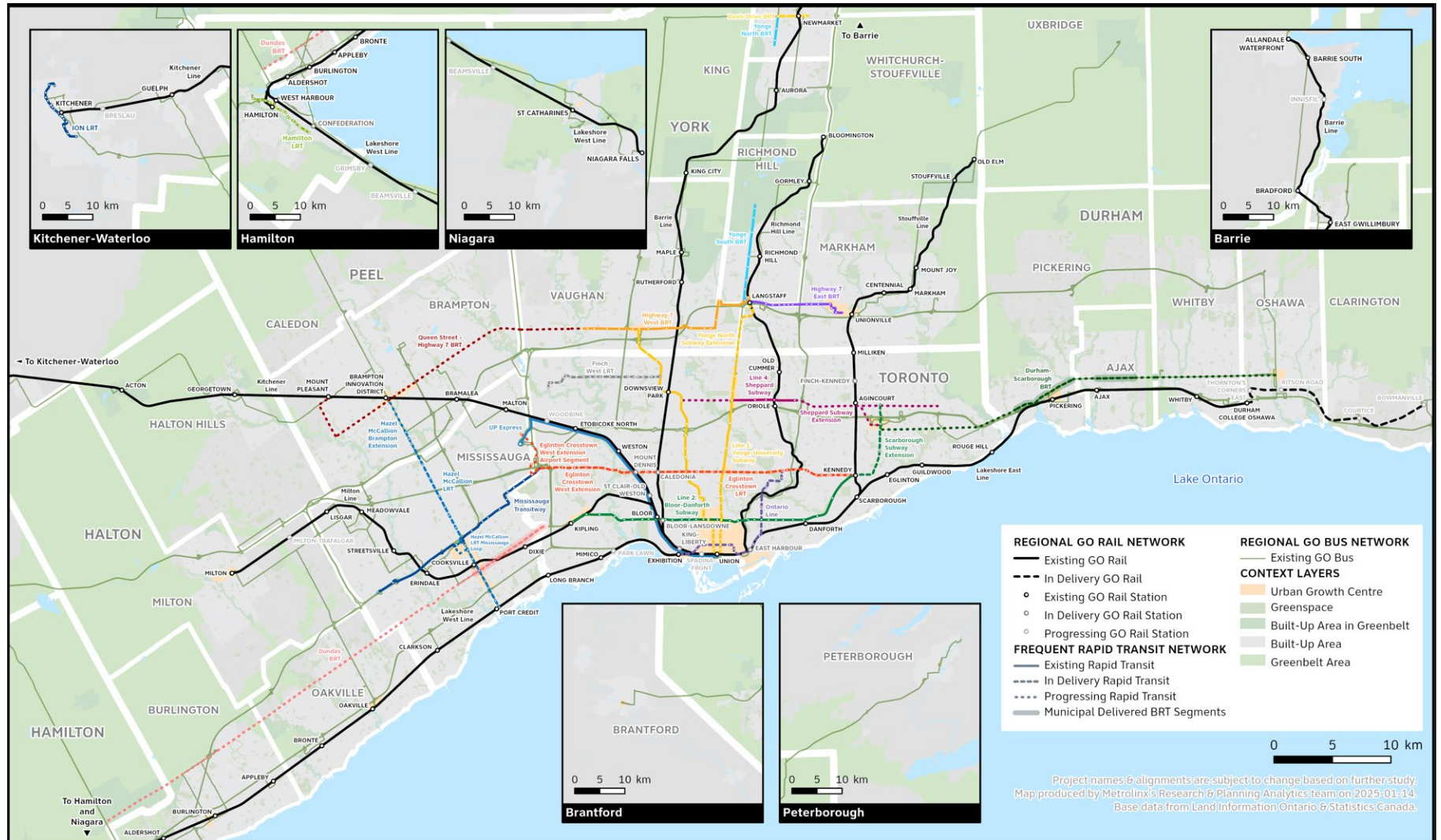


Exhibit 4: Metrolinx
Key Statistics as of
December 31, 2024



604 km

of regional rail



70

GO and UP train stations
in the GGH



2,833 km

of bus routes



13

post-secondary schools
served by buses



47

stations
served by buses



33

terminals
served by buses



~5.1

million active
PRESTO cards



>16.5

thousand
PRESTO devices

1.2 Metrolinx Strategic Priorities

Metrolinx has five strategic priorities: Everyone Safe, Engaged People, Trusted Partner, Deliver Future Transit, and Satisfied Customers, which along with our mission, vision and values guide the work of our organization.

Exhibit 5: Metrolinx Strategic Priorities



Continuing to reflect strategic priorities across our projects and programs

- **Everyone Safe** – At Metrolinx, safety is our top priority. Our number one goal, at all times, is providing a safe and secure journey and workplace for our employees, customers and the public.
- **Engaged People** – We will engage and develop our employees and focus on creating an inclusive work environment with greater gender balance.
- **Trusted Partner** – We will strengthen engagement with neighbours and communities, the shareholder, and our key public and industry partners to achieve shared outcomes.
- **Deliver Future Transit** – We will continue to ensure dependable planning, advance progress on capital projects, and drive value for taxpayers.
- **Satisfied Customers** – We are 100 per cent committed to strengthening our relationship with our customers.

2.0 Business Context

2.1 Economic Environment

Metrolinx transit ridership is expected to recover close to pre-pandemic levels by 2025-26. The continued prevalence of hybrid work environments is expected to affect commuter ridership, however, growth in tourism and leisure travel is expected to continue to be a key driver of overall ridership recovery. This growth is also supported by increased transit affordability through programs such as One Fare, and various fare concessions. Transit service levels continue to adapt based on ridership insights to meet varying customer demand by adjusting frequency, reinstating service and introducing trips to support new customer audiences, including newcomers. Metrolinx continues to provide a safe, reliable service that supports growth in regional economic activity.

Inflationary pressures including fuel prices, wages, and contract inflation have a significant impact on Metrolinx's operating costs. To manage some of these pressures, Metrolinx adheres to strict expense management through its business improvement plans to drive cost savings, enhance operational efficiencies and explore new revenue opportunities.

Over the last year, various sectors, including transportation, have been impacted by the changing economic environment which will continue to impact Metrolinx in 2025-26

- **The inflation rate reduced** to 1.6 per cent in September 2024, down from 2.0 per cent in August, the lowest since February 2021. Inflation is expected to stay within the Bank of Canada's target range of 1 per cent to 3 per cent. While the general rate of inflation has been trending downwards, the cost of certain material, equipment and construction services for transit projects may deviate from this general trend. This continues to impact Metrolinx's costs, especially for contractual obligations, and Metrolinx will continue to manage expenditures through business improvement plans.
- **Wage growth has remained strong**, with hourly wages outpacing inflation since early 2023. This could put pressure on the overall labour cost and contractual obligations on a year-over-year basis. Metrolinx will continue to monitor these trends and refine its operating expense forecast.
- **Energy prices remain volatile**, resulting in possible cost impact given Metrolinx's continued reliance on diesel fuel and natural gas for buses, rail fleets, stations, and facilities. Global supply disruptions and geopolitical tensions are expected to keep oil and gas prices uncertain. Domestic fuel price fluctuations will also remain unpredictable. With fuel being a significant portion of our operating budget, Metrolinx frequently analyzes the futures markets for diesel fuel and engages in diesel hedging for price/budget certainty when it is determined to be beneficial to do so.

2.2 Delivering Government Priorities

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

More specifically, the letter lists several key priorities outlined below, which Metrolinx has incorporated into our key organizational initiatives. In line with the expectations expressed in the Annual Letter of Direction, Metrolinx has

continued to implement business improvement plans as one of our key organizational initiatives, which are designed to help transform our business to realize efficiencies and achieve better outcomes while managing costs.

Government Priorities for 2025-26



Innovative

- Simplify client/customer interactions.
- Expand and optimize digital service offerings.
- Improve client/customer satisfaction.
- Share data with Supply Ontario, when requested, regarding procurement spending and planning, contract arrangements and vendor relations to support data driven decision making.



Sustainable

- Strengthen public service delivery by optimizing organizational capacity and directing existing resources to priority areas.
- Use public resources efficiently and
 - Operate within the agency's financial allocations.
 - Prudently and responsibly manage workforce size. Where an agency requires a material increase in workforce size, the agency must provide the Minister with an HR plan for approval that provides the rationale based on government priorities and/or agency mandate.
- Increase non-government, non-fare, non-fee revenue.



Accountable

- Develop and report on outcome focused performance measures to effectively monitor and measure performance.
- Protect individual, business or organization data by actively managing data and cybersecurity and reporting Artificial Intelligence uses.
- Report all high risks including effective mitigation plans.
- Align hybrid work policies with the OPS and identify and assess office optimization opportunities to reduce office realty footprint and find cost reductions.
 - Collaborate with MOI to identify office space opportunities.
 - Align with the MBC Realty Directive and the OPS Modern Office Space (OMOS) Standards.
- Develop and encourage diversity and inclusion initiatives by promoting an equitable, inclusive, accessible, anti-racist and diverse workplace.

In addition to these government priorities, Metrolinx continues to work together with MTO to deliver on transportation-specific initiatives, including successful delivery of capital projects, mitigate congestion to the extent possible during capital construction activities, implementing transit fare and service integration across GGH, as well as adhering to all approval and review processes, governance framework, policies and directives.

2.3 Becoming an Efficient, Effective, Stronger, and Sustainable Organization while Delivering the Most Extensive Transportation Investment in Ontario's History

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

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

The coming years will be critical for our organization as we continue to deliver on key government commitments, while prioritizing actions that will increase our efficiency, maximize our effectiveness, build a strong organization and put us closer toward a path to long-term financial sustainability.

To deliver on these commitments and government priorities, Metrolinx's operating budget plan will focus on these strategic investments across the organization

- **Maximizing fare revenue** through tourism and leisure, returned rider frequency, increased commuter and business travel, and pulling in new audiences; as well as increase non-fare revenue through developing new opportunities, experience enhancements from retail and commercial and accelerating advertising network, lead generation and partner close.
- **Finalizing the transition to our new rail operations and fleet maintenance provider**, to accommodate future service capability.
- **Delivering a more efficient rail service plan** to accommodate for shifts to peak and off-peak ridership.
- **Entering the final stage of LRT transition to revenue service** where extensive running of fully integrated LRT systems in real operating conditions will be conducted to address any remaining issues.
- **Optimizing resources** through Lean processes to enhance operational efficiency and effectiveness as well as reduce waste.
- **Executing the PRESTO Transition Program** to reach a new steady state by phasing in new contracts in a multi-vendor environment by running dual system operations to ensure a seamless transition.

3.0 Financial and Resource Summary

3.1 Operating Budget Summary

Metrolinx's operating budget plan reflects our planned revenues and expenses as originally submitted to the government in fall 2024 and is subject to government approvals. This budget is based on fare revenue transitioning from recovery to new normal and reflects continued commitment to keep safety as our number one organizational priority. This budget supports continued implementation of the most extensive transportation investment in Ontario's history, which will include transition of capital projects, including LRT projects, from the operational readiness stage into operations phase, increased rail operational capability to accommodate future optimal train service configuration and transition to new contracts through the PRESTO transition program.

While moving forward with these major deliverables, Metrolinx has also faced challenges affecting the public transit landscape including inflationary pressures and uncertainties around fuel prices. To proactively address these challenges, Metrolinx continues its effort to remain resilient and strategic in running its business by prioritizing actions that will increase our efficiency, maximize our effectiveness, build a strong organization, and put us closer to the path to long-term financial sustainability. To meet this challenge, Metrolinx's operating budget incorporated opportunities to optimize our resources and workforce, focus on value for money, deliver improved and effective operations, and maximize revenue. The planned operating budget is presented below by major operating account.

In 2025-26, Metrolinx is projecting fare revenues of \$585.6 million based on a ridership forecast of 77.4 million riders. Revenue collected from transit providers for the use of the PRESTO system is projected to be \$135.1 million. Other non-fare revenue for 2025-26 is projected at \$117.4 million, which is generated from activities such as advertising, track usage fees from corridor ownership, partnerships, interest on working capital, reserved parking and commercial and promotional space rent. Metrolinx monitors ridership performance through a robust tracking process on a regular basis to inform projected revenue forecast. In addition to these more typical sources of revenue, proceeds from sale of assets to support the TOC program at new and existing GO/LRT transit stations is projected to be \$23.0 million for 2025-26.

Metrolinx's planned operating expense budget is allocated into five main categories: operations, operating labour and benefits, facilities and track, equipment maintenance, and supplies and services. Operations expense accounts for 29 per cent of the total operating expense budget. This category includes items such as support for train crew wages, train control dispatch, diesel fuel and Payments (PRESTO) operations. Operating labour and benefits are the largest allocation and accounts for 32 per cent of the total operating expense budget. As of December 31, 2024, Metrolinx's workforce consisted of

Exhibit 6: 2025-26 Operating Budget Plan

Revenue (\$M)	2025-26
Fare Revenue	585.6
Payments (PRESTO) Non-Fare Revenue	135.1
Other Non-Fare Revenue	117.4
Proceeds from Sales of Assets	23.0
Total Revenue and Proceeds	861.2
Operating Expense (\$M)	2025-26
Operations	586.4
Operating Labour & Benefits	643.7
Facilities & Track	283.8
Equipment Maintenance	144.9
Supplies & Services	382.4
Total Expense	2,041.2
Planned Subsidy Requirement	1,180.1

Note:

- Operating budget figures reflect our planned revenues and expenses as originally submitted to the government in fall 2024 and excludes the impact of government funded fare integration programs, e.g., One Fare Program.
- Proceeds from sale of assets consist of proceeds from TOC program.
- Operating Expense also includes long-term interest on capital projects.
- Metrolinx's 2025-26 plan also maintains operating reserve of approximately 1 per cent of total expense to manage unforeseen pressures throughout the fiscal year.

7,225 full-time equivalent (FTE) unionized and non-unionized staff to support the delivery of key organizational initiatives across the organization.

Facilities and tracks account for 14 per cent of the total operating expense budget and includes rent, property taxes, hydro, winter maintenance and other facility repairs. Equipment maintenance accounts for 7 per cent of the total operating expense budget, covering support services, inventory, inspections, and yard operations. Finally, supplies and services represent 18 per cent of the total operating expense budget, which includes all types of support costs, such as software, financial fees and services, uniform and safety equipment, audit and legal services, staff development and advertising.

Inflationary pressures including fuel prices, wages and contract inflation significantly impact Metrolinx’s operating costs. Diesel fuel is one of the key drivers of the non-labour budget and due to its nature as a petroleum-based commodity, diesel prices fluctuate with the supply and demand forces of the oil market. Metrolinx engages in some fuel hedging, when necessary, to provide cost certainty against the budget and provide stable fuel price assumptions for annual planning. Metrolinx also faces increasing work complexities related to legal and commercial complexity, contractual, stakeholder, safety and, asset management risks, and increased work and complexities related to fulfilling the duty to consult Indigenous communities.

Revenue and proceeds are expected to return to pre-pandemic levels in 2025-26 with moderate organic growth of 11.3 per cent in a post-pandemic, new normal environment with total fare and non-fare revenue forecasted at \$838.2 million, and \$23.0 million in forecasted proceeds from sale of assets. Please refer to Section 4.0 Financial Sustainability Through Ridership Growth and Expansion of Non-Fare Revenue for further details on ridership and revenue assumptions and Section 8.0 Sustainable Revenue Generation Through Development Transactions and the Real Estate Strategy for further details on proceeds from sale of assets. Total expenses for 2025-26 are projected at \$2,041.2 million including \$56.8 million in long-term interest on capital projects. Bid fees associated with capital project procurement are at \$9.9 million. The total provincial operating subsidy requirement for 2025-26 is projected to be \$1,180.1 million. Metrolinx continues to manage our operating budget through the implementation of business improvement plans across the organization, resulting in service-level adjustments efficiencies, as well as identification of new and innovative revenue opportunities.

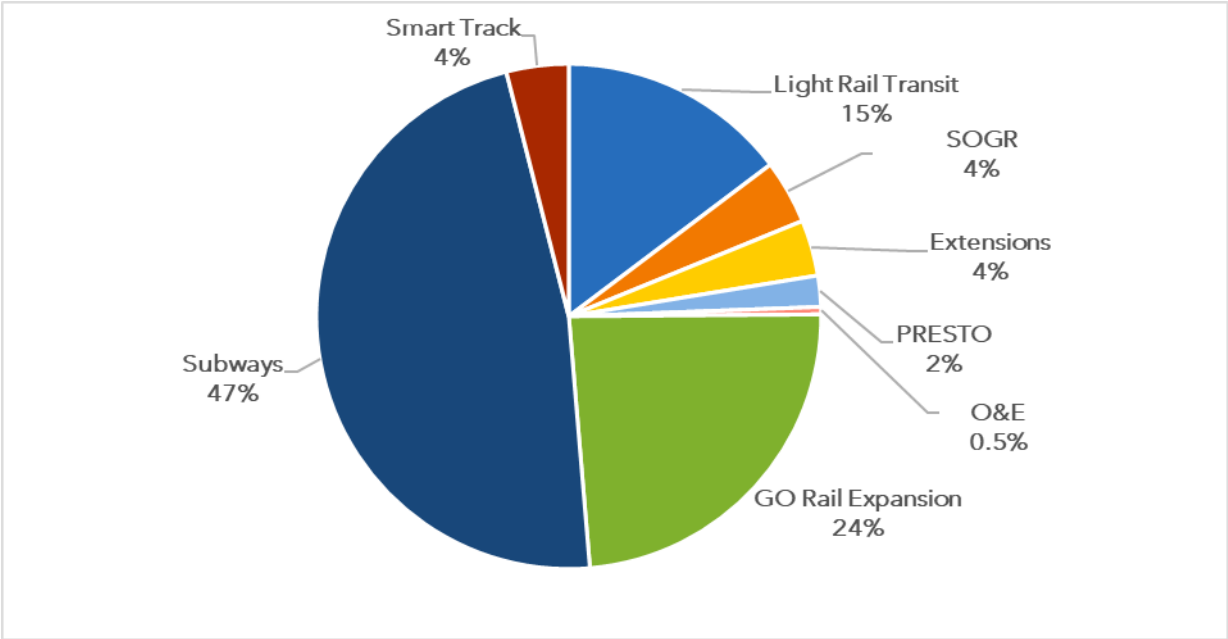
3.2 Capital Budget Summary

Metrolinx’s capital plan reflects the major investment in transit for the GTHA to bring new transit lines to the region along with the supporting infrastructure needed to support significantly improved GO services. Maintaining a state of good repair for the safe and reliable operations of Metrolinx-owned assets are also core to the capital investment being made along with the technology and fare payment systems that support our services.

Based on the budget submitted to the government in Fall 2024, subject to government approvals, Metrolinx is projecting a capital budget of approximately \$8.9 billion in 2025-26 for the delivery of capital works across categories that include: GO Expansion, GO Extensions, SmartTrack Stations,, Optimization and Expansion (O&E), Rehabilitation and Renewal (SoGR), Subways, Light Rail Transit and PRESTO.

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

Exhibit 7: 2025-26 Metrolinx Capital Investments by Percentage of Total Capital



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

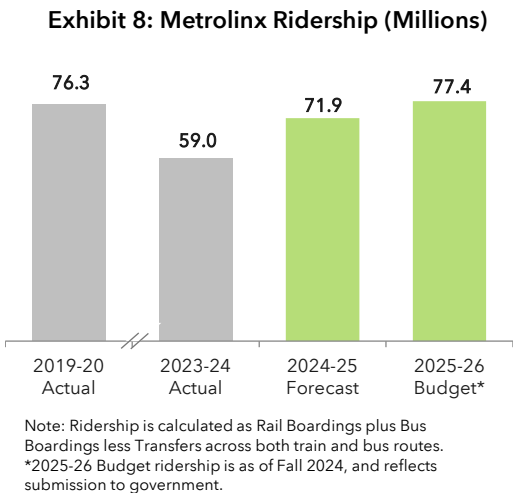
The transit landscape has undergone significant changes in recent years, with increasing leisure and off-peak travel, as well as hybrid work options reshaping commuter travel patterns. In 2025-26, ridership is projected to transition from recovery to more predictable, stable and sustainable fare revenue growth of 6.7 per cent. Metrolinx will continue to grow GO Transit and UP Express ridership and trip frequency through optimized bus and rail service supported by outreach to new audiences, and targeted customer strategies to accelerate tourism and leisure travel and drive continued growth in commuter and business travel. In addition, Metrolinx will focus on building the momentum to grow non-fare revenue and increase revenue return on investment, while maximizing efficiency and effectiveness as we progress toward long-term financial sustainability.

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

Through the first three quarters of fiscal year 2024-25, Metrolinx has experienced strong ridership recovery momentum aligned with our four T-R-I-P growth strategies: Tourism and leisure momentum, Returned rider frequency, Increase commuter travel, and Pull in new audiences, with growth across all corridors and strong weekend and off-peak leisure travel gains. As of December 2024, GO and UP recovered to 87.9 per cent and 95.1 per cent, with weekend and off-peak at 145 per cent and 108.3 per cent.

Tourism destinations continue to see strong demand generation, with gameday, concert and event service schedule flexibility, and audience-targeted advertising and pre-promotion and contests driving strong year-over-year growth. Peak ridership continues to outpace office occupancy despite no observed changes to employer hybrid policies. New partner offers continue to incent ridership frequency and deliver customer value.

Our newcomer and multicultural customer campaigns, including days of significance event promotions, continue to resonate with customers and increase brand awareness and affinity with more than 29 million impressions and more than 2.5 million ridership delivered by December, 2024.



Implementing four T-R-I-P customer-targeted growth strategies to sustain ridership momentum and fare revenue growth in areas of greatest demand



Innovative



Sustainable

1. **Tourism and leisure travel - Sustain leisure travel and tourism** by prioritizing weekend, destination and sport, concert and event communication. This includes seasonal rail and bus service, expanded promotion of local and cultural events, value-added PRESTO Perks, combo tickets and collaboration with regional tourism partners.
2. **Returned rider frequency - Encourage returned rider additional trips to build frequency** by optimizing service and schedule frequency, promoting new PRESTO payment methods to encourage regional ridership, PRESTO Perks to incent and reward travel and effective GO outreach and communication to youth and student audiences.
3. **Increase commuter and business travel - Re-attract business travellers and commuters** through optimized service and schedules, effective communication to support GO commuter audiences highlighting the benefits of choosing transit, corporate partnerships to add value for trip frequency, and a renewed business-to-business strategy including conference-related travel and corporate GO Transit employer programs.
4. **Pull in new audience - Attract new audiences to support future ridership** by sustaining awareness and customer engagement through inclusive campaigns with newcomers, multicultural audiences and outreach to inbound UP Express international travellers.

4.2 Delivering Non-Fare Revenue Initiatives to Support Financial Sustainability

Metrolinx continues to deliver innovative non-fare revenue initiatives and is actively exploring new opportunities to maximize revenue, enhance the customer journey experience and contribute toward long-term financial sustainability. Non-fare revenue includes advertising and partnership revenue, and commercial space rentals.

Going forward, Metrolinx will maximize and generate non-fare marketing-generated revenue aligned to four D-E-A-L non-fare sales growth platforms through our expansion of the digital advertising network, robust partnership pipeline, and a focus on expanding the retail network to enhance the customer experience at stations.

Continuing to maximize non-fare revenue



Innovative



Sustainable

- **Develop net new opportunities** to meet non-fare sales commitment through new and expanded partner streams, including trackside advertising, digital advertising on fleet and large-format static advertising.
- **Experience enhancements from retail and commercial** focusing on customer journey amenities and station events to better meet customer trip needs including food and beverage. Secure partnerships that deliver recurring revenue through innovative and flexible business models.
- **Accelerate our advertising network** to maximize revenue by upgrading existing signage to digital advertising screens across the GO network and construction of digital billboards in the GTHA, growing the 400-series highway digital billboard program and continuing the Municipal Billboard Expansion program.
- **Lead generation and partner close** from a diverse portfolio of corporate sponsors to sustain partnership revenue and drive ridership by rewarding customer loyalty for using transit, supporting PRESTO payment options and creating a robust portfolio of PRESTO Perks partners.

5.0 Operations

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

5.1 A Secure Journey for Customers and Improved Safety for Employees

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

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



Sustainable

- **Strengthening organizational safety culture and ensuring safety risk is well-managed** through collaboration with the Canadian Standards Association (CSA) and Canadian best practices regarding safety, system assurance and Common Safety Methods (CSMs); and collaborating closely with the provincial government to establish a comprehensive regulatory framework for provincial railways.
- **Continuing to embed a positive culture of reporting and data-driven decision making** across the organization and our partners through 24/7 incident responses and monitoring daily operation deliveries to achieve a Lost-Time Injury Frequency Rate (LTIFR) for all parties of 0.5/200,000 hours worked, and limit Train Operating Rule Violations to 0.4/million kilometre by end of 2027.
- **Minimizing risk levels and improving the safety framework** by further embedding the successful System Safety Assurance (SSA) program which sets out governance and requirements to ensure that any change to the network or operations is designed, constructed, commissioned, and operated safely, as well as rolling out a robust Safety Management System that is fully compliant with all applicable regulations, while continuing to develop a safety risk model to lead the organization's risk-based decision making.

Making important progress in customer protection services



Sustainable

- **Increasing staff presence at stations**, including increased security personnel at the Union Station Bus Terminal (USBT) and visibility of Station Safety Ambassadors at high-risk stations to reduce incidents of violence and disorder, while increasing safety for staff and customers through proactive engagement with vulnerable individuals, connections to community services and permanent staff presence.
- **Improving accountability, transparency and safety for frontline customer protection personnel** by implementing body-worn cameras and ensuring all interactions are empathetic, fair and equitable to increase trust with our customers and communities we serve.
- **Tackling complex safety and security issues** through a multi-faceted workplace violence prevention program, in partnership with municipalities, community services and police services to reduce the incidents of threats and violence against Metrolinx employees and customers to less than 11.5 incidents per million customer journeys.

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

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

Providing a safe and easy journey to new and returning GO and UP customers



Innovative

- **Optimizing train service levels and adapt services to best meet customer demand** by adjusting frequency, reinstating service, and introducing new trips during the peak evening, weekday, and weekend hours that will increase current ridership and stimulate further growth in the future.
- **Enhancing service schedule design** through the development of timetables tailored based on seasonality, ridership trends, major events and construction impacts to deliver safe, reliable and punctual customer-focused services.
- **Improving the quality of GO stations to positively impact customer experience** through the implementation of the Quality of Stations Program, which will focus on ensuring aspects of the station's operations meet or exceed predefined standards of excellence and customer expectations
- **Shifting to a journey stage approach** to better understand the customer experience, providing more insight and specific actions to improve performance.
- **Prioritizing what is important for customers**, including how they feel within Metrolinx stations and on board GO and UP trains (e.g., safety, cleanliness, and ambiance), as well as the need for real-time information on the status of their journey and impacts of service disruptions.
- Continuing to **monitor customer feedback** to ensure a safe and easy journey as people return to using GO and UP services.

5.3 Optimizing Bus Service Delivery and Implementing Regional Express Bus (REB) Service to Support Continued Ridership Growth

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

In response to these evolving transportation needs of the GGH, Metrolinx has developed and is now implementing the REB strategy, a transformative move to modernize the GO Bus network. This strategy signifies a shift from GO Bus's traditional role as a supplementary service to trains, refocusing service on meeting high customer demands along key transit corridors. The REB strategy will advance transitioning to a bus network primarily operating along

major highway corridors and between key regional centres with priority on speed, frequency, reliability, ridership and cost-effectiveness. This strategy focuses on the regional role of GO Bus, while supporting improved connections with local transit and aligning with broader regional transportation enhancements, such as the subway, rapid transit, and GO rail expansions. This transformation will continue growing the GO ridership base and ensure that the needs of the growing region are met with efficient and reliable transportation solutions as part of an integrated regional transportation network.

Going forward, Metrolinx continues to advance the implementation of the REB strategy by enhancing regional transit connections and further optimizing service based on demand.

Continuing to advance on implementing regional express bus service and optimizing bus service delivery



Innovative



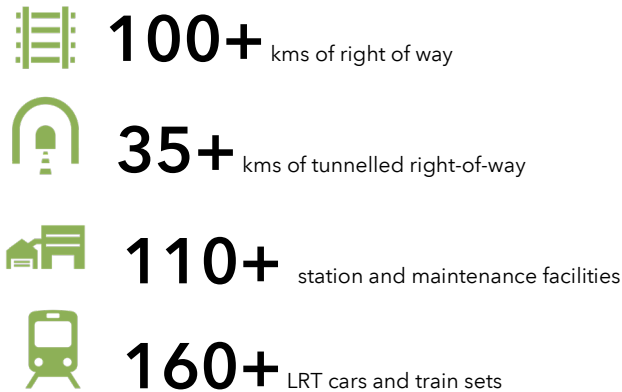
Sustainable

- **Transforming the GO Bus network** into a high-frequency network on core GO Bus routes and key regional corridors with higher ridership demand. This will also include bus connections to new rapid transit projects to facilitate seamless transportation in key suburban markets.
- **Streamlining and consolidating select bus services** to enhance reliability, simplify the bus network, reduce service duplication with local transit and GO rail services and maximize the benefits of committed transit investments (e.g., GO Expansion). This will also provide customers with more consistent service patterns.
- **Accommodate growing ridership and increase in discretionary travel** by adding weekday/weekend trips, diverting ridership to routes with more service capacity, addressing overcrowding challenges on select services, improving connections with First Nations communities and expanding services to meet their needs.
- **Connecting GO Transit with major centres in the region** to offer improved connections to key destinations and seamless integration with other transit services, including local transit, GO rail, and private intercommunity bus operators, thereby extending customer reach.
- **Continuing to optimize and redeploy bus resources** as a response to observed trends and changes in ridership growth, travel patterns and GO Expansion as well as providing alternative travel options for customers during disruptive work on our network including construction, maintenance, repair, or enhancements.
- **Building on the One Fare Program** by offering direct routes to key regional destinations and trains to extend customer reach; integrating with other transit services, including local transit and GO rail; continuing to improve transit affordability and accessibility; and supporting ridership growth and seamless regional customer experience.

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

Metrolinx currently manages the GO train and bus rapid transit (BRT) asset base of approximately \$25 billion, which includes rail tracks, fleet, stations, bridges, structures, signalling and communication equipment. Over the next 10 years, Metrolinx is expected to bring into operation and manage a growing and new transit network that will include four light rail transit lines - Eglinton Crosstown LRT (and the Eglinton Crosstown West Extension), Finch West LRT, Hazel McCallion Line , Hamilton LRT, and three subway projects, including the Ontario Line, Yonge North Subway Extension, and Scarborough Subway Extension projects, as well as expanded GO services. Combined, these projects are projected to grow Metrolinx’s asset base to over \$100 billion with significant operational and maintenance requirements to ensure safe and effective operations for our customers.

Exhibit 9: Metrolinx is adding the following Subway and Rapid Transit assets:



Going forward, Metrolinx needs to be positioned as a knowledgeable asset owner to manage this asset base.

Continuing to advance our operational and asset management maturity



Sustainable

- **Supporting the ongoing transition of LRT projects into passenger revenue services** while managing commercial exposure and reducing risks to ensure the focus remains on delivering a quality day-to-day service for the public and promoting continuous improvement through lessons learned and standards development for application in upcoming rapid transit projects such as the Hazel McCallion Line and the Ontario Line
- **Establishing a strong focus on asset and commercial management** for all our long-term, Public-Private-Partnership (P3) and operations and maintenance contracts to manage cost efficiency, mitigate risk and develop robust commercial processes to support better negotiation.
- **Managing whole lifecycle of a portfolio of ~\$25 billion in assets** including the delivery and execution of high-quality Asset Management and Maintenance Plans to maintain our assets in a State of Good Repair (SOGR), leveraging quality asset information to inform decisions.
- **Developing a competitive market for maintenance and State of Good Repair (SOGR) contracts**, which will drive vendor performance and competition, reduce risk of reliance on a sole vendor, as well as expand commercial support to current and future contracts to ensure value-for-money and effective risk management.
- **Providing engineering assurance on priority transit projects and programs** that continue to grow in scope and scale (LRTs, Subways, BRT, GO Expansion and SOGR) to ensure that the assets are safe, reliable, and fit for purpose prior to being placed into revenue service as well as establish robust system integration processes, and introduce autonomous track inspection systems on the GO Transit network to improve preventative maintenance planning.

-
- **Continuing to implement innovative programs to maintain sustainable development** including effective Zero-Emission Bus (ZEB) program development and future operations and service design for ZEBs, the fleet rollout implementation plan and procurement needs, and the In-market Diesel Bus program.
 - **Continuing pilot of Artificial Intelligence (AI) technologies with industry partners** to automate level crossing monitoring to real-time and train obstacle detection proof of concept to further improve safety and operational control and enhance data collection and utilization.

6.0 PRESTO

PRESTO is Metrolinx's fare payment system that seamlessly connects 11 transit agencies across the GTHA and Ottawa. Last year, 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 Toronto Transit Commission (TTC). The introduction of these payment methods has received tremendous support from customers, clients, and stakeholders, and Metrolinx was awarded a 2024 CUTA award for Innovation in honour of this PRESTO program. As of December 2024, there have been more than 121 million contactless credit and debit customer boardings and an additional 56 million boardings with the fully launched PRESTO in Mobile Wallet options.

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.

Finally, Metrolinx aims to further enhance PRESTO customer experience by working with our transit agency clients to support policy needs and by maintaining a system that performs exceptionally. This will continue to drive PRESTO toward making transit better for all.

Going forward, Metrolinx will build on its progress with focus on three key areas:

- **Complete a frictionless transition** by putting our 5 million customers and clients first at every step, while offering new capabilities and services that support future innovation.
- **Advance a superior customer experience** enabled by PRESTO's new ways to pay and through continuous improvement initiatives, while simultaneously managing a seamless transition of systems and services as a result of the PRESTO Transition Program.
- **Support PRESTO clients** by maintaining an exceptional system performance and by continuing to deliver on commitments, supporting Ontario's One Fare Program, and looking ahead to establish new long-term agreements with all PRESTO transit agencies.

Exhibit 10: PRESTO Key Statistics as of December 2024



5 million

PRESTO customers



83%

PRESTO Customer Satisfaction Score (Average)



2.1 million

Average boardings per day



>121 million

PRESTO Contactless Boardings since launch

6.1 PRESTO Transition Program

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

Going forward, Metrolinx anticipates completing the transition to the multi-vendor model.

Advancing PRESTO transition program



Sustainable

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

6.2 PRESTO Customer Experience

Metrolinx strives for an excellent PRESTO customer experience and has continued to invest significantly in product and service improvements.

In 2024-25, Metrolinx achieved an average PRESTO Customer Satisfaction (CSAT) score of 83 per cent year-to-date (until November 2024) through a focus on continuous improvement. Most critically this was supported by the launch of new ways to pay including the launch of PRESTO Card in Apple Wallet, the One Fare Program powered by PRESTO and the support of PRESTO e-Tickets on York Region Transit (YRT). Continuous improvement initiatives also included a series of digital enhancements to the website and app including: account management features such as account deletion on Android, roll-out of new PRESTO-enabled Ticket Vending Machines (TVM) on GO

Transit and UP Express to address customer pain points on self-serve kiosks, and the addition of new partners to the PRESTO Perks program. Going forward, Metrolinx will implement the PRESTO e-ticket solution to GO and UP Express further unifying the fare payment experience and will continue its efforts to further enhance the customer experience.

Further enhancing customer experience while ensuring seamless transition to new systems and services



Innovative

- **Growing customer usage of new fare payment products**, including PRESTO Contactless (credit, Interac debit) and PRESTO in Apple and Google Wallet, helping customers to understand which product best suits their needs through web and app content updates and proactive communications.
- **Continued expansion of the PRESTO Perks program** with new partners that deliver value to PRESTO customers through discounted offerings for destinations and services throughout the region.
- **Reprocure capabilities for trip planning** to continue existing trip planning capabilities for transit agency partners and deliver on GO Transit's journey planning needs that cannot be addressed by other publicly available services.
- **Leveraging business intelligence and analyzing customer feedback** to identify potential additional customer experience improvements.

6.3 Supporting PRESTO Clients

Metrolinx continued to strengthen its relationship with transit agency clients by ensuring exceptional PRESTO system reliability, achieving a Reader Availability score of 99.88 per cent and Load Machine Availability score of 99.75 per cent as of October 2024. Metrolinx has also worked with its PRESTO transit agencies to provide a seamless transit experience for customers by offering multiple fare payment products across the PRESTO network while supporting transit agencies’ unique fare policies. The successful rollout of PRESTO in Apple Wallet alongside the ability to pay via credit and Interac debit payments across the TTC demonstrates the collaborative nature of the partnership. Going forward, Metrolinx will build on these achievements and continue strengthening the relationship with transit agency partners in the look ahead to establishing new long-term agreements with all participating PRESTO transit agencies.

Continuing to strengthen the relationship with transit agency partners



Innovative



Accountable

- **Working closely with the transit agencies** to ensure a successful transition period to the new PRESTO system through a robust governance program.
- **Establishing the Client Contract Renegotiation Program** to ensure preparedness ahead of the November 2027 expiry of the current PRESTO agreements with Transit Agencies.
- **Mobilizing a Device Refresh Program** to prepare for PRESTO devices reaching end-of-life.
- **Ensuring transit agencies continue to receive exceptional system performance and availability rates** through the transition period.
- **Completing installation of PRESTO equipment** along new service lines, such as Finch West LRT, to support future service.
- **Exploring modern solutions** that utilize customer analytics, automation and artificial intelligence (AI) to improve the PRESTO service offering and add value to clients.
- **Continue to seamlessly implement Ontario’s One Fare Program**, which is making it easier and more affordable for travellers to make transit trips by eliminating TTC fares for riders transferring to and from GO Transit and the second fare for trips between TTC and bordering transit agencies.

7.0 Capital Projects

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



Sustainable

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

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

7.1 GO Expansion

Metrolinx is committed to transforming the existing GO Transit rail network to offer frequent all-day, two-way electrified service on core segments of the network through the GO Expansion program. In the 2025-26 fiscal year, Metrolinx will be investing approximately \$2.1 billion in the GO Expansion program. The implementation of the GO Expansion Program is divided into different packages of work, based on when and how the infrastructure is required.

\$2.1 billion

in capital investments in the GO Expansion program in 2025-26

EARLY WORKS

Early Works is a suite of projects that will prepare the rail network for the implementation of the subsequent On-Corridor works. Early works include utility relocations, grade separations, track work and modifications, grading, retaining structures, noise mitigation measures, and upgrades to bridges, stations, and signalling and communications infrastructure. This suite of projects is now significantly advanced, with the large majority of the package either complete or in advanced construction. In 2025-26, work will focus on bringing more of this scope into completion and wrapping up a small number of remaining procurements.

2024-25	2025-26
- The Stouffville Stations and Grade Separation project reached final completion in December 2024, marking a significant milestone, 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 grade separation. - The Eglinton GO Station Accessibility Upgrades and Bradford Parking and Bus Loop Expansion projects also reached completion. - Improvements to the new Caledonia station to add a GO platform to the recently-constructed LRT station were procured under a Design-Bid-Build (DBB) model and will provide a direct connection between the Barrie GO Line to the Eglinton Crosstown LRT. - The Heritage Road Layover was procured under a DBB model. The new facility on the Kitchener corridor will provide increased fleet storage capacity to support future service levels.	- Major work on the Lakeshore West Infrastructure Improvements Project will continue in 2025-26 including the replacement of the Drury Lane pedestrian bridge near the Burlington GO station. - While the Davenport Diamond Rail Grade Separation was completed in August 2024, work will continue in 2025-26 to transform the area under the guideway into the planned public realm. - Other projects, including the Lakeshore East Corridor Expansion (Western segment), Stouffville Second Track and Signals, and Confederation GO Station, reached advanced stages of construction in 2024-25 and are expected to reach completion in 2025-26. - The Barrie Corridor Expansion, Kitchener Corridor Expansion, and Bloor GO Station - Dundas West TTC Connection will also continue to progress in 2025-26.

OFF-CORRIDOR WORKS

In 2024-25, the first Existing Stations Renovations (ESR) project contracts were awarded, (Oakville, Hamilton and West Harbour GO stations) with detailed design work ongoing. The Oakville GO station contract was awarded under a Construction Manager at Risk (CMAR) model, while the Hamilton and West Harbour contract was awarded under a DBB model. Detailed design of further station renovations on the Lakeshore West, Lakeshore East, Barrie, and Stouffville lines has also progressed significantly. These projects are intended to provide critical station access and customer experience upgrades at over 20 existing GO stations. Examples of works includes platform upgrades, parking lot improvements, improved signage, expanded bus loops, and modified passenger pick up and drop off areas, and station accessibility.

ON-CORRIDOR WORKS

A key component of the delivery of the GO Expansion Program is the On-Corridor Works (OnCorr) required to deliver the enhanced service levels outlined in the Full Business Case for GO Expansion. OnCorr is being primarily delivered through an innovative Progressive Design-Build-Operate-Maintain (DBOM) contract with ONxpress Transportation Partners, comprised of leading Canadian and international companies. Other scope being delivered for On-Corridor Works include the Union Station Enhancement Project (USEP), and several smaller contracts for which standalone procurements outside the partnership with ONxpress were identified as optimal for program delivery.

OnCorr will facilitate the transformation of the GO rail network into frequent two-way, all-day service on core segments of the network:

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

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

In 2024-25, Metrolinx and ONxpress continued working collaboratively as part of the ongoing Development Phase – a multi-stage process to finalize scope, designs, schedules, risk allocation and pricing of project elements. Extensive due diligence and investigations (DD&I) work in corridors across the network progressed. This included surveying, environmental, and geotechnical investigations to determine the conditions of the soil and surroundings to inform design and construction.

The OnCorr Development Phase concluded in 2024-25 and included the establishment of ONxpress Operations Incorporated (OOI), as a new operating company to assume operations and maintenance responsibilities and 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. The first set of equipment is scheduled to be received in 2025-26. In 2024-25, ONxpress teams first officially mobilized at the Obico Yard in Toronto’s west end, initiating preparatory works for Logistics Hub construction. In 2025-26, the implementation phase, including the start of early works, will begin and further design activities will take place.

Union Station Enhancement Project Updates

In parallel, the Union Station Enhancement Project (USEP) is being delivered through an Alliance, the first major public-sector transportation project in Canada being delivered using this procurement model. The project will deliver a new south passenger concourse connecting the Bay and York concourses, and new and expanded tracks and platforms above the new concourse.

2024-25	2025-26
Work to construct the future south concourse continued with form and concrete work progressing, from west to east along the site and the first concrete track slab was poured. Completing excavation of the concourse and the track slab will allow for future platform construction. Utility bridges to carry utilities outside of the rail corridor were installed on the Lower Jarvis and Sherbourne bridges, with hydro cables subsequently pulled through them ahead of energizing the cables.	The south track slab will be completed, and platform construction will proceed with the new and expanded platform and track layout. To the east of the station, work on widening rail bridges over both Lower Jarvis and Lower Sherbourne streets will be completed, paving the way for the installation of additional tracks.

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

In 2025-26, investments of approximately \$635 million are planned toward GO Transit improvements beyond the core GO Expansion Program that will bring greater access to regional rail services to new markets.

\$635 million

in investments for GO Transit improvements in 2025-26 beyond core GO Expansion Program

GO RAIL EXTENSIONS

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

- Working with the construction manager, significant progress has been made during the Development Phase of the Bowmanville Extension Project to advance detailed design while optimizing cost and schedule in line with constructability reviews. Early works construction will proceed in 2025-26 to accelerate timelines as the project moves into the construction phase.
- Works for the Kitchener Extension project are well underway, with works completed in 2024-25 at Guelph GO Station including platform construction and a new passing track along the corridor near Breslau. Work will continue in the Halton subdivision of the Kitchener corridor to prepare for future expansion.
- Metrolinx is continuing to negotiate agreements with key freight rail partners to enable expansion of service over corridor sections under their ownership.

SMARTTRACK STATIONS

Metrolinx continues to advance stations within the SmartTrack Stations Program that will see infill stations added to inner portions of the GO rail network, leveraging the frequency and capacity improvements of GO Expansion to bring new transit options to more communities.

- The East Harbour Transit Hub is Metrolinx's second use of the Alliance contracting model. The project's development phase progressed in 2024-25 towards determining cost, schedule, and design certainty. Early works continued while the project team coordinated major preparatory works with the Lakeshore East Ontario Line Joint Corridor team, including shifting rail service from the northern tracks to 2440 metres of new tracks to the south. In 2025-26, the project is expected to move into the implementation phase with the completion of detailed design and the start of major construction works. Bloor-Lansdowne GO 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 are also progressing towards completion, with some preparatory works ongoing.

7.3 State of Good Repair (SOGR), Optimization and Expansion (O&E) and PRESTO

Metrolinx continues to invest in infrastructure rehabilitation and our fare payment system to ensure GO Transit assets remain in a safe, reliable and connected state. Approximately \$588 million of the capital plan for 2025-26 will be dedicated to State of Good Repair (SOGR) and Optimization and Expansion (O&E) projects, including GO Transit, enterprise IT initiatives and PRESTO fare payments systems.

\$588 million

in investments for SOGR, O&E & PRESTO projects in 2025-26

Metrolinx's asset base has grown to \$25 billion. Metrolinx is invested in maintaining a state of good repair for our assets to ensure the safety and reliability of our transit systems. The impact of delays to SOGR work is risk of

failures leading to unsafe operations, reduced availability of assets and reduced on-time performance. The State of Good Repair (SOGR) budget for 2025-26 is estimated to be \$366 million, which is funded by the Province.

Metrolinx will be focusing on projects such as:

- Zero Emissions Bus program;
- In-Market Diesel Bus Replacement program;
- Legacy rail and bus fleet refurbishment program;
- Metrolinx-owned bridge rehabilitation;
- GO railway station and facility rehabilitation work;
- Targeted renewal of ballast, ties, and rail on GO-owned railway tracks
- Improved corridor securement through fencing upgrades and new installations;
- Introduction of autonomous track testing technology to improve track reliability and predictive maintenance;
- Level Crossing Enhancements to improve safety at our public and private crossings;
- Signalling state-of-good repair rehabilitation works to aging assets;
- GO fare equipment;
- Customer digital transformation and other enterprise I&IT work; and
- PRESTO fare payments systems as detailed in Section 6.0 above.

7.4 Rapid Transit Projects

In 2025-26, Metrolinx will continue to advance the delivery of the Rapid Transit program, including Subways and LRT projects.

Approximately \$5.0 billion of the capital plan for 2025-26 will be dedicated to advancing five subway and LRT projects for which funding commitments have been made since 2019.

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

\$5.0 billion

of the capital plan in 2025-26 dedicated to five priority projects

PRIORITY TRANSIT PROJECTS

Ontario Line

15 Stops

15.6km

Exhibition to Eglinton
Crosstown LRT at Don Mills

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

In late 2022, the South Civil P3 package was awarded to Ontario Transit Group and the Rolling Stock, Systems, Operating and Maintenance (RSSOM) P3 contract was awarded to Connect 6ix. Many important construction milestones are anticipated for 2025-26 including the arrival of tunnel boring machines and subsequent start of tunnelling for the southern portion of the route.

Development partners for the final two main works packages for the Ontario Line, the Pape Tunnel and Underground Stations (PTUS) contract and the

Elevated Guideway and Stations (EGS) contract were selected in 2024 and both contracts are now in the Development Phase.

All the major enabling and advance works packages including construction in the Don Yard, Joint Corridor segment works, utility relocations, demolitions, Pape Support of Excavation (SOE), and Don Valley Crossings (DVC) have been awarded and construction is well underway. In November 2024, a major track shift was completed along the Joint Corridor from south of Eastern Ave. to just south of Dundas St. E that opened space for Ontario Line construction while maintaining Lakeshore East GO rail service. A second track shift from Dundas St. E to Jones Ave. is planned for early 2025 after the reconstruction of the eastern portions of the Dundas St. and Logan Ave. rail bridges. The start of construction for the Don Valley Crossing piers as well as the superstructure of the lower Don bridge is anticipated for 2025-26.

Yonge North Subway Extension

5 Stops

7.4 km

Finch to High-Tech
(Richmond Hill Centre)

Several early works have been completed for an extension of the TTC's Line 1 Yonge-University Subway Line from Finch Station to the City of Richmond Hill. This includes an early works package at Finch Station completed in 2023 and geotechnical investigations conducted to support the ongoing Advance Tunnel contract procurement.

The Request for Proposals for the Advance Tunnel contract was issued to shortlisted teams in December 2023. Contract award is anticipated for summer 2025 and construction will begin shortly thereafter. Procurements for the remaining portions of the project's infrastructure requirements, such as its stations, rail and systems, are also expected to begin in 2025. Final packaging of this scope into one or more contracts and selecting of appropriate contracting model for each package is planned for early 2025-26. Any progressive contract procurements will result in the selection of a Development Partner who will collaborate with Metrolinx to complete detailed design and value engineering in a Development Phase prior to full-scale construction.

Scarborough Subway Extension

3 Stops

7.8 km

Kennedy to Sheppard East

This 7.8-kilometre extension will be a three-stop addition to the TTC's Bloor-Danforth Line 2 from the existing terminal at Kennedy Station. Under an Advance Tunnel contract with Strabag, "Diggy Scardust", the largest-ever tunnel boring machine to work on a Canadian transit project, began digging a 6.9-kilometre portion of the tunnel in 2023 and will continue boring in 2025-26.

On November 30, 2022, Scarborough Transit Connect was selected as the partner for the Stations, Rail, and Systems (SRS) Progressive-Design-Build contract. Since then, Metrolinx and Scarborough Transit Connect have collaborated to complete design work and value engineering and have begun advance works to improve ventilation and traction power infrastructure at Kennedy Station. In 2025-26, the package will enter the Implementation Phase and full-scale construction of the station, rail, and system infrastructure can begin based on an agreed target price.

Hamilton LRT

17 Stops

14 km

McMaster University to
Eastgate Square

This 14-kilometre LRT in the City of Hamilton will extend from McMaster University to Eastgate Square, travelling across the heart of the city. The project will involve an enhanced streetscape, sidewalks and roads, as well as improvements to utilities and other less visible infrastructure. The Request for Qualification was released on November 6, 2024. Most of the work in 2025-26 will be focused on advancing procurement, conducting due diligence, utility relocations and enabling works planned along the corridor in anticipation of future LRT construction. Property acquisition and building demolition will also continue throughout 2025-26.

Eglinton Crosstown West Extension

10 Stops

9.2 km

Mount Dennis to Renforth
Station

This 9.2-kilometre extension of the Eglinton Crosstown LRT will run from the future Mount Dennis station to Renforth and Eglinton. The first advance tunnel contract for 6 kilometres of tunnelling between Renforth Drive and Scarlett Road saw two tunnel boring machines in parallel tunnels complete their journey to Scarlett Road in the summer of 2024. The Elevated Guideway contract, an approximately 1.6-kilometre guideway between Scarlett Road and Jane Street, was awarded in December 2023. Work has been underway to construct the connection to the future Mount Dennis Station including piling work and the installation of tie backs. The second advance tunnel for the 600-metre segment between Jane Street and the future Mount Dennis Station was awarded in early 2024. Works on this segment are currently underway and are expected to continue into 2026. Property acquisition will also continue throughout 2025-26.

ADDITIONAL RAPID TRANSIT PROJECTS

Additional LRT projects based on earlier government commitments are underway that are anticipated to result in \$540 million in capital investment in 2025-26.

\$540 million

on additional Rapid Transit projects

Eglinton Crosstown LRT

25 Stops

19 km

Mount Dennis to Kennedy

The Eglinton Crosstown LRT project is being delivered through a Design-Build-Finance-Maintain (DBFM) contract which was awarded to Crosslinx Transit Solutions (CTS). -Construction of the project is essentially complete. The focus of work in 2025 will be on completing testing and commissioning activities in preparation for the transition into revenue service.

Hazel McCallion Line

19 Stops

18 km

The Hazel McCallion Line is an 18-kilometre LRT project along Hurontario Street being delivered through a Design-Build-Finance-Operate-Maintain (DBFOM) contract that was awarded to Mobilinx in October 2019. The future Port Credit station has also begun to take shape as framing for the building has begun and will continue into 2025-26. Construction work of the elevated guideway will continue in 2025-26 as well as delivery of light rail vehicles to the Operations, Maintenance and Storage Facility (OMSF). Testing and commissioning activities will follow once vehicle deliveries are complete.

Finch West LRT

18 Stops

11 km

Finch West to Humber
College

The Finch West LRT project is a dedicated 11-kilometre, 18-stop line being delivered through a DBFM contract, which was awarded to Mosaic Transit Group in May 2018 and is now into the final stages of delivery prior to transition into revenue service. TTC training activities have been well underway as the project continues its focus on remaining testing and commissioning activities into 2025.

7.5 Advancing Other Future Projects

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

Durham-Scarborough BRT

49 Proposed Stops

36 km

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

Preliminary planning and design for 36 kilometres of Bus Rapid Transit linking Scarborough Centre with Pickering, Whitby, Ajax and Downtown Oshawa was completed and published in 2023-24. No further work by Metrolinx is currently anticipated in 2025-26 as the project is now being advanced by the Region of Durham.

Dundas Street BRT and Priority Bus

48 km

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

Metrolinx is advancing preliminary planning and design for 48 kilometres of Bus Rapid Transit and enhanced bus infrastructure linking Toronto, Mississauga, Oakville, Burlington, and Hamilton. Work is anticipated to be completed in the current fiscal year and no further work is anticipated by Metrolinx in 2025-26 as the next stages of project planning and implementation is the responsibility of the local municipalities..

Brampton Queen Street/Highway 7 West Extension BRT

Metrolinx is advancing preliminary planning and design for 24 kilometres of Bus Rapid Transit linking Downtown Brampton to Vaughan Metropolitan Centre.

24 km

Bus Rapid Transit linking Downtown Brampton to
Vaughan Metropolitan Centre

Zero Emissions Bus Program

Initial Business Case has been completed in 2023-24 to explore alternative propulsion technologies for the GO Bus fleet that reduces greenhouse gas emissions, operations and maintenance, and energy consumption costs. The Preliminary Design Business Case will begin in 2025.

Milton GO Rail Service Expansion

Enhanced services on the Milton GO Line enabling off-peak and weekend travel by rail.

Planning and design work is progressing to refine and optimize a concept design to support the delivery of options on two-way, all-day service along this corridor.

Hazel McCallion Line Extensions

Light Rail Transit extensions in Downtown Mississauga and Downtown Brampton with connection to Brampton Innovation District GO Station.

Planning and design work is progressing to determine the preferred alignment, operating models, and interface with the HML Mainline.

Sheppard Subway Extension

Metrolinx is advancing studies and designs to support the progression of this project including the Initial Business Case.

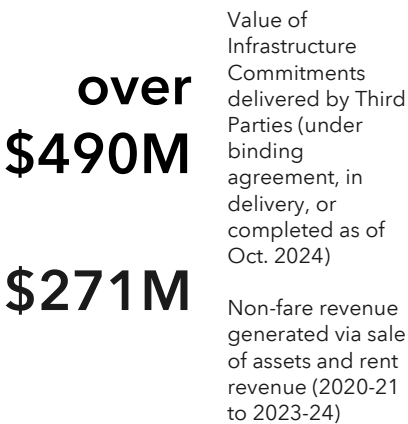
8.0 Sustainable Revenue Generation Through Development Transactions and the Real Estate Strategy

While delivering major capital infrastructure projects, Metrolinx is collaborating with Infrastructure Ontario and supporting the Province’s strategy to deliver high density, mixed-use development at new and existing GO and LRT transit stations. Transit-Oriented Communities (TOC) enable Metrolinx to leverage benefits from third-party investments for transit expansion and ensure physical integration between station design and development.

In addition to TOCs, Metrolinx has made significant progress through the development of a Real Estate Strategy that will prioritize long-term and sustainable revenue for the Province. Metrolinx is now moving to a more strategic and lifecycle-focused approach to real estate that will pursue a variety of long-term sustainable revenue sources to optimize real estate asset value (e.g., land and building leases, property and air-rights licenses, shared access agreements).

Going forward, Metrolinx will build on this progress and improve its role as a responsible owner and manager of real estate in the context of revised legislative authorities and in partnership with government.

**Exhibit 11:
Real Estate and Development Key
Statistics**



Becoming an even more responsible owner and manager of real estate



Sustainable



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- **Strategically managing real estate assets to mitigate risk** for the Metrolinx-owned real estate portfolio through a comprehensive, lifecycle-focused approach to real estate management.
- **Maximizing real estate value** by leveraging the real estate portfolio to maximize asset revenue in the short- and long-term in order to minimize Provincial subsidies and create a stronger financial position for the organization.
- **Coordinating the use and management of Metrolinx real estate** and controlling costs by creating a comprehensive approach to real estate asset management to minimize holding costs, increase revenue and improve safety conditions.
- **Collaborating with stakeholders to protect transit operations** by ensuring that all adjacent development proceeds in a safe manner and that associated construction activities do not interfere with the existing and future operation, maintenance, and expansion of Metrolinx transit services.
- **Supporting the transit build** and ensuring satisfied customers through commercially focused decision making with development partners, and customer focused management of real estate assets with tenants.

9.0 Planning

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

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

9.1 Updating the 2041 Regional Transportation Plan to the 2051 Regional Transit Plan (RTP)

Metrolinx is continuing work to update the RTP over 2024-25 and 2025-26 to adapt to a rapidly changing planning and policy context and assure relevance to the continued transformation of the regional transit network. Conditions have changed significantly since the 2041 RTP was released in 2018, including our expanded geographic mandate, updated government direction on housing and growth, and changes in travel behaviour that were brought about by the pandemic. The update will also bring the RTP into conformity with the Province's *Connecting the GGH: A Transportation Plan for the Greater Golden Horseshoe*, which sets out a multimodal framework to align planning across the region, including Metrolinx's role in coordinating, planning, financing, developing, and implementing an integrated transit network.

Through the RTP update, we continue to work closely with our municipal partners, the MTO, and Indigenous communities, to extend the plan to 2051. Research and collaborative work have been undertaken to identify emerging trends and changes in post-pandemic travel behaviour, the status of equity in our current transit network, and the extent of possible growth and land use scenarios that could affect the outcomes and impacts of the RTP. Collaborative work with municipalities will continue to focus on near term actions to advance toward the RTP vision. The updated RTP will support Metrolinx's role in connecting communities through an integrated, sustainable regional transit network for all.

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

Metrolinx is working with MTO and local transit partners toward an integrated regional transit network that fully leverages transit infrastructure investments to make transit more connected, affordable, and convenient for customers across the region. This includes integrating transit fares and services by improving fare structure, service coordination, schedules, and transfers across boundaries and at key transit hubs and destinations to improve user experience, provide seamless connections across the region, and make transit travel a more convenient and

accessible option. Going forward, Metrolinx will continue working toward the long-term vision of an integrated regional transit network by applying this lens in its service planning and operational decisions, and implementing fare and service integration initiatives to continue improving transit affordability and connectivity, supporting ridership growth, and moving toward a future-ready regional transit network.

Fare and Service Integration Initiatives being implemented in the immediate term



- **Expanding Implementing Ontario's One Fare Program** with free transfers that will removes double fares between TTC and GO Transit as well as neighbouring 905 transit partners for fares paid via the PRESTO system. The free transfer is funded by the Province of Ontario with subsidy flowing through Metrolinx to all participating transit agencies. This program builds on and will integrate with previous efforts to provide free transfers between GO Transit and most other GGH transit agencies. Metrolinx will continue to work with our provincial and municipal partners to expand Ontario's One Fare Program and make cross-boundary travel seamless for transit users across the region.
- **Working with local transit agencies and MTO to advance service integration**, for example through facilitation and support to establish new cross-boundary transit service integration pilots, optimizing local connections to GO, coordinating services and transfers at key hubs, and rolling out a customer-facing regional network map that includes local routes operated by municipal transit service providers to improve navigation in the region and to help ensure continuity for customers and to make travel as easy as possible.
- **Working with local transit agencies and MTO to make further progress on the next stages of fare and service integration**, for example by reviewing customer-facing fare communications, exploring regional fare concession harmonization and assessing policy options for a GO fare structure that further supports customers in making trips by transit.

9.3 Improving Customer Access to and from Stations

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

Improving customer access to and from stations



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- **Implementing the 2041 GO Rail Station Access Plan** by prioritizing interventions based on new service plans and customer volumes to enhance customer access at stations.
- **Explore parking options and access strategies for customers**, a key part of the Station Access Plan, as a way to meet customer needs.
- **Collaborating with municipalities and service providers** to increase service integration and access to stations via station access upgrades, transit supportive guidelines, better local/inter-community bus service integration to stations, safe drop-off zones, new multi-use paths and new bike infrastructure to help customers get to their GO station.
- **Leveraging completed Station Site Plans** to build a customer-centric station needs database that makes 2041 station requirements information easily accessible and navigable to support integrated decision-making.
- **Ensuring compliance with the *French Language Services Act (FLSA)*** by implementing Metrolinx French Language Services Action Plan including through bilingual printed schedules, billing information, dynamic signages at stations and terminals, dedicated French language email account, and a working committee to oversee and coordinate implementation and reporting of these action plans.
- **Ensuring compliance with the *Accessibility for Ontarians with Disabilities Act (AODA)*** to make services, vehicles, and all existing and future stations on the GO Transit network accessible. Initiatives include incorporating customer feedback, comments and questions received during the Annual Accessibility Public Meeting to inform the 2025-29 Metrolinx Multi-Year Accessibility Plan. The five-year Multi-Year Accessibility Plan came into effect January 1, 2025 and Metrolinx will report on progress annually per the AODA. 2025-26 initiatives planned include:
 - Updates to the support person and service animal policies;
 - Updates and streamlining of public facing accessibility websites to ensure information is up to date and easy to find;
 - Improvements to trip planning software with a view to accessibility needs; and
 - Continuous work with the Metrolinx Accessibility Advisory Committee (AAC) to improve structure and operations and an Annual Accessibility Public Meeting for feedback on the plan.

10.0 Metrolinx Internal

10.1 Building and Sustaining a Strong, Capable and Inclusive Workforce

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

Key business improvements with a specific focus on mitigating the enterprise talent risk



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- Developing and implementing strategies that will **drive an improved leadership experience and leadership accountability including embedding equity, diversity, inclusion and belonging into our culture**, to enable Metrolinx to effectively support and engage our employees.
- **Expanding capabilities and adopting a proactive and targeted approach to talent management and attraction activities**, the employee value proposition and other HR policies to effectively attract, retain and develop strong talent.
- Enabling broader business objectives through **collaboration and a tailored, data-driven and strategic advice to clients** that takes into account individual pain points and concerns.
- **Optimizing our current and future workforce** so that we can attract and retain our talent, develop strong talent pipelines and deliver the best public service.
- Continuing to pursue Equity, Diversity and Inclusion (EDI) culture within Metrolinx but also to **ensure our customers and community are included**.

As of December 31, 2024, total staff, expressed as FTE, was 7,224.9, consisting of:

- 129.6 executives (including CEO, senior management team, vice presidents), and
- 2,196.5 management, and 4,898.8 employees (comprised of 2,680.9 non-union and 2,217.9 union staff).

Alternatively, the total FTE of 7,224.9 can be represented as:

- 7,099.0 full-time, and 125.9 part-time, or
- 6,965.5 permanent and 259.4 fix-term FTE.

Considering Metrolinx's five-year People Strategy, which is currently in development and expected to be launched, there are several focus areas that will impact our workforce and talent in 2025-26 and beyond:

- **Technology and Artificial Intelligence (AI):** Significant opportunity exists to optimize existing processes and deliver increased value for money by leveraging automation, technology advancements and exploring AI.
- **Labour Market and Resource Pressures:** With a tightening labour market and a continuing shortage of required skills, knowledge and expertise needed to deliver Metrolinx's capital and rail programs, a heightened focus on internal mobility, employee development and leadership development is necessary to be successful now and into the future.
- **Shifting Employee Expectations:** A focus on aligning and modernizing Metrolinx's existing total rewards package will allow the organization to better attract and retain future and existing talent by adjusting to changing labour market norms and accounting for shifting generational trends.

- **Inclusion and Belonging:** It is important that our workforce represents and reflects the communities we serve and as such, Metrolinx is dedicated to building an equitable, diverse, inclusive, and safe workplace.

To respond to these external trends and issues, Metrolinx is committed to supporting and developing our workforce to ensure they have the skills and supports necessary to be successful. This includes:

- The continued implementation of our Leadership Strategy, including introducing new programming to support aspiring and new leaders while also ensuring our leaders are equipped to support employees to be successful.
- Introducing a new Holistic Wellness strategy to insource disability management, promote mental health awareness, foster a psychologically safe workplace, and incorporate universal design wherever possible, and realize savings.
- Implementing a new, multi-year People Analytics strategy to support the business in data-driven decision making.
- Designing and implementing a multi-year technology roadmap with projects focusing on modernizing case management software, introducing a new Metrolinx's learning management system, launching a business intelligence/people analytics tool, and establishing a digital employee experience platform in addition to automating existing processes and identifying new opportunities to leverage AI.
- Redesigning our talent attraction and acquisition practices to ensure inclusion, effectiveness, and efficiency.
- Upskilling talent through both enterprise initiatives, including a revamped mentorship program, and targeted initiatives for high-risk areas.
- Advancing our EDI, anti-racism, and accessibility priorities through continued delivery of Metrolinx's first EDI Strategy.
- Driving the strategic objectives and other priorities outlined in the business plan.

Metrolinx is also optimizing our people through the continued introduction of new strategic workforce planning models, enhanced labour relations with our bargaining agent partners as well as robust talent attraction and retention strategies. This allows Metrolinx to continually refine its organizational structure to maximize both efficiency and effectiveness. As part of our compensation strategy and talent management efforts, Metrolinx regularly reviews total rewards, including employee benefits and pay for performance frameworks, to assess competitiveness with the market, based on formal benchmarking to support talent attraction and retention.

It is essential that we continually check in with our employees to understand their experience and address any areas of opportunity. Each year, the organization conducts an employee engagement survey consisting of around 50 questions. Six months later a check-in survey of 25 questions is conducted to help leaders track their progress in addressing areas identified and to implement actions if needed. Both surveys incorporate demographic data to help the organization better understand opportunities to improve the employee experience for equity-deserving communities. Results from 2024-25 showed the highest level of participation (79 per cent) since the surveys started in 2012. Efforts going forward will continue to see a focus on building engagement across the organization. In 2025-26, a targeted survey to assess psychological safety will also be conducted to gain insights in fostering a psychologically safe team environment to support Metrolinx's efforts in meeting the national standard for psychological health and safety in the workplace.

10.2 Advancing Information Systems and Technology Capability

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

Metrolinx has made considerable progress in implementing these projects, including a strengthened cybersecurity focus, as well as the implementation of applications and solutions to support transformations and improvements across

the organization, including those for transit operations and safety. Building on the progress achieved on these key areas, Metrolinx will continue to pursue a number of key business technology deliverables going forward.

Driving key business technology transformations



Sustainable



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- **Establishing the cloud journey** to assess current infrastructure, plan migration steps, migrate data and apps, leverage automated pipelines, test, optimize, monitor and ensure security and audit compliance.
- **Implementing a zero-trust cybersecurity strategy**, ensuring a risk-free environment by continually verifying users, devices and network traffic, safeguarding data, networks and infrastructure against cyber threats.
- **Building client-focused and trusted strategies** that will forge trusted IT strategic partnerships, prioritizing client-centricity for visible, robust collaborations, fostering mutual growth, innovation and lasting value.
- **Implementing hyper automation** to unlock business value by automating low-value tasks.
- **Delivering technology modernization** streamlining systems for enhanced efficiency, agility, innovation and optimizing resource utilization.
- **Evolving our transit and customer-facing technology solutions** to ensure operational excellence.

10.3 Responsible use of Artificial Intelligence (AI)

Artificial Intelligence (AI) has become an important driver for future technology evolution. Metrolinx, in this regard, has implemented AI governance process to better manage risk while seizing opportunities, which includes comprehensive assessments to determine the risk levels and eligibility of all AI initiatives, inventory low-risk and approved projects, and proceed with normal project executions and other due diligence processes.

Through the current AI governance process, Metrolinx has made progress in utilizing AI on applicable business areas, including level crossing alert technology, obstacle detection system and sensory technology to improve operational safety, optimization of search engine tool to increase operational efficiencies and automating the handling of certain customer cases to enhance customer experience. Going forward, Metrolinx plans to build on the current AI framework and continue to further assess future application of AI in alignment with government guidance and directives.

Metrolinx continues the journey to develop an AI Framework in alignment with Government's Responsible Use of AI Directive



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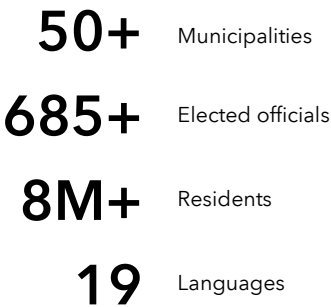
- **Leveraging interim AI governance** through AI Review Board and AI Committee to continue leading the AI assessment and related strategy development process, including conducting AI intake assessments, maintaining the AI use case inventory, identifying and remediating gaps in information governance and project management, and enhancing risk control and management.
- **Continue to develop AI policy** in alignment with emerging OPS AI guidance and directives, industry standards and best practices, and corporate data sharing and enterprise data privacy policy.
- **Collaborate with AI industry partners** to develop advanced autonomous technologies for rail systems with support from the Ontario government through the Ontario Vehicle Innovation Network (OVIN).

10.4 Actively Engaging with Communities

Metrolinx's Communications and Community Engagement division is transforming through enhanced integration with project delivery, operations, and business strategies. The result is an always-on and proactive communications approach that enables audience engagement by making it easier for residents and stakeholders to connect with us. With a regional focus, the communications and community engagement division operates with aa one-window approach across the GGH. The division focuses on building and maintaining strong, collaborative relationships with communities, businesses, government partners and other key stakeholders. The division leads transparent communication, engagement, and collaboration with partners to deliver transit and infrastructure projects. By prioritizing meaningful consultation, partnerships, and swift issue resolution, the division aligns the organization's objectives with the needs and expectations of the diverse communities it serves, ensuring the successful delivery of regional transit initiatives.

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

Exhibit 12: Engaging Communities



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

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



Innovative



Accountable

- **Demonstrating transparency** through launching public participation and engagement.
- **Leveraging data-driven insights** through updated research and developing a customer-centric “experience map” to increase awareness and improve experiences for residents that are highly impacted by transit development.
- **Completing Good Neighbour program pilot** on key projects by embedding key outcomes across the project lifecycle, contracts and delivery requirements.
- **Implementing the Community Benefits and Supports Four-Pillar program**, including by publishing the Community Benefits and Supports Annual Report that highlights key data and success from prior years.

10.5 Building Relationships with Indigenous Communities

With growing investments, our business needs to be fully equipped to fulfill the Duty to Consult when Metrolinx undertakings have the potential to adversely impact established or credibly asserted Aboriginal and treaty rights. This Constitutional requirement led to the development of the Indigenous Relations function, which currently comprises of three key units: Indigenous Relations Office (IRO), Aboriginal Law Unit (ALU), and Environmental Programs and Assessment - Indigenous Relations (EPA-IR), which work collaboratively to ensure the fulfillment of the Duty to Consult, as determined by legal principles and case law.

Metrolinx has prioritized strengthening its capacity to fulfill the Duty to Consult and uphold constitutionally protected Aboriginal and treaty rights through various initiatives, with the goal of successfully delivering its capital and operations program. Through the progression of capacity building initiatives, Metrolinx strives to build capacity within First Nations not only to participate in consultation processes, but also to participate in Metrolinx initiatives such as the RTP, as well as economic benefits associated with Metrolinx projects to support our efforts to progress toward reconciliation.

Going forward, Metrolinx will continue to refine the Indigenous Relations function and related processes to ensure the duty to consult is fulfilled, and that Indigenous communities are engaged regarding Metrolinx initiatives that may be of interest to them.

Implementing a three-pronged approach



Accountable

- **Building Indigenous relations capacity through** ensuring appropriate structures, process and training programs are embedded across Metrolinx and our key partners.
- **Fulfilling Duty to Consult obligations** when projects have the potential to adversely impact Aboriginal and treaty rights.
- **Working with the provincial government** to ensure alignment of consultation approaches.

10.6 Implementing A Collaborative and Optimized Workplace

The workplace environment is a key contributor to overall employee engagement and retention, which are foundational elements in the delivery of Metrolinx strategic objectives. Business and employee expectations continue to evolve within the post-pandemic work environment, resulting in new demands on how office space is optimized. This includes a growing need to revitalize the office space that supports collaboration as well as replacing expired leases, which have resulted in a 25 per cent reduction in office footprint since 2020-21. The workplace is quickly

reaching a critical point with the need to manage multiple organizational demands through short term measures to mitigate capacity shortfalls. By working together with the Provincial government, Metrolinx will assess the need for new leases, designs and fit-outs to new space (downtown or regional) and undertake a change management initiative to align staff with work location.

The updated strategic plan takes a holistic view that considers the provincial directive, provincial approvals, post-pandemic work needs for utilization, the unique work requirements for each team, change management, and technology. Metrolinx is working to create meaningful in-person work environments for our employees to maximize collaboration, efficiency and overall performance. This workplace strategy will enable new ways of working, through increased capacity of teams to enable greater team collaboration while delivering economic benefits, flexibility of space to maximize utilization, and build data capability to support fact based organizational decisions on current and future space requirements.

Continuing to progress on workplace strategy



Innovative



Accountable

- **Supporting modern ways of working** through enhancement and expansion of collaboration elements through refresh of existing office space.
- **Further optimizing office space** through reducing on-site file storage.
- **Finalizing the workplace location plan** by working together with the government to assess realty need for new leases, design and preparation of the new locations.
- **Supporting evidence-based decisions** by leveraging insights from data analytics on office space utilization.
- **Increasing meeting room availability** to support team-based interactions.

10.7 Environmental, Social and Governance (ESG)

Sustainability is embedded within Metrolinx’s key organizational priorities and throughout our core functions. Our sustainability efforts put people and customers first, and our approach is to work with and consider all partners and stakeholders input, including future generations. By putting people and customers first, we ensure our long-term viability as a business and as an organization. Transportation planning, building, and operating inherently incorporates ESG principles by promoting sustainable infrastructure, reducing environmental impacts, and fostering community connectivity. These activities contribute to improved ESG outcomes through delivery of transportation options, enhanced social equity, and robust governance practices that prioritize long-term value.

Going forward, Metrolinx will continue to mature ESG within its business strategy and planning activities and will work toward integrating annual reporting processes to speak to our material issues and impacts, and highlight our accomplishments, progress, and forward-looking plans.

ESG integrated within enterprise-wide strategy



Sustainable

- **Maturing ESG within enterprise strategy, planning and reporting activities** with material topics which reflect Metrolinx’s mandate, mission, vision and values.
- **Monitoring developments in international and Canadian sustainability and financial reporting standards** in order to align ESG activities and reporting with best practice developments and remain prepared for potential reporting requirements.
- **Integrating annual reporting by streamlining report development processes and consolidating information and data sources** to deliver consistent information and messaging to external stakeholders and partners.

10.8 Transit Procurement Initiative

Metrolinx’s Transit Procurement Initiative (TPI) delivers procurement services to our municipal partners for conventional urban transit goods and services by aggregating quantities, collaborating to standardize technical specifications, and eliminating duplicate procurement processes. The joint procurements lower unit costs and increase the quality of goods for transit systems.

Throughout 2024-25, TPI has focused on awarding joint procurement contracts for electric bus charging equipment, batteries, 6 to 8-metre specialized gasoline buses, 9 to 10.5-metre gasoline, hybrid and electric buses, intelligent transportation and on-board video surveillance systems, and tire and wheel purchasing and leasing. TPI has also released an RFI for a turnkey electric bus charging package and is working toward releasing a joint procurement for this package in the next fiscal year.

Going forward, TPI will use the operating efficiencies gained over the past few years to maintain active contracts for all bus sizes and propulsion types on the market. TPI will also develop procurements for new types of parts and services in order to provide an even greater range of contract options to our transit partners.

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

Exhibit 13: Transit Procurement Initiative Key Stats



Supporting the TPI Program



Innovative



Sustainable

- **Continuing to focus on battery electric buses** and establishing TPI as a centre of expertise and go-to resource for transit fleet electrification.
- **Increasing the number of active contracts** to grow the TPI program’s footprint and impact on the transit landscape in Ontario.
- **Improving client satisfaction and adding value to purchases** for transit agency partners through technical expertise and collaboration.
- **Improving on the program’s cumulative financial benefits**, such as administrative cost avoidance, and capital and operating savings from transit agencies.
Recuperating the cost to Metrolinx to operate the program through a “program cost recovery” service fee charged to transit agency partners when they purchase off a contract.

11.0 Multi-Year Corporate Performance

11.1 Operating Budget

Metrolinx's operating budget submitted to the government in fall 2024 includes a planned operating subsidy requirement of \$1,180.1 million, which includes projected total expense of \$2,041.2 million including bid fees of \$9.9 million and long-term interest on capital projects of \$56.8 million, as well as total revenue and proceeds of \$861.2 million, including proceeds from sales of assets of \$23.0 million.

For 2026-27 and 2027-28, Metrolinx is currently projecting an operating subsidy requirement of \$1,078.5 million and \$1,086.7 million respectively, with growth in revenue mainly driven by forecasted increase in ridership and the corresponding fare revenue. Total revenue and proceeds are forecasted to increase to \$952.0 million in 2026-27 and \$957.3 million in 2027-28, representing year-over-year increases of 10.5 and 0.6 per cent respectively. Proceeds from sales of assets is estimated at \$72.1 million in 2026-27 and \$28.0 million in 2027-28.

Total operating expense is projected at \$2,030.6 million and \$2,044.0 million respectively in 2026-27 and 2027-28, primarily to deliver on a growing project delivery scope, to support the operationalization of new LRT assets coming into service and increased GO services across the region. Through our operating budget, Metrolinx is implementing a program of systematic improvements to increase efficiency, maximize effectiveness, become a stronger organization, and ensure long-term financial sustainability.

For 2024-25, Metrolinx projects a total operating requirement of \$1,221.7 million, which is \$74.9 million higher than budget with operating pressures including revenue shortfall driven by lower ridership and cash partnership revenue, higher labour costs driven by impact of Bill 124, higher costs to deliver our service, and legal related costs. These pressures are offset by lower capital project related expenses, as well as savings from lower fuel price.

Exhibit 14: Multi-Year Operating Budget Plan and Outlook

(\$M)	2024-25 Forecast	2025-26 Plan	2026-27 Outlook	2027-28 Outlook
Total Revenue and Proceeds	766.8	861.2	952.0	957.3
Total Expense	1,988.5	2,041.2	2,030.6	2,044.0
Planned Subsidy Requirement	1,221.7	1,180.1	1,078.5	1,086.7

Note:

- Operating budget figures reflect our planned revenues and expenses as originally submitted to the government in fall 2024 and excludes impact of government funded fare integration programs, e.g., One Fare Program.

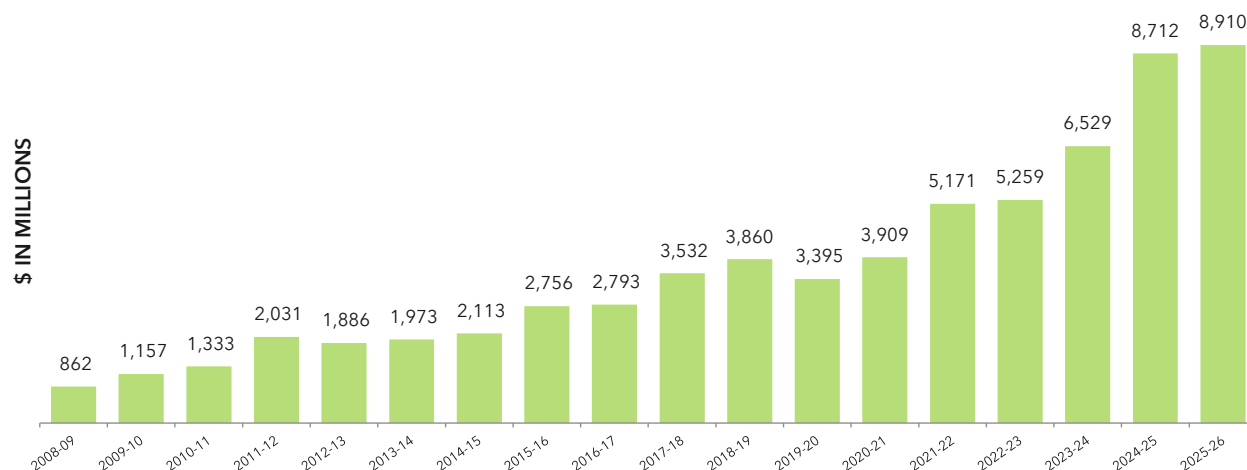
- Operating Expense also includes bid fees and long-term interest on capital projects.

11.2 Capital Investment

Metrolinx submitted a capital budget to the government in Fall 2024 of approximately \$8.9 billion in 2025-26, with the majority of the required funding to be provided by the Province of Ontario. Other funding sources include contributions from the federal government and GTHA municipalities. With the Province's investment in the GO Expansion and Subways Program, growth in the capital plan has been significant in recent years. When compared to the 2024-25 year budget, the 2025-26 projected budget is approximately two per cent higher as projects continue through the development and construction phases. For historical comparison, the capital budget has grown from less than \$1 billion in 2008-09 to approximately \$8.9 billion in 2025-26, with a peak in spend projected in 2026-27. Exhibit 17 shows the growth in capital investment since 2008-09, as a reflection of increasing investments into transit over successive years and it highlights the organizational key success factor of increasing annual capital delivery capability.

The majority of the 2025-26 capital budget relates to subway projects, GO Expansion, GO Rail Corridor Extensions and the SmartTrack Stations Program. As well, there are continued investments into enabling technologies, such as payment systems, and capital rehabilitation work to keep assets in a state of good repair.

Exhibit 15: Capital Investment Growth



Note: Amounts prior to 2024-25 represent actual incurred costs. 2024-25 figures are interim actuals (Q2) and 2025-26 are budget outlook.

Exhibit 16 provides a five-year rolling capital plan.

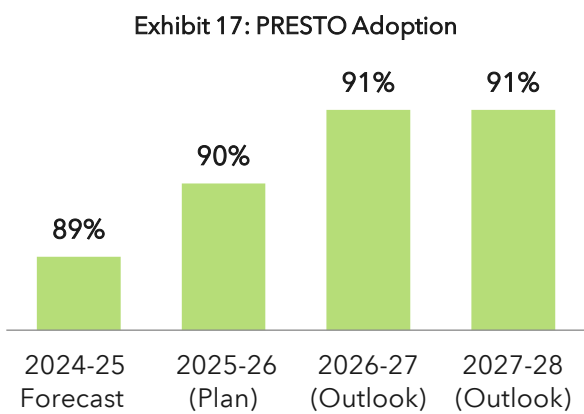
Exhibit 16: Metrolinx Five-Year Capital Plan

(\$ in millions)	2025-26	2026-27	2027-28	2028-29	2029-30
Total	\$8,910	\$10,476	\$9,394	\$9,356	\$7,805

11.3 Performance Measures and Targets

Our corporate Key Performance Indicators (KPIs) measure both our operations performance in delivering service and our capital infrastructure build performance and report the organization’s performance to the public and MTO. These corporate KPIs are reported against targets which are developed in alignment with the budget endorsed by our Board of Directors.

PRESTO Adoption



PRESTO Adoption measures the percentage of all transit agency fares processed by the PRESTO system. As of November 2024, fiscal year-to-date adoption was significantly above the in-year target of 84 per cent, reaching 89 per cent. With commuters now being able to tap their PRESTO in Apple and Google Mobile Wallets and also tap their Interac debit cards and credits cards on PRESTO devices throughout all GTHA transit agencies, including the TTC, adoption increased two percentage points versus the previous fiscal year.

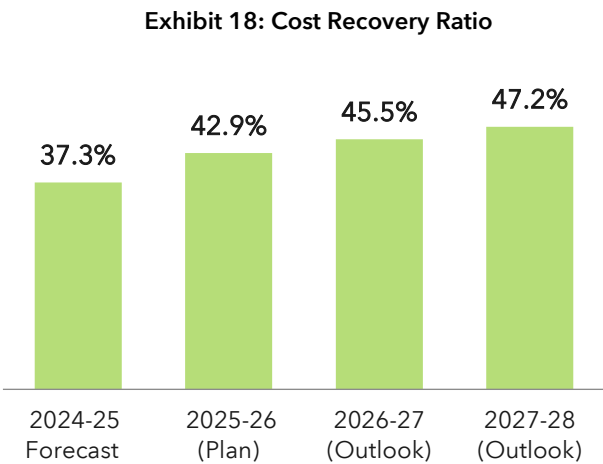
PRESTO adoption is expected to see modest growth, with projections reflecting steady incremental increases through 2025-26. While enhanced products and services are expected to drive this growth, we anticipate some lead time will be required for transit agencies to secure necessary approvals before full adoption.

The E-Ticket product has served—and continues to serve—a niche segment, maintaining steady-state volumes. With the upcoming World Cup in 2026, there are opportunities to explore tailored products that cater to the expected influx of international travelers, further broadening PRESTO’s reach.

Cost Recovery Ratio

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

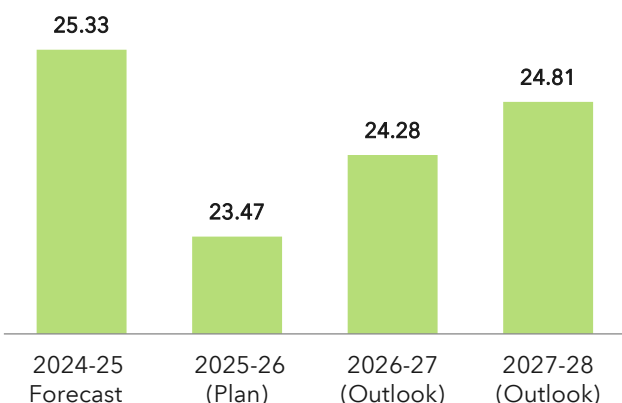
For fiscal year 2025-26, Metrolinx is budgeting for a CRR of 42.9 per cent reflecting continued growth in ridership and fare revenue in a post-pandemic new normal environment, along with strong and sustainable growth in non-fare revenue. Operating expenses continue to be scrutinized to maximize cost efficiency. The improvements in operational efficiencies and revenue are in alignment with organizational key success factor of improving cost recovery ratio within the three-year period and beyond. These KPI figures reflect the operating budget submitted to the government in fall 2024.



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

Cost Per Revenue Kilometre

Exhibit 19: Cost per Revenue Km



In 2025-26, Metrolinx will experience a decreased cost per revenue kilometre compared to 2024-25 to reflect the conclusion of OOI's concurrent operational readiness costs. Outer year service plans until 2027-28 are not anticipated to grow substantially while corridor construction is ongoing. The cost per km in these years will increase slightly year over year because of ongoing inflation against steady service delivery. Beyond 2027-28, when rail service frequencies ramp up, cost per revenue km targets are anticipated to significantly decline in the longer-range forecast as economies of scale and efficiencies are unlocked with OnCorr.

UP Express is expected to operate the same levels of service for 2025-26. The outlook on this metric for future years is based on service increase assumptions and enhancement annualization, as well as higher frequency of service under GO Expansion/OnCorr.

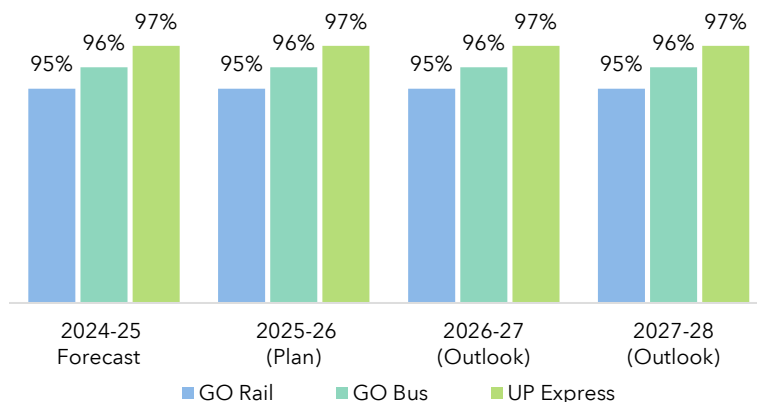
For 2025-26, Bus Services will remain steady for Cost per Revenue KM. Bus Services cost increases are the result of inflation and an aging fleet while Revenue KM will fall slightly. Implementation of the bus route optimization plan was a big factor for maintaining an overall steady trend.

On-Time Performance

The On-Time Performance (OTP) KPIs measure punctuality of GO rail, GO Bus, and UP Express services.

As the service commitments that each service offers are different, the OTP KPIs are calculated using different methods. The OTP measure for GO rail is defined as arrival within five minutes of scheduled arrival time at the final destination for journeys under 90 minutes, and within 10 minutes for journeys over 90 minutes. For GO Bus, the OTP measure is currently defined as arrival within 15 minutes of scheduled arrival time. Efforts are underway to tailor this OTP definition for journey times due to some planned journeys being as low as 20 minutes, and some over three hours. The OTP measure for UP Express is defined as within five minutes of targeted journey time.

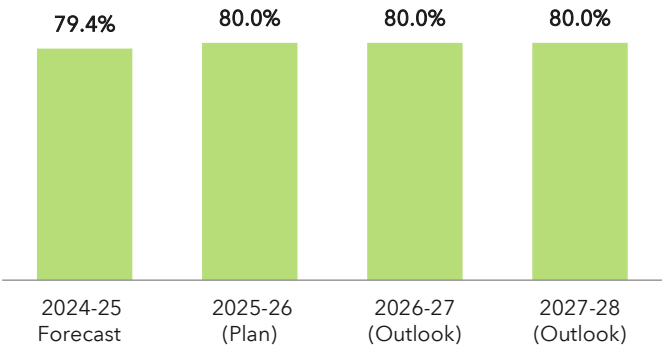
Exhibit 20: On-Time Performance



Metrolinx OTP remains strong, it follows and exceeds current industry best practices. Many OTP improvement efforts are in progress to improve the efficiency and effectiveness of the operation, strive for operational excellence, and continue to improve the reliability and punctuality of all services. Risk factors to punctuality and reliability include the ongoing GO Expansion railway construction work and aging fleet and infrastructure. Metrolinx is implementing strategies to mitigate these risks. For future years, the outlook continues to be meeting or exceeding the individual targets for each of the services.

Customer Complaints

Exhibit 21: Customer Complaints Closed within 0-5 Days



Metrolinx has prioritized customer complaint management as an outcome-based measure, emphasizing the evaluation of complaint resolution effectiveness through results-driven analysis. Key metrics, including resolution rates, time to resolve, post-resolution customer satisfaction, and recurrence reduction, are tracked to ensure complaints are addressed in a manner that drives meaningful improvements and enhances the overall customer experience.

Customer Satisfaction

Metrolinx is committed to continually improving the customer experience. The focus for customer experience for GO and UP by adding additional services, improving communications, improving the quality of stations, and managing the complex construction projects needed to expand the network. For GO and UP Express, four focus areas for 2025 are:

- Managing construction impacts to the Customer Experience;
- Improving customer communications;
- Improving the station experience; and
- Modernizing customer service.

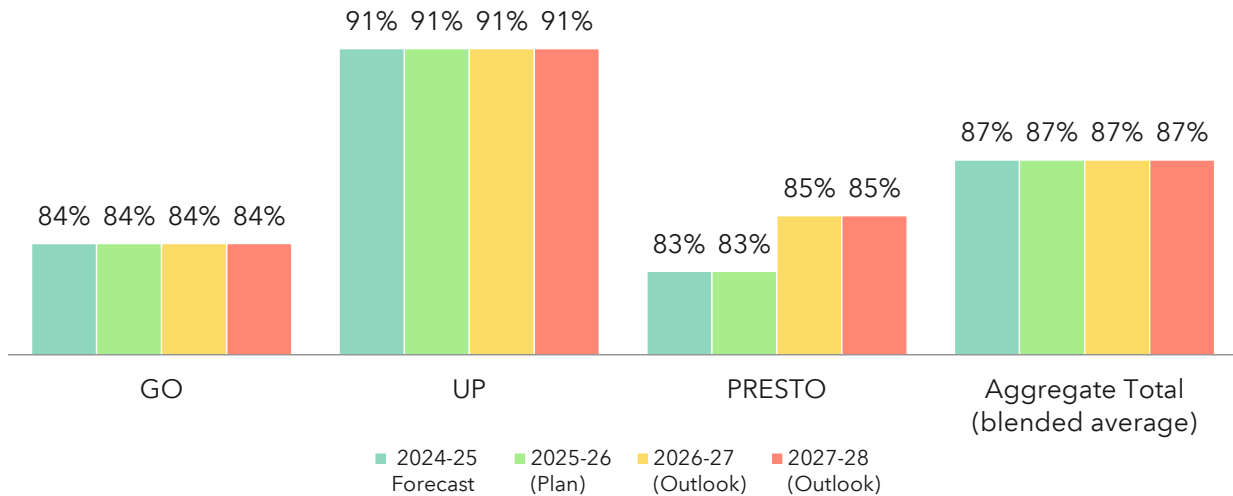
In 2025, Metrolinx will continue to improve the customer experience across GO and UP services with a focus on insights to implement improvements across the stages of the customer journey.

A key priority will be proactively managing the customer experience impact during construction and major track closures to support network expansion. This includes clear and proactive communication of the long-term benefits for stations, lines, and the overall network, along with efforts to support customers during times of disruption. Enhancing real-time communication during both planned and unplanned service disruptions remains a priority, with timely and relevant updates provided across all channels.

Delivery of real-time and reliable information will be strengthened through enhanced digital departure screens at stations, modernized station announcements, and improved trip-planning tools to enable seamless travel across the GO network.

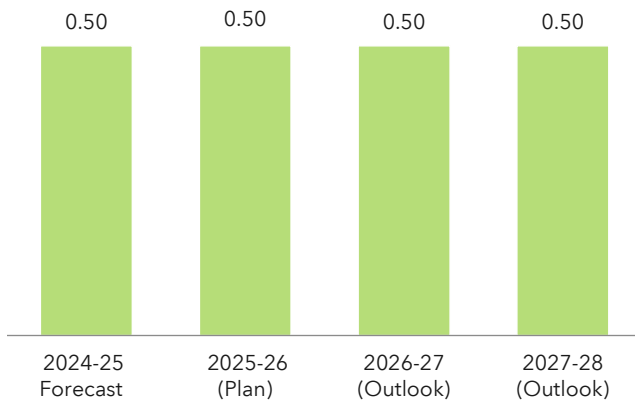
The UP Express experience will be enhanced by optimizing travel options, delivering a more focused and efficient service through the UP Express migration strategy. This initiative encourages airport-bound travelers to choose UP Express while guiding daily commuters toward GO Transit. Supported by a targeted communications plan and increased Kitchener line service, this strategy aims to reduce crowding on UP Express and improve the overall customer experience across both transit systems.

Exhibit 22: Customer Satisfaction



Safety – All Parties Lost Time Injury Frequency Rate (per 200,000 hours worked)

Exhibit 23: Lost Time Injuries (All Parties – per 200,000 hours worked)



Note: LTIFR out-year forecasts are based on the target established in the 2024/2025 Strategic Objectives and are subject to change. LTIFR is based on a 12-month rolling average.

to industry standards for lost-time injuries intended to drive continuous improvement in injury avoidance and severity reduction. At the close of the 2024-25 fiscal year, the All Parties LTIFR actual result was 0.5 against the previous target of 0.50. Targeted interventions, on-site review of working practices, and increased use of data-driven insights has equipped Metrolinx with the ability to drive down number of lost-time injuries and create a safer working environment for staff and contractors.

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

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

For the 2024-25 fiscal year, Metrolinx maintained the LTIFR KPI target at 0.50 per 200,000 work hours, an exceptionally low threshold compared

Embedding safety into all operational processes has been key to maintaining a low rate of lost-time injuries. As a highly active operational agency, Metrolinx must manage the safety of employees, contractors, and communities across frontline and office staff. Corporate Safety staff engage with Joint Health and Safety Committees during regular workplace inspections, hold training and educational opportunities for staff, and institute proactive seasonal safety

measures to address our most common contributing factors based on trends analysis. A robust safety risk framework is applied to all aspects of our operations and targets the interface between worksites, staff, and the public to proactively identify appropriate mitigations and address any areas requiring intervention.

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

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

11.4 Enterprise Risk Management

At Metrolinx, the Enterprise Risk function, as directed by the Office of the Chief Risk Officer, identifies, assesses and monitors the health of risks across the organization. Risk considers the organizational landscape including monitoring our strategic objectives, vision and mandate. This ensures that not only our capital assets, but our customers and their experience are continuously top of mind.

In 2025-26, Enterprise Risk function will continue to enhance the visibility of enterprise risks and the need for cross-collaborative mitigation strategies to manage risk and support effective decision-making. Enhanced training and the formal introduction to risk-based tools and methodologies enable this improved integrated approach. Furthermore, Key Risk Drivers and enhanced assessment methodologies are promoted this year, providing a wider picture of risk, their impacts and early detection. Enterprise risks are formally communicated on a regular cadence to the senior management table, committees of the board and Board of Directors. The following table provides a snapshot of enterprise risks reported, under the following risk categories:

Exhibit 24: Risks and Tools

Risk Category	Key Risks	Risk Management Tools
Safety	Maintaining the highest transit safety standards while undertaking an unprecedented network expansion that includes increased construction activities, non-standard public interfaces and elevated operational complexity.	Safety Metrolinx has implemented a strict safety governance structure including required safety policies, standards and procedures. Safety governance, supported by the organization’s safety management systems, will ensure Metrolinx continues to maintain the highest transit safety standards through meticulous coordination, safety oversight, monitoring and safety risk management. For organizational initiatives associated with this risk, please see Section 5.1 Improved Safety for Employees and Secure Journey to Customers.
Operational	Risks associated with people, process, technology, security, compliance and implementation of mandate which can impact	Information Technology The current initiatives underway to support the mitigation of Metrolinx technology risks are, at a high level, listed below: • Delivering resiliency for critical systems; • Continue with initiatives across a three-dimensional approach for Cybersecurity, including Minimize, Monitor and Manage;

Risk Category	Key Risks	Risk Management Tools
	Metrolinx's ability to achieve its corporate objectives.	• Increase our defences in response to emerging threats by focusing on zero-trust and proactive monitoring; • Improve overall cybersecurity posture across Information Technology and Operational Technology to reduce risks and enhance incident response; and • Improve governance of AI solutions in alignment with Ontario's Responsible Use of Artificial Intelligence Directive. For organizational initiatives associated with this risk, please see Section 10.2 Advancing Information Systems and Technology Capability. PRESTO Mitigation strategies for risks related to PRESTO devices begin with awareness. Awareness is developed through automated device availability monitoring and through various activities to assess customer sentiment, including CSAT surveys, PRESTO app reviews and in-field observation projects and feedback from key stakeholders (e.g., Metrolinx Market Research team, transit agency partners, transit riders), including customer focus groups. This information feeds into the planning, design, testing, and execution stages of new features and capabilities to ensure prioritization and enhancements to the PRESTO products and services. For organizational initiatives associated with this risk, please see Section 6.2 Customer Experience. Operations – GO & UP Operations continuously monitors customer feedback to ensure we provide a safe and easy journey for our customers. Metrolinx continues to focus on operational excellence to support customer experience. This involves efforts to address and support service delivery related to increasing train service, fleet reliability, on-time performance and continue building a new GO regional railway through the GO Expansion program. Red Zone / Green Zone Large volumes of work on the railway on open lines (Red Zone) during an increasingly busy service plan creates more safety risk for track workers, customers, and train crews. Train service levels are increasing by 15.4 per cent across some of the most highly used corridors, including Kitchener, Lakeshore East, and Lakeshore West. These changes increase the interface between protected limits (active construction in the rail corridor) and train service, and require more active communications between train crews, protecting foremen, and subforemen. Inherent human factors can contribute to failures, as well as technological limitations associated with equipment used. For example, radio communications' effectiveness is reduced with greater distance between the two points of communication, particularly if there are any obstacles, curvatures, or other barriers that can interrupt the radio signals. Human error associated with poor procedural compliance, misinterpretation, competency issues, or distraction can also contribute to or cause a safety rule violation.

Risk Category	Key Risks	Risk Management Tools
		Metrolinx will be implementing a Green Zone initiative that will eliminate or greatly reduce the direct interface between active train traffic and work on the railway for construction and maintenance projects. This will create more green zones where track workers are safely separated from train movements. The initiative will be known as the Red Zone Green Zone (RZGZ) program. The roll-out of the program will consider each project's risk exposure, unique working requirements, and maturity to achieve Green Zone working. Asset Management and Maintenance There are currently 132 Metrolinx-owned level crossings on the GO Transit network where publicly managed roadways intersect at grade with rail traffic. A public level crossing is a location where railway tracks intersect with a road that is owned by a public authority, such as the province, a municipality, or a band council, and used by the general public. In addition, there are currently 34 Metrolinx-owned open private crossings on the network, mostly located on farm properties. A private level crossing is where railway tracks intersect with a road that is owned and used by private parties, such as farmers, commercial businesses, or private individuals. The GTHA is one of the fastest growing regions in North America. With the significant growth that is being experienced in the GTHA, road and rail traffic has increased at many level crossings. It is a priority of Metrolinx to ensure that all aspects of its operations are safe, including level crossings. Metrolinx currently undertakes a wide range of activities that support the safety at crossing locations, ranging from engineering activities (design and maintenance), to education and enforcement. Extensive and ongoing works is being carried out to further enhance the safety of level crossings. For organizational initiatives associated with these risks, please see Section 5.0 Operations. Operations – Rapid Transit Operations – Rapid Transit will be focused on launching into revenue service the Eglinton Crosstown LRT and Finch West LRT and providing customers in the GTA with unimpeded service on the two new network offerings. Managing and oversight of all aspects of the new LRT systems and being prepared for and able to respond to any deviations from normal operating regimes will be a priority and will require discussions with our Operator and Maintainer project partners to maintain the integrity of the service. Focus on Operational Readiness of these lines and leading into the Revenue Service demonstration while ensuring Operations – Rapid Transit will be prepared for any possible scenario will be necessary for success.

Risk Category	Key Risks	Risk Management Tools
		Human Resources Human Resources continues to work in close partnership with all divisions of Metrolinx to implement key strategies to support our ability to effectively attract, retain and develop specialized talent within our workforce. Work further continues to strengthen talent attraction practices for highly demanded and niche skills or difficult-to-fill roles. For organizational initiatives associated with this risk, please see Section 10.1 Building and Sustaining a Strong, Capable and Inclusive Workforce. Indigenous Consultation and Engagement A failure to fulfil consultation requirements with Indigenous communities when Metrolinx initiatives have an adverse impact on Aboriginal and treaty rights may have implications, including legal risks, impacts to Metrolinx's reputation and impacts to the delivery of its capital program. To mitigate this risk, Metrolinx has established an Indigenous Relations function comprised of three key units: Indigenous Relations Office (IRO), Aboriginal Law Unit (ALU), and Environmental Programs and Assessment - Indigenous Relations (EPA-IR). These units work collaboratively to ensure the fulfillment of the Duty to Consult and that meaningful relationships with Indigenous communities are established. The IRO is responsible for managing the direct relationship with Indigenous communities, while ALU outlines consultation requirements as needed across Metrolinx's portfolio of projects. EPA-IR is responsible for ensuring project delivery teams understand how to avoid or mitigate impacts to Aboriginal and treaty rights when potential adverse impacts stemming from projects have been identified. Additionally, control mechanisms such as integrated face to face consultation, business process maps and RACIs, and monitoring of risks and successes through the use of control board and other risk management tools have been implemented for the organization to ensure alignment between Project Delivery Teams, the IRO, EPA-IR and the ALU, to support timely consultations with Indigenous communities. This approach has ensured that Metrolinx considers the Indigenous perspective and interests in its project plans and operations and maintenance activities. These efforts are grounded in the creation of Framework Agreements between Metrolinx and Indigenous communities which enable a mutually agreed upon process framework for consultation and engagement that is transparent and accessible.
Financial	Risks relating to and/or impacting revenue, funding of projects and operations, liquidity, financial reporting and movements in price of	Metrolinx continues to prioritize actions that will increase our efficiency, maximize our effectiveness, build a strong organization, and put us on a path to long-term financial sustainability. To meet this challenge, Metrolinx's operating budget incorporated opportunities to improve our efficiency and effectiveness. This includes implementing business improvement plans to identify efficiencies from optimizing train service

Risk Category	Key Risks	Risk Management Tools
	products and services, interest rates, currencies and commodities.	levels and adapting services to best meet customer demand, as well as identifying additional revenue opportunities, to help manage financial risks. Metrolinx will also continue to closely monitor most recent ridership trends and the associated financial impact. For organizational initiatives associated with this risk, please see Section 4.0 Financial Sustainability Through Ridership Growth and Expansion of Non-Fare Revenue and Section 5.2 Adjusting Service Levels and Enhancing Customer Service.
Strategic	Capital Project, Program and Portfolio risks associated with Cost, Schedule and Reputation that may have a significant impact or threaten Project delivery and the achievement of related corporate objectives.	Capital Projects The Capital Projects Group (CPG) continues to evolve its risk management framework in alignment with various types of contracting models, and specifically, has implemented new processes to enhance the internal and external management of Progressive Contract Models. Management is focused on Active Risk Management to reduce risk to acceptable levels by implementing mitigating actions that improve effectiveness and efficiency in standards and requirements, leverages lessons learned and inputs of key project stakeholders, considers overall cost and schedule impacts, and supports the required assessment of risk at various phases of a project. These strategies involve adopting new approaches related to collaborative behaviors, risk and opportunity management, commercial incentivization and open-book financial principles. Inadequate development of these capabilities among both the Metrolinx team and stakeholders may hinder the realization of potential value engineering and potentially prevent the realization of objectives and project outcomes. For organizational initiatives associated with this risk, please see Section 7.0 Capital Projects. Capital Finance continues to support cost management practices by focusing on best practices, clear guidance and continued knowledge sharing across the various business units within Metrolinx. With added focus on theme-based variance reviews, improvements in forecasting and capital planning methodology, emphasis on cost estimating and the cost management plan, continued improvements and efficiencies are implemented resulting in collaborative and effective practices across Metrolinx.
Reputational	Risks relating to Metrolinx's brand, image or reputation as a result of the expected outcomes and actions of the agency or partners such as vendors and suppliers.	Communications and Media Management Strategy Assessment of potential risk to image and reputation by evaluating whether there is loss of life and/or major injuries; property damage and/or financial loss; disruption of service; incident expected to last over 24 hours; media/public attention; impact on staff, and/or other factor(s) as warranted. Mitigation strategies will depend on the severity of reputational impacts but typically include liaising with media to ensure the dissemination of information to customers and the general public. Inaccurate reporting is

Risk Category	Key Risks	Risk Management Tools
		always corrected in a timely manner to meet this objective. Further, the media and issues team liaise with media counterparts at MTO to develop short- and long-term media and communications strategies to address risk impacts. Community Engagement Strategies will depend on project lifecycle but may include the insertion of Good Neighbour Principles contract language, a detailed tracking and escalation of community complaints at work sites, and project and site mitigation plans. In addition, Community Engagement will continually identify and develop community design input and feedback opportunities, and host community thank you events in partnership with our contractors when appropriate.