2026-27 Metrolinx Business Plan

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Message from CEO

Thanks to the hard work of our people and partners, we're making real progress on our mandate. New stations, new transit lines, and expanded service are connecting communities and improving lives. These achievements demonstrate the tangible difference we're making together.

Over the past year, we have taken deliberate steps to operate more efficiently and effectively, strengthening financial sustainability, achieving a cost recovery level that ranks among the strongest of major transit agencies in North America. Through focused efforts to optimize our operating model, the organization has achieved meaningful cost savings and efficiencies. These efforts include reducing headcount, refining our service offerings, and securing greater value from existing contracts. In addition, we are on track to achieve $100 million in savings on contracted professional services in delivery of our capital program, through the reduction of close to 400 third party consultants.

Our 2026-27 Business Plan builds on this momentum and sets the stage for the next chapter of growth and delivery. In the year ahead, we'll work closely with the Ministry of Transportation (MTO) to advance transportation priorities–protecting Ontario, supporting economic resilience, delivering better services, and driving innovation and value for money.

Our six strategic priorities will guide everything we do: keeping everyone safe, delivering future transit, driving organizational and financial excellence, building trust, satisfying customers, and engaging our people. Together, these priorities focus our efforts, strengthen accountability, and position us to deliver real results for our customers, our communities, and each other.

Everyone Safe

As our network expands with new services and stations coming online and major construction progressing across the region, safety remains our first priority. In 2026–27 we will strengthen safety performance by increasing staff presence and enhancing the programs and tools that support consistent execution. This will improve visibility across the network and enable more timely responses to operational and customer needs. We will also reinforce clear and transparent communication with customers.

We will maintain a disciplined focus on safe construction and on managing safety across all interfaces as we deliver one of the largest transit expansions in North America. This includes reinforcing expectations for work in controlled areas and strengthening railway competency for those working on or adjacent to the railway. We will address incident precursors early across infrastructure, operations and public environments.

Together these actions ensure customers can travel with confidence. Employees know their safety is prioritized and communities trust how we operate and build across the region.

Deliver Future Transit

Together, we are building an accessible, inclusive transit network that meets today's needs and supports tomorrow's growth. In 2026–27, we will focus on the early phases of operations for new light rail lines, introduce enhanced and new levels of GO service to growing communities like Kitchener and Niagara, and demonstrate clear progress against the rapid transit milestones that matter most to our customers and partners.

As this work advances, we will continue investing in asset rehabilitation and modern fare payment systems to keep the network reliable and resilient. We will also continue working with municipal partners, MTO, and Indigenous communities to align long-term priorities as the region evolves. Together, these actions strengthen mobility, support regional growth, and deliver lasting benefits for our communities.

Organizational and Financial Excellence

We are stewards of taxpayer dollars, and that responsibility demands discipline, transparency, and a relentless focus on value creation. By optimizing our operating model, strengthening financial performance and investing wisely in systems, structures and technologies that fuel innovation, we will build a stronger, more efficient business that delivers better outcomes for our customers, our people, and the communities we serve.

Trusted Partner

We cannot do it alone. In 2026–27, we will deepen engagement with communities and partners, strengthen transparency, and place even greater emphasis on helping residents and businesses navigate disruption. This means being clearer about when work is happening, why it is needed, and the long-term benefits it will bring to the region.

We will continue building respectful and meaningful relationships with Indigenous communities through early engagement and collaboration on shared priorities.

We are also improving transparency in procurement by giving businesses earlier visibility into opportunities and supporting fair competition, sustainability, and social equity. Together, these actions build trust; create shared value; and help ensure public investments benefit taxpayers, communities, and the regional economy.

Satisfied Customers

Customer driven, always. Ridership is expected to continue growing in the year ahead, and with that growth will come challenges, including crowding and the impacts that major construction activity may bring. While this will be a consequential year, it also reflects a return to a more typical pattern of travel, and customers should expect a busier system as demand increases.

We will respond by aligning services to match demand, expanding peak and counter-peak options to support increasing return-to-office travel, relieving crowding on corridors where demand continues to rise, and planning effectively for large-scale events across the region. We will also invest in improvements to PRESTO products and services to support a more seamless customer experience. These actions help ensure transit remains reliable, responsive, and better aligned with how people live and work.

Engaged People

Our people power our performance. In 2026–27, we will strengthen strategies to attract and retain talent, use data to better understand the employee experience, and take action where improvements are needed. We will continue fostering a culture where employees feel heard, supported, and accountable for results.

We will also invest in the skills and capabilities needed for this Canadian moment as we deliver major infrastructure, respond to evolving customer expectations, and build a resilient and high-performing organization that is ready to serve a rapidly growing region.

I'm excited for what's ahead.

My best,

Michael

Executive Summary

Metrolinx's 2026-27 Business Plan outlines strategic direction and multi-year priorities as the organization continues to work with partners and stakeholders to safely plan, build, and operate an integrated transit network. This business plan also demonstrates Metrolinx's commitment to key government priorities for 2026-27, which includes transforming into an innovative, sustainable, and accountable organization, delivering better service in the most efficient manner while successfully delivering exceptional customer and community experiences.

Over the last several years, Metrolinx has been cultivating a culture of continuous improvement to build and enhance the necessary capabilities and methods to properly and safely deliver significant regional transit and transportation priorities. Metrolinx is in the midst of transforming the GO Transit network into a comprehensive, two-way, all-day network; delivering on key Government of Ontario 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 the PRESTO payments system to deliver superior flexibility for future innovation; and continuing to build on programs such as One Fare to enable seamless fare and service integration. The coming years will be critical as Metrolinx delivers enhanced service offerings, ensures value for taxpayers' money, and continues to make travel across the region easier and more affordable.

The 2026-27 Business Plan was developed 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*. This business plan also outlines specific actions and activities that Metrolinx will undertake over a multi-year period to meet the Government of Ontario's priorities as outlined in the Annual Letter of Direction.

In delivering its priorities over the coming years, Metrolinx plans to continue embedding a culture of continuous improvement by building on systematic improvements established last year, which are aimed at increasing efficiency, maximizing effectiveness, strengthening the organization, and ensuring long-term financial sustainability. These proactive decisions and specific actions lay out a path for the organization's renewed focus on improving its cost recovery ratio (CRR), including:

- Focusing on value for money to increase effectiveness through cost control and commercial contract management to demonstrate Metrolinx's commitment to financial stewardship.
- Delivering improved and effective operations by optimizing service delivery, ensuring quality of operations, and balancing customer satisfaction.
- Maximizing revenue by building new ridership opportunities, implementing innovative revenue streams, and improving revenue recovery.
- Optimizing resources through Lean processes that continuously enhance operational efficiency and reduce waste.
- Reducing reliance on contracted professional services across capital programs to generate efficiencies.

At the same time, Metrolinx continues to make progress on its key capital projects, such as the GO Expansion program, advancing on complementary GO Transit improvements beyond the core GO Expansion Program, as well as moving forward with the design, construction, and closeout of various rapid transit projects that are currently underway. In delivering these priorities, Metrolinx is also committed to building meaningful and long-term relationships with First Nations. Metrolinx is dedicated to collaboration and partnership with First Nations and to improving transportation connections between First Nations and the GO Transit network.

Metrolinx will also implement targeted ridership growth strategies that drive tourism and leisure travel, support returned rider frequency, increase commuter and business travel, and pull in new riders. In addition, Metrolinx will also continue adjusting service levels, providing reliable service, ensuring a secure journey for its customers, and enhancing customer service to meet customer needs. Metrolinx will continue to unlock benefits from the completion of the PRESTO Transition Program in the form of substantial technology upgrades, improved performance, and scalability to further improve customer experience, as well as create a more simple, affordable, and seamless travel experience for customers.

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 Government of Ontario policies and plans. Metrolinx operates the regional transit network through its three service brands:

- GO Transit, a regional public transit service for the Greater Golden Horseshoe (GGH), serving more than 71.8 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 provide an alternative to tickets, passes, and cash.

Exhibit 1: Metrolinx Mission, Vision, and Values

OUR MISSION	OUR VISION	OUR VALUES
To connect our communities	Getting you there safer, faster, easier	We serve with passion, think forward, and play as a team

Guided by its Mission, Vision and Values, Metrolinx is gearing up its operations to deliver on its extensive transit expansion program. Through regular engagement with federal, provincial, and municipal partners and consultation with key stakeholders, including Indigenous partners and subject matter experts in various fields of transit construction and delivery, Metrolinx is creating an integrated regional transit network that will support a higher quality of life, a more prosperous economy, and a sustainable environment. This includes working with the government through regular in-year reporting and budgeting processes, regional roundtables with municipalities, consultation with impacted Indigenous communities at many milestones throughout the project lifecycle, and working with private sector partners through contractual framework to deliver capital projects. Metrolinx 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.

Metrolinx currently manages a GO train and bus asset base of approximately $25 billion, which includes rail tracks, fleet, stations, facilities, bridges, structures, and signalling and communication equipment. Over the next 10 years, Metrolinx's infrastructure footprint is significantly increasing through the delivery of new subway lines and extensions, new Light Rail Transit (LRT) lines, and new GO infrastructure, as well as bus corridors that will bring new stations and stops throughout the region, to transform existing rush hour commuter service into a more convenient transit experience with frequent all-day, two-way train service on core segments. Combined, these projects are projected to grow Metrolinx's asset base to over $130 billion over the next decade, with significant operational and maintenance requirements to ensure safe and effective operations for its customers.

Working closely with the Government of Ontario, 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 (IO) to advance the Government of Ontario's Transit-Oriented Communities (TOC) program, which leverages third-party investment to build vibrant, mixed-use communities within a short distance of transit stations.

Furthermore, Metrolinx is committed to shaping a sustainable transit system that will serve communities for the next century and beyond and reduce road congestion and environmental impacts by improving regional transit, accessibility and connectivity, making transit more resilient while shifting to more sustainable technologies.

In partnership with internal and external stakeholders, Metrolinx has determined key sustainability focus areas, listed below, that contribute to its long-term success. These focus areas are integrated and actioned through Metrolinx's annual strategic objectives, which set organizational direction for the year. This approach embeds a core sustainability focus within all Metrolinx business lines.

Key Sustainability Focus Areas:

- Managing direct and indirect greenhouse gas (GHG) emissions
- Sustainable and resilient infrastructure
- Equity, diversity, and inclusion
- Customer, employee, and public safety & security
- Employee health & well-being
- Equitable transit system
- Investing in the prosperity of the communities where we operate
- Operational efficiency
- Transparency & trust
- Accountability, audit, and oversight

Exhibit 2: Metrolinx Key Statistics as of December 31, 2025

604 km
of regional rail

71
GO and UP train stations in the GGH

2,902 km
of bus routes

13
post-secondary schools served by buses

48
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's goals span six strategic priorities: Everyone Safe, Deliver future Transit, Organizational and Financial Excellence, Trusted Partner, Satisfied Customers, and Engaged People, which along with its mission, vision and values guide the work of the organization. Each priority is supported by several strategic objectives which are tracked by measurable key performance indicators and are tied to annual targets. Performance is regularly reviewed, supporting data-driven decision-making, and ensuring accountability.

The annual corporate strategy is a core component of Metrolinx's strategic planning with divisions, teams and individuals aligning their annual goals to the priorities of the organization. The corporate strategy cascades throughout the organization, influencing divisional, business unit, team, and individual plans to achieve the objectives and targets. Each year, Metrolinx's annual corporate strategy is reviewed and updated to reflect the evolution of the business, its customers, government priorities, the external landscape, and its desired future.

Reflecting strategic priorities across projects, programs, initiatives and operations.

- **Everyone Safe** - Safety is the organization's utmost priority. The primary responsibility of any transit system is to ensure the safety of its passengers and employees. Prevention of accidents is essential for public trust and ethical operations. Metrolinx has a strong safety culture that is prioritized by all staff, underpinned by thoughtful initiatives and actions.
- **Deliver Future Transit** - "Deliver Future Transit" drives forward-looking focus for the organization and ensures we continue enhancing and future-proofing the transit network to drive value for the region. This brings focus on the work the organization does on planning, building, and ensuring resiliency of our network
- **Organizational and Financial Excellence** - This pillar puts emphasis on stewarding public resources responsibly, strengthening financial performance, and investing in the systems, structures and technologies that deliver stronger business performance. It prioritizes a focus on our operating model to ensure we are effective in not just "what we deliver" but also "how we deliver," embracing best practices, modern technologies, strategic workforce planning and resource management to enable the delivery of our ambitious mandate and drive value for taxpayers.
- **Trusted Partner** - The success of Metrolinx is closely tied to its relationships with partners and stakeholders, including the communities touched by our operations and projects, the government, and industry. Whether in our day-to-day operations, construction mandate, or delivery of the long-term vision, our partners help us deliver shared outcomes. Metrolinx recognizes the importance of fostering strong, reliable, and collaborative relationships and that its partners and stakeholders are critical to delivering our mission, vision, and mandate.
- **Satisfied Customers** - This strategic priority keeps our customers and service excellence at the centre of our work. A focus on customers helps Metrolinx deliver a service that meets passenger needs, strengthens accountability, and fulfills its public service mandate. Customer satisfaction directly influences ridership, public support, and long-term success. When riders are satisfied with the service, they are more likely to continue using transit and recommend it to others.
- **Engaged People** - Our people are the backbone of all that we do. Engaged employees drive performance, innovation, and the overall success of the organization. Developing an environment where our employees thrive and ensuring we continue to have the right talent to deliver the work is a priority for the organization.

2.0 Business Context

2.1 Business Environment

Various elements of Metrolinx operations continue to be impacted by the changing business environment. Metrolinx's budgeted costs and revenue in particular are impacted by recent trends in inflation, immigration policy, global trade uncertainty, return-to-office policies, and wage growth. To manage the impact of these business trends, Metrolinx adheres to strict expense management through its efficiency and effectiveness actions 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 business environment, which will continue to impact Metrolinx in 2026-27

- **Inflation rate increased to 2%** in June 2025 compared to the same period in 2024 and is projected to remain around the Bank of Canada's 2% target as easing fuel prices, and steady interest rates offset upward pressures from tariffs and trade uncertainty. The observed rate of cost escalation in non-residential construction has continued its long-term pattern of exceeding general consumer price inflation. This trend continues to impact Metrolinx costs for certain material, equipment, and construction services, as well as contractual obligations that are indexed to inflation.
- **Stricter federal policy on international students** impacting overall Metrolinx student ridership, which had been a key contributor to growth in GO fare revenue since pre-COVID. Recent observations on student boardings reflect a decrease, while overall GO boardings continue to grow during the same period.
- **Global trade uncertainty** impacting the economy overall, particularly in global trade and supply chains. The current tariff regime, including reciprocal tariffs by Canada on U.S. goods, poses risks to Metrolinx in the form of higher costs for imported construction materials, equipment, and energy supplies critical to ongoing and planned projects, as well as reduced availability of goods and materials.
- **Employees returning to office**, with recent announcements by major banks, media companies, and the Ontario Public Service (OPS), contributing to continued ridership growth, as well as associated service impact and costs.
- **Wage growth has remained strong**, with hourly wages for full-time employees growing by 3% in August 2025 compared to the same period in 2024. This could potentially 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 budget through quarterly forecasting.
- **Fuel prices remain volatile**, driven by the suspension of the federal fuel carbon tax, rising refinery costs, and ongoing market uncertainty. With fuel being a significant portion of Metrolinx's operating budget, Metrolinx costs may be impacted given the continued reliance on diesel fuel and natural gas for fleet operation. Metrolinx will continue to frequently analyze the futures markets for diesel fuel and engage 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 provincial 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, highlighted below, which Metrolinx has incorporated into its 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 its key organizational initiatives, which are designed to help transform its business to realize efficiencies and achieve better outcomes while managing costs.

Government Priorities for 2026-27

Protect Ontario

- Expand domestic partnerships within Canada to promote the development of supply chains and economic opportunities across Canada and support economic resilience, particularly in light of ongoing U.S. tariff threats and economic uncertainty.
- Procure from Ontario and Canadian businesses whenever feasible.
- Provide economic relief for Ontario families, consumers, and businesses by freezing government fees and fares, unless approved by the oversight Minister.

Deliver Better Services

- Focus on a user-centered client/customer experience by simplifying interactions, improving satisfaction, and expanding and optimizing digital service offerings.
- Identify opportunities to enhance efficiency, improve services, drive innovation, and achieve cost savings for the people of Ontario, including through the use of artificial intelligence (AI) and other advanced technologies.
- Eliminate unnecessary bureaucracy and red tape by applying Lean methodologies or other modalities to achieve operational efficiency.

Drive Innovation & Value for Money

- Find innovative solutions to use public resources efficiently and to effectively deliver on the agency's mandate while operating within the agency's financial allocation, supported by accurate financial reporting, effective internal controls, and proactive fraud management practices.
- Manage agency workforce with careful responsibility to stabilize expenditures and preserve long-term financial viability by:
  - Strictly adhering to the hiring control parameters, including ceasing hiring for non-business-critical and non-public-facing positions, including the use of consultants;
  - Operating within a defined maximum workforce size (including consultants);
  - Ensuring compliance with the *Broader Public Sector Executive Compensation Act* (BPSECA); and
  - Enhancing productivity and efficiency by using technology wherever possible.
- Create a span of control policy that recognizes different streams of work within the organization and sets minimum span of control benchmarks and provide it to the Minister for approval by March 31, 2026.
- Provide to oversight Minister by October 1, 2025 the amended human resource policy, guideline or directive that adheres to the OPS in-office standard of four (4) days per week effective October 20, 2025, and five (5) days per week effective January 5, 2026, and work with oversight ministry to address any office space constraints.

In addition to these government-wide priorities, Metrolinx continues to work together with MTO to deliver on transportation-specific priorities, including:

- Advancing delivery of capital projects across the GGH while at the same time managing construction impacts in the form of congestion, as discussed in Section 7.0 – Capital Projects.

- Planning to support future transit projects, which are discussed in Section 9.3 – Planning for Future Projects Through Robust Evidence to Support Decision-Making.
- Advancing fare and service integration, which are elaborated upon in greater detail under Section 9.2 – Simplifying Fares and Integrating Service in the Region to Increase Affordability and Convenience of Transit.
- Working toward completing the 2051 Regional Transit Plan while integrating equity considerations into transportation planning and decision-making, both of which are discussed in Section 9.1 – Updating the 2041 Regional Transportation Plan to the 2051 Regional Transit Plan (RTP).
- Efforts to monitor evolving business environment, including tariff risks, which are discussed in Section 2.1 – Business Environment and Section 3.1 – Operating Budget Summary.
- Improving and modernizing rail safety, as well as actions to combat human trafficking in alignment with provincial strategies, which are discussed in Section 5.1 – A Secure Journey for Customers and Improved Safety for Employees.
- Ensuring compliance with disability standards and advancing updates to French-language service action plan as discussed on Section 5.2 – Adjusting Service Levels, Providing a Reliable Service, and Enhancing Customer Service to Meet Customer Needs and Grow Ridership.
- Continuing to fulfill the duty to consult with Indigenous communities as discussed in Section 10.6 – Building Relationships with Indigenous Communities.
- Partner with municipalities and other transit agencies to ensure timely delivery of capital projects as referenced in Section 1.1 – Metrolinx Overview.

2.3 Ensuring Long-Term Financial Sustainability While Continuing to Deliver the Most Extensive Transportation Investment in Ontario’s History

Metrolinx is continuing its path toward financial sustainability through a renewed focus on improving the cost recovery ratio (CRR) in the organization’s annual budgeting process while at the same time continuing to gear up operations to deliver on its extensive transit expansion program.

Cost recovery ratio is a common metric used by transit systems that measures the percentage of expenses that are paid for by revenues. It is a key indicator of financial health that Metrolinx will prioritize as the agency moves forward with transforming the GO Transit network into a comprehensive, two-way, all-day network; delivering on Government of Ontario priority transit projects throughout the GGH; and transforming the PRESTO payments system to support future innovation. Metrolinx is also building on fare and service integration policies, including the One Fare Program, to improve affordability and convenience of public transit and assess options to modernize the GO fare zone structure. 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 Metrolinx as the agency continues to deliver on key government commitments while prioritizing actions that will increase efficiency, maximize effectiveness, build a strong organization, and position it on a path to cost recovery and long-term financial sustainability. To date, Metrolinx has built annual savings targets into its multi-year budget as part of its ongoing commitment to operational efficiency. From 2025-26 to 2027-28, Metrolinx has targeted significant savings from resource optimization and reducing reliance on third-party professional services, driving value for money in new and existing contracts, assessing options for service adjustments, leveraging technology to streamline time-intensive tasks, and pursuing new revenue streams. Metrolinx is committed to working with its Board of Directors and MTO to achieve the agency’s multi-year efficiency and effectiveness targets.

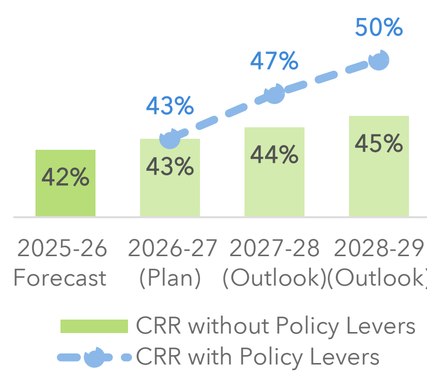
To deliver on these commitments and government priorities, Metrolinx's operating budget plan will focus on these key areas:

- **Transitioning to steady organic growth for revenue**, signaling a more stable and predictable post-pandemic operating environment supported by planned investment in service changes, tourism and leisure, returned rider frequency, increased commuter and business travel, and pulling in new audiences, as well as increased non-fare revenue through developing net new opportunities, customer experience enhancements from retail and commercial, accelerating advertising network, and lead generation and partner close.
- **Delivering a rail and bus service plan that matches shifts in customer behaviours and needs** to accommodate for shifts to peak and off-peak ridership, build network capacity, support increased return-to-office travel, and relieve crowding while balancing service to support rail track and station closures due to project construction.
- **Delivering ongoing oversight of operating and maintenance requirement of LRTs in service** and continued working toward successful delivery of future LRT and subway projects coming into service**.**
- **Optimizing resources** through Lean processes to enhance operational efficiency and effectiveness as well as consolidation, rationalizing and refocusing of roles, and reducing waste.
- **Unlocking benefits from the completion of PRESTO Procurement Program** in the form of substantial technology upgrades, improved performance, and scalability, as well as modernization of services necessary to operate PRESTO system.

Improving Cost Recovery and Long-Term Financial Sustainability

The Metrolinx Board recognizes the government's priority to provide economic relief to Ontario families by freezing government fares and fees. In October 2025, the Board endorsed a budget plan that included a number of revenue initiatives aimed at improving Metrolinx's cost recovery ratio (CRR) from 42% in 2025-26 to 50% by 2028-29. The Board approved budget was designed to balance the objective of revenue measures aimed at improving the organization's financial sustainability and the government's objective for freezing fares. After further consideration, the Board determined that, at this time, the latter objective is paramount and thus is deferring the identified revenue measures.

Exhibit 3: Cost Recovery Ratio Trajectory



Metrolinx is committed to keeping the cost of public transit affordable and has implemented several efficiency and effectiveness initiatives, including reducing our headcount and reliance on third party consultants for contracted professional services for the delivery of our capital program, refining our service offerings, and securing greater value from existing contracts. Metrolinx also continues to proactively and aggressively pursue non-fare revenue opportunities from advertising, partnerships, commercial and promotional space rental. However, these measures combined, can only partially offset rising operating costs due to expanding mandate, growing service, and inflationary pressures, resulting in an increasing funding requirement.

Metrolinx is now projecting a more marginal improvement of its CRR to 45% by 2028-29. Metrolinx continues to work with the provincial government to align on a process that brings stability to the agency's multi-year budget, cost recovery efforts, and operating subsidy without sacrificing the safety, service, or experience for customers.

3.0 Financial and Resource Summary

3.1 Operating Budget Summary

Metrolinx's operating budget plan reflects planned revenues and expenses as presented to the Government of Ontario and is subject to government approvals. This budget is based on fare revenue transitioning to steady organic growth, signaling a more stable and predictable post-pandemic operating environment, and lays out a path toward financial sustainability. This budget supports continued implementation of the most extensive transportation investment in Ontario's history, which will include delivering ongoing operating and maintenance requirements for capital projects, including LRT projects; increased rail operational capability to accommodate future optimal train service configuration; and unlocking benefits from the completion of PRESTO Procurement Program.

While moving forward with these major deliverables, Metrolinx has also faced challenges affecting the public transit landscape, including inflationary pressures, uncertainties around tariffs, fuel price volatility, and ridership impact from federal policy on international students. In addition to continuously monitoring the financial impact of tariffs on its operations, Metrolinx plans to proactively address these challenges by prioritizing actions that will increase efficiency, maximize effectiveness, build a strong organization, and put the organization closer to the path to long-term financial sustainability. To meet this challenge, Metrolinx's operating budget incorporated opportunities to optimize its 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 2026-27, Metrolinx is projecting fare revenues of $613.9 million based on a ridership forecast of 81.4 million. Revenue collected from transit providers for the use of the PRESTO system is projected to be $142.8 million. Other non-fare revenue for 2026-27 is projected at $109.6 million, generated from activities such as advertising, track usage fees from corridor ownership, partnerships, interest on working capital, reserved parking, and commercial and promotional space rental. 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 is projected to be $16.6 million for 2026-27.

Exhibit 4: 2026-27 Operating Budget Plan

Revenue ($M)	2026-27
Fare Revenue	613.9
Payments (PRESTO) Non-Fare Revenue	142.8
Other Non-Fare Revenue	109.6
Proceeds from Sales of Assets	16.6
Total Revenue and Proceeds	**882.8**
Operating Expense ($M)	
Operations	620.5
Operating Labour & Benefits	683.7
Facilities & Track	283.5
Equipment Maintenance	210.0
Supplies & Services	300.3
Total Expense	**2,098.1**
Planned Subsidy Requirement	**1,215.2**

Note:
- Operating budget figures reflect Metrolinx planned revenues and expenses as presented to the Government of Ontario and excludes the impact of government-funded fare integration programs, e.g., One Fare Program.
- Operating Expense also includes long-term interest on capital projects.
- Metrolinx's plan also maintains operating reserve of approximately 2% of total expense to manage unforeseen pressures throughout the fiscal year.

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 expenses accounts for 30% 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 33% of the total operating expense budget. As of December 31, 2025, Metrolinx's workforce consisted of 7,174.5 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 14ent of the total operating expense budget and includes rent, property taxes, hydro, winter maintenance, and other facility repairs. Equipment maintenance accounts for 10%of the total operating expense budget, covering support services, inventory, inspections, and yard operations. Finally, supplies and services represent 14% 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. Specifically for 2026-27, 50% of the projected diesel volume is hedged at rates that will ensure cost certainty and drive savings of $2.6 million when compared to the budgeted rate. Metrolinx also faces increasing work complexities related to legal and commercial complexity; contractual, stakeholder, safety, and asset management risks; and fulfilling the duty to consult with Indigenous communities.

Revenue and proceeds are expected to transition to steady organic growth of 5% in 2026-27, with total fare, non-fare revenue, and proceeds from sale of asset combined forecasted at $882.8 million. Please refer to Section 4.0 – Financial Sustainability Through Ridership Growth and Expansion of Non-Fare Revenue for further details on ridership and revenue assumptions and Section 8.0 – Sustainable Revenue Generation Through Development Transactions and the Real Estate Strategy for further details on proceeds from sale of assets. Total expenses for 2026-27 are projected at $2,098.1 million, including $51.6 million in long-term interest on capital projects. The total provincial operating subsidy requirement for 2026-27 is projected to be $1,215.2 million. Metrolinx continues to manage its operating budget through the implementation of actions that improve the organization's efficiency and effectiveness, resulting in service efficiencies, as well as identification of new and innovative revenue opportunities.

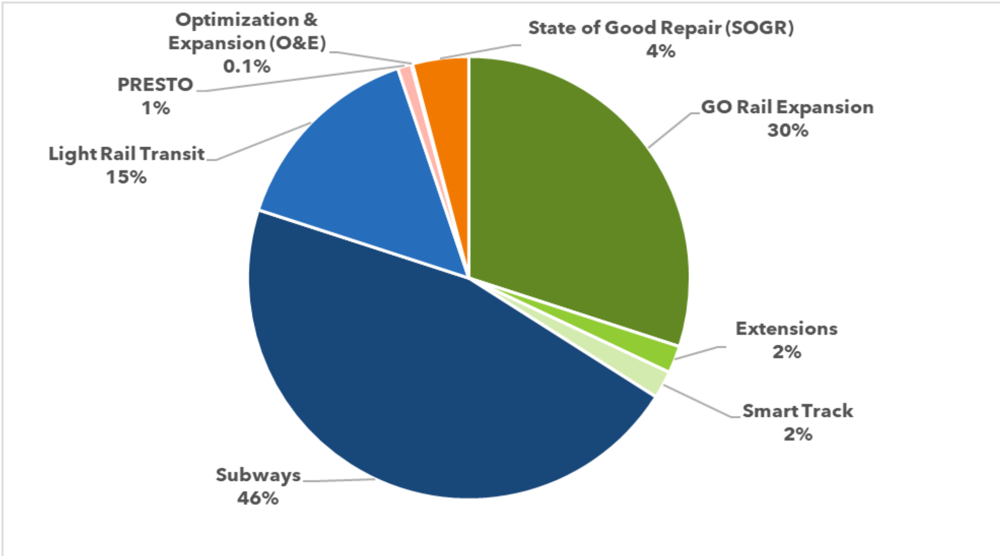
3.2 Capital Budget Summary

Metrolinx's capital plan reflects the major investment in 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, in addition to the technology and fare payment systems that support regional and municipal transit services.

Based on the budget submitted to the Government of Ontario in Fall 2025, subject to approvals, Metrolinx is projecting a capital budget of approximately $11.6 billion in 2026-27 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 5 provides a breakdown of the types of investments in the capital plan by the percentage of total.

Exhibit 5: 2026-27 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 post-pandemic, including customer behaviour changes, increased leisure and off-peak travel, and return-to-office mandates in the fall, all of which have reshaped commuter travel patterns, culminating in a record-high annual ridership projected to 78.8 million by March 2026. In 2026-27, ridership is projected to continue growing in a more predictable operating environment, supporting stable and sustainable fare revenue growth. As Metrolinx advances its capital projects through construction, major track closures, and related operational impacts, customer communication and marketing will continue to prioritize advanced riders, helping them navigate alternate travel plans.

Metrolinx will sustain ridership growth at more moderate levels, reflecting these realities, with a continued focus on tourism and leisure through planned investment in service and sports partnership with the Toronto Blue Jays, Maple Leaf Sports and Entertainment (MLSE), Honda Indy and the FIFA World Cup 2026 for elevated fan experience. With the direction on return-to-office, Metrolinx will sustain the peak growth momentum with customer campaigns highlighting the benefit of transit for commuting to work.

In addition, through its non-fare revenue outreach, Metrolinx will continue to prioritize customer experience partnerships to support fare revenue, value-add incentives, amenities, and event promotion. Non-fare revenue strategic plans will provide sustained year-over-year growth, while supporting high-return-on-investment initiatives, revenue gains, and the pursuit of operational and cost efficiencies.

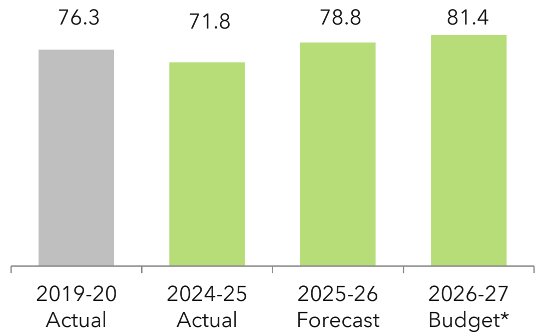
4.1 Implementing Targeted Growth Strategies to Drive Steady and Sustainable Growth in Ridership

Metrolinx ridership growth remained strong in the first three quarters of 2025-26, driven by four T-R-I-P growth strategies: Tourism and leisure momentum, Returned rider frequency, Increase commuter & business travel, and Pull in new audiences, with growth across all corridors and strong weekend off-peak leisure and peak travel gains. Ridership for GO Transit and UP Express is anticipated to grow by 9.8% and reach 78.8 million in 2025-26, with continued growth into 2026-27.

Tourism and leisure travel continue to see strong demand generation, with gameday fan experiences around major sporting partnerships; concert and event service schedule flexibility; and audience-targeted advertising, pre-promotion, and contests driving strong year-over-year growth. Peak ridership continues to grow as more commuters return to downtown offices, supported by customer communication of service improvements and transit benefits. New partner offers continue to incent ridership frequency and deliver customer value.

Metrolinx newcomer and multicultural customer campaigns, including dates of significance event promotions and UP Express travel campaigns, continue to resonate with customers and increase brand awareness and affinity.

Exhibit 6: Metrolinx Ridership (Millions)



Note: Ridership is calculated as Rail Boardings plus Bus Boardings less Transfers across both train and bus routes.
*2026-27 Budget ridership as presented to the government.

Continuing to build upon the four T-R-I-P customer-targeted growth strategies to drive steady and sustainable growth in ridership

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1. **Tourism and leisure momentum –** Sustain leisure travel and tourism by prioritizing destination, sport, concert, and event communication and collaboration with regional tourism partners.
   - Metrolinx will leverage strategic partnerships with MLSE and the Toronto Blue Jays to build fan connections, excitement, and ridership through value-added PRESTO Perks, contests, and gameday activations.
   - 2026-27 will be a significant year for sports, particularly in the summer months, when efforts will be anchored in supporting the FIFA World Cup. During this time, Metrolinx will drive transit choice for tourists with the GO-UP-TTC Transit Pass product in digital pass and physical card options and for residents with the World Cup-themed commemorative PRESTO card.
   - With the Honda Indy inaugural launch at Unionville GO, Metrolinx will prioritize driving awareness of the location change and GO Stouffville Line as the best way to get to the event. GO leisure and sports “Get there with GO” campaigns will underpin event awareness, benefit communication, and support demand generation and conversion.
2. **Returned rider frequency –** With new GO and UP stations in service, including Light Rail Transit (LRTs), Metrolinx will amplify customer awareness and support of schedule frequency to encourage returned-rider additional trips through “Good to GO” and UP “Things are Looking UP” campaigns.
   - PRESTO regional campaign will continue to encourage regional ridership in support of One Fare.
   - GO will prioritize customer communication and support during major track closures, including On the GO alert sign-up campaigns, GO Etiquette, and Metrolinx “Safety Is” campaigns to underpin customer satisfaction.
3. **Increase commuter and business travel –** Re-attract business travellers and return-to-office commuters through optimized service and schedules, geo-targeted GO campaign communication to support commuter audiences, and highlighting the benefits of choosing transit.
   - Sustained GO student campaign and campus activations will continue to grow awareness and sign-up of youth/student discount.

- Customer partnership offers will continue to provide added value and incentives to drive trip frequency.

4. **Pull in new audiences –** Attract new audiences to support future ridership by sustaining awareness and customer engagement through inclusive campaigns with newcomers and multicultural audiences and outreach to inbound UP Express international travellers for tourism, concerts, and sports to the region, including the FIFA World Cup 2026 and the Honda Indy.

4.2 Delivering Non-Fare & Customer Partnership Opportunities to Support Financial Sustainability and Augment Customer Value

Metrolinx continues to deliver innovative customer partnerships and non-fare revenue initiatives and is actively exploring new opportunities to maximize revenue, enhance the customer journey experience, and generate incremental revenue to improve cost recovery. Non-fare revenue primarily includes customer experience and strategic corporate partnership revenue, advertising, and retail 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: Develop net new opportunities, Experience enhancements from retail and commercial, Accelerate advertising network, Lead generation and partner close. These will be delivered through expansion of the digital advertising network, a robust pipeline of potential partners, and a focus on expanding the retail network to enhance the customer experience at stations and throughout the journey.

Continuing to maximize non-fare revenue and customer experience partnerships

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Drive Innovation & Value for Money

- **Develop net new opportunities:** Driving incremental revenue growth through the proactive development of new revenue streams, expanding existing streams, and working with internal stakeholders to pursue revenue and operational cost efficiencies through partnership opportunities.
- **Experience enhancements from retail and commercial:** Continue to maximize Metrolinx property for alternative uses, with a focus on expanding customer journey amenities through flexible and self-serve retail, revitalized food and beverage options, quick service restaurant offerings such as Tim Hortons and Second Cup, and tapping into events at station property that build community connections and engagement. A renewed focus on high-return-on-investment events promotion with PRESTO Perks offers and incentives will enhance customer journey satisfaction.
- **Accelerate advertising network:** Focus on accelerating the construction and installation of new advertising structures, including digital signage such as billboards, and continued rollout of digital in-station advertising to maximize revenue.
- **Lead generation and partner close:** In fiscal year 2026-27, Metrolinx will continue to focus on building a diverse portfolio of world-class corporate partners, such as the ongoing strategic UP partnership with Porter, GO Transit partnership with CIBC, PRESTO partnership with Interac, and collaborations at Durham College Oshawa GO and Brampton District Innovation GO, to deliver shared objectives of customer experience, engagement, and value-add incentives to drive ridership and revenue growth.

5.0 Operations

Metrolinx's GO Transit and UP Express services provide essential regional transportation across more than 11,000 square kilometres, serving a population of over seven million, from Brantford 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. As customer needs evolve and the transit landscape continues to shift, Metrolinx continues to maintain commitment to delivering a safe, reliable, and customer-focused journey while adapting service levels to meet growing demand and customer needs.

5.1 A Secure Journey for Customers and Improved Safety for Employees

At Metrolinx, safety is a top priority and upholds its responsibilities, under the *Metrolinx Act, 2006*. As the organization advances its safety transformation journey to provide the safest services, stations and workplaces for employees, customers, contractors and communities, it is committed to implementing continuously improved programs and processes that will reach new heights of safety for operations, construction activities and employees.

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

Deliver Better Services

- **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 Government of Ontario to establish a comprehensive regulatory and safety oversight framework for Light Rail Transit as Finch West and Eglinton Crosstown move into revenue service. Drive improvement in safety culture with visible leadership commitment and build trust and confidence in employees.
- **Maintaining implementation of the Prohibition of Open Line Working and continuing to operate under Green Zone Working,** reinforcing a strong commitment to proactive worker safety, driving productivity and safety improvements across all rail corridors and enhancing network-wide coordination. Open Line working is when rail maintenance and construction personnel work on or close to the operational railway without engineering controls to protect workers from train movements. The Prohibition of Open Line Working program continues to challenge the status quo and leads in advancing Canadian railway work practices by using engineering controls to fully separate workers from train movements, eliminating exposure to live track. Metrolinx will continue to advance this program and continue to deliver GO Expansion safely across the network.
- **Continuing to embed a positive culture of reporting and data-driven decision making** across the organization and Metrolinx partners through 24/7 incident responses, monitoring daily operation deliveries and driving focus on near-misses to achieve a Lost-Time Injury Frequency Rate (LTIFR) for all parties of 0.5/200,000 hours worked, increase reporting of near-miss incidents across operations and construction, and reduce rule and procedural violations for rail and fleet operations, rail construction and maintenance, and track protection compared to previous fiscal year end. For further detail on the LTIFR metrics, please refer to Section 11.3 Performance Measures and Targets. Metrolinx is actively shifting to a stronger focus on proactive risk measures and using leading indicators with defined metrics to prevent incidents.
- **Minimizing risk levels and strengthening the safety framework** by embedding the System Safety Assurance (SSA) program, which provides governance for safe design, construction, commissioning, operation, and maintenance of network changes; rolling out a fully compliant

Safety Management System; and advancing safety risk modelling and intelligence to support risk-based decision making.

- **Continuing to advance commitment to a safe and sustainable environment** through the Enterprise Environmental Management System, increasing operational waste diversion and reduction in greenhouse gas emissions. Metrolinx will strengthen sustainable operations through efficient design practices, including the introduction of the new fleet as part of our bus operations.

Making important progress in customer protection services

Deliver Better Services

- **Increasing staff presence across the network,** including on platforms, at the stations, to support customers and reinforce safety standards. This is further strengthened by increased security personnel at the Union Station Bus Terminal (USBT) and enhanced visibility of Station Safety Ambassadors at priority stations to reduce incidents of violence and disorder, improving safety for staff and customers through proactive engagement with vulnerable individuals, connections to community services, and a consistent, trusted presence across the network.
- **Deploying Station Safety Ambassadors to priority stations** during non-service hours to secure locations and ensure staff and customers arrive to a clean, safe environment, supporting a positive start to service.
- **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 the customers and communities served.
- **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 per million customer journeys, in comparison to the previous fiscal year.
- **Expanding the presence of Customer Protection Officers across the network** to strengthen crime prevention and disorder management, enhancing safety for staff and customers through proactive engagement and visible safety presence.
- **Metrolinx is strengthening protections for Missing and Murdered Indigenous Women, Girls, and Two-Spirit (MMIWG1S+) communities, including vulnerable persons** by ensuring all CPS frontline officers and duty managers are trained in inclusion and human trafficking awareness training, by leveraging partnerships with police services, Indigenous communities, and transit partners to better identify, prevent and respond to human trafficking. Additionally, Metrolinx will further its commitment to customer and community safety by increasing visibility of anti-human trafficking resources (e.g., posters, decals) across rail and bus fleets and stations.

5.2 Adjusting Service Levels, Providing a Reliable Service and Enhancing Customer Service to Meet Customer Needs and Grow Ridership

Metrolinx provides regional rail service along the following GO Transit network corridors: Lakeshore West, Lakeshore East, Milton, Kitchener, Barrie, Richmond Hill, and Stouffville, as well as airport service through UP Express, in combination with the regional bus service, supports an annual ridership of over 71 million. To support this and the growing demand, Metrolinx continues to review and to provide customers with levels of service that match demand and connects customers to where they need to go, while ensuring a reliable service through mature transit planning practices, processes, and governance. Going forward, Metrolinx remains committed to supporting ridership growth and demand; by improving the customer experience, delivering a seamless, efficient and comfortable journey and demonstrating consistency, operational resilience and stability, while delivering major construction and state-of good repair across the network; unlocking enhanced service opportunities.

Metrolinx continues to enhance the quality of station and bus terminals , and the overall customer experience through accurate real-time information, safety and security initiatives, cleanliness and improving ambiance at the station and onboard, while maintaining a commitment to sustainable operations through waste diversion and the integration of Leadership in Energy and Environmental Design (LEED) principles to improve energy and water consumption. Introducing new customer-focused initiatives to prepare passengers for future service complexity and support through ongoing network expansion, driven by a consistent focus on reliability, clear communication and targeted improvements along the customer journey. Frontline staff will continue to provide critical real-time support during high-volume travel periods, reinforcing platform safety and situational awareness, while automated announcements and onboard messaging further strengthen passenger awareness and support safe behaviour across the network.

Supporting Ridership Growth through Improved Rail Service Offerings

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Drive Innovation & Value for Money

- **Optimizing and aligning rail services to match demand**, expanding peak and off-peak travel options, supporting leisure travel, preparing for increased ridership during the FIFA World Cup and major events, and ensuring safe, reliable, customer-focused service.
- **Expanding service** through additional peak and counter-peak services to support increased return-to-office travel, relieve crowding on corridors where demand continues to increase, as well as introducing additional service options to support growing markets, ease capacity pressures, and enhance customer experience.
- **Improve service reliability and resiliency** by incorporating proactive measures and monitoring to minimize service disruptions, ensure asset availability, faster response times, robust contingency plans, and enhance customer communication during periods of disruption.
- **Effectively plan and manage major track closures**, minimizing impacts to customers during closures and service disruptions.
- **Balancing service and access demand** for construction, increasing the need for major track closures required to deliver capital programs and the impacts on resources to deliver reliable alternative travel options to keep customers moving. Metrolinx is committed to exploring options to deliver capital programs, unlocking enhanced infrastructure and services, while advancing key initiatives to enhance fleet and modernize the network to execute construction and deliver service safely.
- **Balancing finite resources with growing demand**, Metrolinx continues to prioritize rail service enhancements where ridership and market demand persist, ensuring improvements are strategically placed to maximize customer benefit. Following the pandemic, shifting travel patterns and emerging growth areas have reshaped the region's transit landscape. Metrolinx closely monitors ridership trends and emerging markets to ensure every added train is deployed with intention, reinforcing service where it is most needed and where it delivers greatest value for customer.
- **Committed to maintaining a state of good repair** across rail assets and preserving the reliability of existing services, ensuring the network operates safely, efficiently, and sustainably as demand evolves.
- **Establishing robust system integration processes** to ensure that the tracks, signals, fleet, civil infrastructure and all other assets and systems, both existing and new, work together and that they support Metrolinx's intended operations and levels of service.
- **Implementing strategic asset development initiatives,** including by delivering an improved cost-effective heavy rail refurbishment program, reduce level crossing risk, as well as advancing on Autonomous Testing Track Infrastructure (ATTI) systems.

Providing excellence in customer service at stations and facilities to new and returning GO and UP customers

Deliver Better Services

Drive Innovation & Value for Money

- **Balancing finite resources while delivering a strong customer experience,** Metrolinx continues to operate within fixed rail and bus infrastructure and limited operational resources. To meet growing customer demand, Metrolinx focuses on maximizing the utilization of existing services. As modernization and construction progress across the network and as post-pandemic travel patterns and unique rider needs evolve, Metrolinx applies innovative, data-driven planning to ensure service is aligned to where customers travel today. This approach supports excellence in the customer journey by optimizing service utilization, strengthening communications, and enhancing customer support through frontline staff.
- **Continuing to implement a comprehensive approach to supporting customer experience during station construction** through proactive communications, real-time feedback, and ongoing monitoring of customer impacts. Metrolinx is setting clear customer satisfaction targets for stations under construction and strengthening coordination across teams through the Customer Experience Management Plan (CEMP) Control Board. Communications are being enhanced across all channels, including alerts, signage, and social media, to ensure customers understand upcoming changes and the purpose of expansion work.
- **Improving wayfinding and customer communication** by modernizing digital signage and strengthening communication channels to ensure customers receive the right information at the right time through a multi-channel approach, automating accurate schedules and unifying real-time updates for rail and bus.
- **Continue to strengthen safe and reliable operations** through proactive maintenance, audits, and responsive service, while mitigating safety risks and addressing concerns to remain dependable and deliver a seamless journey for new and returning customers.
- **Developing a customer-centric approach to station design** that incorporates feedback and innovative service design principles to enhance amenities and accessibility, supported by proactive maintenance, targeted station improvements, improved staffing coverage, and increased staff presence across the network.
- **Explore and implement strategic parking options and access initiatives for customers** to optimize existing capacity and align parking product offering to customer demand, and support ridership growth.
- **Collaborating with municipalities and service providers** toward improved access to GO stations, including station access upgrades, improved local bus and pick-up-drop-off facilities at stations, new bike infrastructure and collaboration with local municipal planning to help customers get to their GO station.
- Ensuring that the services Metrolinx offer comply with Government of Ontario standards, including **compliance with French Language Services Act (FLSA)** through bilingual printed schedules, billing information, dynamic signages at stations and terminals, dedicated French language email account.
- Metrolinx will continue to comply with the ***Accessibility for Ontarians with Disabilities Act* (AODA) and meet customer expectations** by making services, vehicles, and stations on the GO & UP network accessible for customers with disabilities. Metrolinx will continue to advance actions identified as part of the 2025-2029 Metrolinx Multi-Year Accessibility Plan.
- **Focus on key customer priorities** throughout the customer journey, by monitoring feedback, adopting a journey-stage approach and utilizing insights to develop targeted improvements.

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

The Greater Golden Horseshoe (GGH) is projected to exceed 12 million residents and support 5 million jobs, solidifying it as Canada's most economically vibrant region. Accompanying this growth, the region's travel demand is expected to surge by over 50 per cent. Metrolinx is addressing this growth by delivering key investments designed to redefine transportation and support a higher quality of life, boosting economic prosperity and competitiveness. A significant milestone was achieved on April 5, 2025, with the launch of the GO Bus Route 15 extension to the Six Nations of the Grand River and Mississaugas of the Credit First Nation, marking the first time GO Bus services directly connected these communities.

However, there remains a key gap: improving transit connectivity for customers travelling across the 905 communities, including First Nation communities, where feasible. Travel within and between these communities is projected to be a significant part of the GTHA's total travel demand. Without strategic improvements, communities could see increased journey times and congestion, crowding, reduced reliability and impacts to connectivity.

In response to evolving transportation needs, Metrolinx is implementing the Regional Express Bus (REB) strategy, a transformative plan to advance the GO Bus network. The strategy will shift GO Bus's traditional role as a support service for GO Rail to one that supports high customer demands along key transit corridors in addition to supplementing rail service. The REB strategy will enable a bus network that primarily operates along major highways and between key regional centres with an emphasis on speed, frequency, reliability, ridership demand and cost-effectiveness; focusing on the regional role of GO Bus, while supporting improved connections with local transit and aligning with regional transportation enhancements, such as subways, rapid transit, and GO rail expansions. This transformation will continue growing the GO ridership and ensure that the needs of the growing region are met with integrated, efficient and reliable transportation.

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

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Deliver Better Services

Drive Innovation & Value for Money

- **Transforming the GO Bus network** into a high-frequency network with core GO Bus routes focusing on key regional corridors with higher ridership demand. This will also include bus connections to new rapid transit projects to create seamless connections in key suburban markets.
- **Streamlining and consolidating select bus routes** to enhance reliability, simplify the bus network, create consistency and reduce service duplication with local transit and GO rail services and maximize the benefits of committed transit investments (e.g., GO Expansion).
- **Optimizing bus service in response to ridership trends, ridership growth and changing travel patterns** (e.g., accommodating growth in areas such as discretionary travel), re-directing ridership to services with greater capacity, addressing overcrowding, and improving connections with First Nations communities and expanding services to meet their needs.
- **Connecting GO Transit with major hubs in the region** to offer improved connections to key destinations and seamless integration with local transit services, GO rail, and private bus operators, extending customer reach.
- **Continuing to redeploy bus resources** to support major track closures, through bus bridging services and deployment of additional resources to offer alternative travel options and reduce customer impacts.
- **Building on the One Fare Program** by offering direct routes to key destinations to extend customer reach, including extensions, new variants, and additional stops; integrating with other local transit services and continuing to improve transit affordability and accessibility.

5.4 Rapid Transit Operational Oversight and Strategic Delivery

In 2026–2027, Metrolinx will assume primary responsibility for the operational oversight of Line 5, Eglinton Crosstown Light Rail Transit (ECLRT) and Line 6, Finch West Light Rail Transit (FWLRT) ensuring both lines deliver safe, reliable, and customer-focused transit service.

Working in close partnership with the Toronto Transit Commission (TTC), the City of Toronto, and maintenance service providers, Metrolinx will provide integrated performance oversight across infrastructure, fleet, systems and operations through disciplined governance, structured measurement, and proactive system management. This comprehensive, data-driven model will strengthen reliability, improve asset lifecycle performance, and enhance operational resilience.

Providing operational oversight to strengthen performance, enhance system resilience, and ensure consistent, high-quality transit service

Deliver Better Services

Drive Innovation & Value for Money

- **Work directly with maintenance partners** to align asset management practices with operational performance outcomes, ensuring infrastructure, systems, and vehicle fleets operate reliably and efficiently through coordinated operational governance and structured performance oversight.
- **Establish integrated performance reporting** across fleet, systems, operations, and infrastructure, and monitor preventive and corrective maintenance cycles to reduce service interruptions.
- **Conduct joint coordination and performance reviews** to identify recurring issues and systemic risks and apply lifecycle management strategies optimize long-term asset reliability and cost efficiency.
- **Strengthen alignment and streamline collaboration across stakeholders** by streamlining communication channels between operations and maintenance teams, and enhancing incident response coordination and recovery protocols
- **Leverage data analytics, trend analysis, and risk-based monitoring** to proactively manage system reliability, reduce downtime, improve asset availability, and enhance overall passenger experience.
- **Strengthen performance oversight by;** monitoring service KPIs of availability, on-time performance, mean distance between failures, and customer impact metrics; utilizing predictive performance modeling to identify emerging risks; conducting root cause analysis of service-impacting events; benchmarking performance against contractual requirements and industry standards; refining reliability growth strategies based on results and trends.
- **Embed continuous improvement methodologies** to drive measurable service enhancements

Metrolinx provides operational oversight of the Bus Rapid Transit (BRT) assets, including the Mississauga Transitway, and, through its partnership with the York Region, supports the safe operation of Viva BRT. This mandate includes delivering capital and project management for new and state-of-good-repair BRT infrastructure and supporting planning for future corridors aligned with the 2051 Transportation Plan.

In 2026-27, the focus will be on advancing state-of-good-repair and new capital projects across existing BRT corridors, alongside key customer-facing bus infrastructure improvements, such as the University of Waterloo Bus Terminal, University of Toronto Scarborough Bus Terminal, and Pickering GO Bus Loop. Work will continue to progress for the Durham–Scarborough, Dundas, and Queen–Hwy 7 BRT projects toward implementation. To strengthen safe and efficient operations, Metrolinx will strengthen vendor performance and an enhanced Safety Management System across both BRT corridors, supported by clear standard operating procedures, for compliance, incident management, and maintenance coordination. Key operating agreements with the City of Mississauga and York Region will be finalized, and customer insights will be incorporated through targeted research to improve station satisfaction. The Operator and Maintainer for the Hazel McCallion LRT has been onboarded through an integrated delivery approach. Metrolinx is working closely to ensure operational and maintenance requirements are embedded throughout design, construction, testing, and commissioning, supporting a seamless transition from construction to revenue service.

For rapid transit projects in delivery, operational readiness will be embedded early to ensure assets are delivered with consideration to long-term sustainability. This includes reviewal of design documentation for maintainability and lifecycle efficiency, confirming system integration supports operational requirements, aligning specifications with maintenance access and asset replacement strategies, and participating in readiness reviews and operational acceptance. By integrating operational oversight during the design and construction, future lifecycle costs and operational risks will be reduced, enabling a smoother transition from project delivery to revenue service.

Through governance, cross-functional collaboration, and data-driven performance management, this structured oversight model strengthens availability and reliability, enhances operational resilience, optimizes lifecycle asset performance, and improves the customer experience, positioning Metrolinx as an operational leader and a strategic partner in delivering sustainable, high-performing transit infrastructure.

6.0 PRESTO

PRESTO is Metrolinx's fare payment system that seamlessly connects 11 transit agencies across the GTHA and Ottawa. In 2025-2026, a significant focus for Metrolinx was the successful transition of the PRESTO system and services to multiple vendors that will enable the organization to deliver solutions faster and more efficiently to the public.

In 2025, transition of PRESTO systems and services meant software updates to PRESTO devices were completed to enable card conversion to the new account-based system; the migration of Digital Payments (Open Payment and Mobile Wallet) to the new account-based ticketing system was completed successfully; and enhancements to digital channels, including a new website and app, were built and will publicly launch for customers in 2026. As part of the transition program, the Metrolinx Integrated Contact Centre also launched in 2025, providing support for customer inquiries across all Metrolinx brands, including GO Transit, UP Express, and PRESTO.

Metrolinx also delivered several PRESTO initiatives that made transit more convenient, accessible, and secure for customers across the region and achieved a record-high satisfaction rate of 88% in May 2025.

Metrolinx fully enabled the TTC Eglinton Crosstown and Finch West LRT projects with PRESTO equipment, ensuring these new rapid transit lines would open with modern, reliable payment options for customers. To improve access to PRESTO for cash-paying customers, Metrolinx rolled out PRESTO fare vending machines to priority neighbourhoods in Toronto that were identified as having limited retail access to PRESTO services, helping bridge equity gaps and improve fare accessibility. These devices allow customers to purchase and reload PRESTO cards, set fare types, and manage their accounts using cash, debit, or credit.

A PRESTO pilot launched in September at five high-traffic No Frills stores in Toronto and Ottawa, offering customers an exclusive limited-edition No Frills PRESTO card, in-store reloads, and fare-type setup. To support first-mile/last-mile travel, Brampton Transit introduced a pilot with Argo to support on-demand electric transit service in Brampton, integrated with PRESTO. Through partnership with Brampton Transit, PRESTO devices were installed on Argo X1 electric buses, enabling fully integrated transfers with Brampton Transit and GO Transit under the One Fare Program.

Metrolinx's newest fare payment options, PRESTO Contactless using credit or Interac debit and a virtual PRESTO card in mobile wallet, continue to grow in popularity. These options combined now represent 40% of the overall PRESTO product mix.

Metrolinx is committed to elevating the PRESTO customer experience by collaborating with its transit agency partners to meet policy requirements and by ensuring the system operates at a high standard. These efforts will continue to move PRESTO toward easy payments connecting more seamless journeys.

Exhibit 7: PRESTO Key Statistics as of December 2025

5.1 million
PRESTO customers

85 per cent
PRESTO Customer Satisfaction Score (Monthly Average)

2.1 million
Average boardings per day

>248 million
PRESTO Contactless Boardings since launch

6.1 PRESTO Transition Program

As of 2026-27, the PRESTO Transition Program has replaced legacy services and systems with new contracts segmented into various capabilities and responsibilities, ensuring the long-term sustainability of the PRESTO system. While the PRESTO transition program will conclude this year, Metrolinx will continue to unlock the benefits of these new systems and services for years to come with easier adaptability to evolving technology, reduced complexity of ongoing change, improved access and equity for customers, and enhanced vendor accountability for the delivery and operation of the PRESTO system.

Unlocking Benefits of PRESTO Transition Program

Deliver Better Services

- **Unlocking benefits from the completion of PRESTO Transition Program** in the form of substantial technology upgrades, improved performance and scalability, and modernization of services necessary to operate the PRESTO system, as well as generating efficiency from decommissioning of the legacy system**.**
- **Converting Customer PRESTO cards to an Account-Based System with** seamless migration and transition for existing customers from current stored-value card-based system to the new account-based system.

6.2 PRESTO Customer Experience

Metrolinx strives for an excellent PRESTO customer experience and has continued to invest significantly in product and service improvements. Metrolinx has achieved an excellent customer satisfaction score in 2025 with an average sore of 85% between April and December. Key drivers include faster customer support response times, device performance improvements, and ongoing program enhancements like expanded PRESTO Perks discounts.

Going forward, Metrolinx will continue to build on this success, further unifying the fare payment experience, and will continue its efforts to further enhance the customer experience

Deliver Better Services

- **Leveraging the new PRESTO system and services** to introduce real-time remote loading, account updates, and transaction display for the PRESTO fare payment system, as well as the ability to freeze a PRESTO card and faster replacement of lost cards.
- **A new PRESTO website and enhanced PRESTO app**, including website management of mobile wallet cards; improved management of saved payment methods; and a refreshed design for a more intuitive user interface.
- **PRESTO device/equipment planning/installations** for Hazel McCallion LRT, Ontario Line, Scarborough Subway Extension, Yonge North Subway Extension, ECLRT West Extension.
- **Building on cybersecurity improvements** to continue to safeguard sensitive data and mitigate evolving threats.

- **Continued expansion of the PRESTO Perks program** with new partners that deliver value to PRESTO customers through discounted offerings for destinations and services in the region**.**
- **Leveraging artificial intelligence and analyzing customer feedback** to identify potential additional customer experience improvements.
- **Supporting FIFA World Cup by delivering**:
    - A multi-Transit Agency pass product (Tourist Pass), a joint product between TTC, GO, and UP Express, offering unlimited rides. Sold in 3- and 5-day iterations.
    - World Cup-themed commemorative card for limited distribution during the event.
    - Support City of Toronto's obligation to provide free transit to volunteers on the day of their shift.

6.3 Supporting PRESTO Clients

Metrolinx continued to strengthen its relationship with transit agency clients–achieving a score of 73% in 2025–by continuing to ensure exceptional PRESTO system and device reliability and partnering on various priority agency initiatives.

Going forward, Metrolinx will build on these achievements and continue strengthening its relationships with all participating PRESTO transit agencies.

Deliver Better Services

- **Advancing the Client Contract Renegotiation Program** to secure new 10-year agreements ahead of the current contract expiry in November 2027.
- **Launching e-tickets and Machine-Readable Transfers** on TTC streetcars to allow customers to receive transfers that would allow entry to subway station faregates to support seamless travel.
- **Expanding PRESTO to Peel Region TransHelp i**n support of consistent fare and service integration across the region. TransHelp is a shared-ride public transportation service for people with disabilities who live in Brampton, Caledon, and Mississauga.
- **Mobilizing a Device Refresh Program** to prepare for PRESTO devices reaching end-of-life**.**
- **Exploring modern solutions that use customer analytics, automation, and artificial intelligence (AI)** to enhance the PRESTO service offering and deliver added value to clients.
- **Continue to seamlessly implement the One Fare Program,** making transit trips affordable and convenient by enabling transit riders to pay only once when transferring between the Toronto Transit Commission (TTC) and GO Transit, Brampton Transit, Durham Region Transit, MiWay, Peel Region TransHelp, and York Region Transit.

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:

- **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 Works, and On-Corridor Works. Complementary Works, funded separately by governments but also being delivered by Metrolinx's Capital Projects Group (GO & UP) division, further leverage GO Expansion's improved service levels to bring service to new markets, such as eastern Durham Region and new stations in Toronto.
- **Rapid Transit projects,** which will expand the region's network of subway and LRT lines to provide reliable and seamless connections and improved access to previously underserved neighbourhoods. Rapid Transit projects include building the Ontario Line, Scarborough Subway Extension, Yonge North Subway Extension, Eglinton Crosstown West Extension, Hazel McCallion Line, and the Hamilton LRT.

In delivering these projects, Metrolinx is committed to ensuring that environmental, legislative, and policy requirements are fulfilled throughout the project lifecycle through the completion of environmental assessments and due diligence, the obtaining environmental permits and approvals, and the implementation of vegetation guidelines such as planning and compensation of tree removals required to accommodate the construction and safe operation of its transit network. In addition, Metrolinx continues to minimize congestion around construction sites, including by developing detailed traffic management plans and working closely with local government partners.

7.1 GO Expansion

Through the GO Expansion program, Metrolinx is committed to transforming the existing GO Transit rail infrastructure to offer frequent all-day, two-way service on core segments of the network. In 2026-27, Metrolinx will be investing approximately $3.5 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.

EARLY WORKS

Early Works is a suite of projects that will prepare the rail network for the subsequent On-Corridor Works. Early Works include utility relocations; grade separations; track work; grading; retaining structures; noise mitigation measures; and upgrades to bridges, stations, and signalling, and communications infrastructure. The large majority of the package is either complete or in advanced construction.

$534 million

anticipated capital investments in Early Works in 2026-27

In 2026-27, works along the Barrie rail corridor in this package will be a key focus. Construction at Caledonia will progress the station building on site. Work at Aurora GO Station will progress the east and west tunnel, station building, and platforms.

On the Lakeshore West corridor, it's expected that trains will begin to travel across the newly constructed rail bridge for the Burloak Drive underpass in 2026-27.

The Heritage Road Layover is a key infrastructure project on the Kitchener corridor between Georgetown and Mount Pleasant GO stations. Once complete, the layover will provide storage for four 12-car trains, enabling longer trains to serve the line during peak periods, which will accommodate future ridership growth. In 2026-27, the scope of work will focus on advancing construction and required works to put the layover yard into service, such as a track and signal connection to the Canadian National Railway's main track on the Halton subdivision.

OFF-CORRIDOR WORKS

$106 million

anticipated capital investments in Off-Corridor Works in 2026-27

Off-Corridor Works includes renovations of existing GO stations to improve the customer experience, including through the delivery of safety and accessibility upgrades like modernized elevators, improved station access like expanded bus loops, and infrastructure to facilitate easier boarding. In 2026-27, renovations at Oakville GO station are expected to begin, while active renovation work on Hamilton and West Harbour GO stations will be ongoing throughout the year.

ON-CORRIDOR WORKS

$2.8 billion

anticipated capital investments in On-Corridor Works in 2026-27

On-Corridor Works refers to the approved scope and budget to deliver the remaining infrastructure necessary to achieve Metrolinx's train service level goals for GO Transit. The bulk of this scope is being delivered through progressive contracts with Alstom and the ONxpress Civil Joint Venture (CJV). Additional scope being delivered under the On-Corridor Works funding package includes the Union Station Enhancement Project (USEP) and several smaller contracts for which standalone procurements outside the partnership with CJV and Alstom were identified as optimal for program delivery.

Works Delivered by ONxpress CJV

In 2026-27, Metrolinx and CJV will progress three new grade separations (at Poplar, Morningside, and Galloway), two bridge extensions (at Birchmount and Thickson), two stations upgrades (at Danforth and Oshawa), and one new layover (Walkers Line).

The Woodbine station project being delivered by CJV will build a new GO & UP station that will replace the existing Etobicoke North GO station and add a fourth track and signalling upgrades to the adjacent segment of the Kitchener corridor, enabling more GO train service along the line. In 2026-27, preparatory work will continue for a track diversion in anticipation of platform work at Woodbine GO station. Activities on site will ramp up with the start of major construction.

Signalling Works

In 2026-27, Metrolinx will also continue its partnership with Alstom to upgrade much of the GO network's signalling system to the European Train Control System (ETCS) Level 2 standard. This will provide significantly enhanced levels of safety in keeping with modern regulatory expectations and provide critical capacity enhancements, enabling much more frequent train service to safely and reliably operate in the future. Key milestones planned for the fiscal year include the first fitments of GO trains with ETCS L 2 equipment and continued progress to deploy wayside hardware to the Richmond Hill Line.

Union Station Enhancement Project

The Union Station Enhancement Project (USEP) is the first major public-sector transportation project in Canada to be delivered through an Alliance procurement model. The project will deliver a new south passenger concourse connecting the Bay and York concourses and new and expanded tracks and platforms to accommodate increased capacity in Canada's busiest passenger transit hub.

In 2026-27, USEP will continue construction of the new southern concourse, and the widening of the Jarvis and Sherbourne bridges is expected to be completed, which will enable the addition of two new tracks on the eastern section of the Union Station rail corridor.

Barrie Corridor Downtown

Metrolinx is widening the rail corridor in west Toronto between King Street West and Dublin Street to enable two-way, all-day service along the Barrie corridor. The Barrie Corridor Downtown project is delivering the grading and preparatory work necessary to subsequently deploy additional track and signalling. The bulk of construction is expected to occur in 2026-27.

Finch Avenue East Underpass

In 2026-27, construction will continue to ramp up on this project to grade-separate Finch Avenue East, a busy east-west arterial road, from the Stouffville Line, here running north-south through northern Scarborough. Once complete, the project will improve community safety and reduce delays for all road users.

Utilities Enabling Works

Utility enabling works identify and relocate underground utilities in advance of major construction. This critical advance work ensures subsequent construction activities do not inadvertently damage utilities, which could pose a safety risk for the nearby community. Utility relocations are expected along the Lakeshore East, Barrie, Kitchener, and Stouffville corridors in 2026-27.

7.2 Complementary Works: Rail Service Extensions and SmartTrack Stations Program

In 2026-27, investments of approximately $476 million are planned toward GO Transit improvements beyond the core GO Expansion Program, which will bring greater access to regional rail services to new markets.

BOWMANVILLE EXTENSION

The Bowmanville Extension project will deliver rail service to communities beyond Oshawa, extending the Lakeshore East GO line by nearly 20 kilometres. Once complete, the Durham Region will have more direct connections to the larger GO Transit network and deliver a 15-minute reduction of in-vehicle time from Bowmanville to Union.

Having successfully completed a development phase with its construction manager, Bowmanville Construction Partners, Metrolinx is now focused on moving the project into significant construction in 2026-27. The initial scope of work will focus on bridge structures, off-corridor wet and dry utilities and property acquisition.

$212 million

anticipated capital investments in the Bowmanville Extension project in 2026-27

KITCHENER EXTENSION

$60 million

anticipated capital investments in the Kitchener Extension project in 2026-27

The Kitchener Extension project will deliver infrastructure necessary to extend two-way service along the Kitchener corridor beyond Bramalea GO Station. This includes improvements to the existing Canada National Railway (CN) Halton subdivision to create two parallel railways from Bramalea to Georgetown, eliminating conflict between passenger and freight rail traffic.

In 2026-27, early works are expected to continue on the Halton subdivision alongside design work for track, civil and signal works, in partnership with CN. Areas of focus in 2026-27 also include property acquisition and commencing construction of the next contract package to expand infrastructure on the Guelph subdivision, which will include track, signal and platform enhancements at and near Guelph Central station.

SMARTTRACK STATIONS

$204 million

anticipated capital investments in the SmartTrack Stations program in 2026-27

Metrolinx continues to advance stations within the SmartTrack Stations program that will see stations added to inner portions of the GO & UP rail network. This will leverage the frequency and capacity improvements of GO Expansion to bring new transit options to more communities.

- The East Harbour Transit Hub is Metrolinx's second use of the Alliance contracting model. Once complete, the station will provide an interchange between Lakeshore East GO, Stouffville GO, and the Ontario Line service in east Toronto. In 2026-27, construction work will advance the station building, the new bridge over Eastern Avenue, and a rail bridge at Broadview Avenue that will enable the road extension.
- Located near the Stockyards district, St. Clair-Old Weston station will provide a single-seat train connection via UP Express to Union Station and Pearson International Airport, as well as convenient connections to TTC streetcar and bus service on St. Clair Avenue. In 2026-27, major construction on the station will begin, leveraging the early works delivered in 2025-26.
- Bloor-Lansdowne station will add a new stop on the Barrie GO line in west Toronto, providing more travel options for passengers coming from the north or for inner-city travel. Construction of the main station building and track cutover will continue to progress through 2026-27.

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

$535 million

in investments for SOGR, O&E & PRESTO projects in 2026-27

Metrolinx continues to invest in infrastructure rehabilitation and its fare payment system to ensure GO Transit assets remain in a safe, reliable, and connected state. Approximately $535 million of the capital plan for 2026-27 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.

Metrolinx's asset base has grown to $25 billion. Metrolinx is invested in maintaining a state of good repair for its assets to ensure the safety and reliability of its transit systems. The impact of delays to SOGR work is risk of failures leading to increased journey time and increased safety risk, reduced availability of assets, and reduced on-time performance. The State of Good Repair (SOGR) budget for 2026-27 is estimated to be $417 million, funded by the Government of Ontario.

Metrolinx will be focusing on projects such as:

- 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 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
- PRESTO fare payments systems as detailed in Section 6.0 above

7.4 Rapid Transit Projects

In 2026-27, Metrolinx will continue to advance the delivery of the Rapid Transit program, including subway and LRT projects.

Approximately $7.0 billion of the capital plan for 2026-27 will be dedicated to advancing eight subway and LRT projects, for which funding commitments have been made since 2019.

ONTARIO LINE

The Ontario Line is a subway line in Toronto that will run 15.6 kilometres from Exhibition station in the southwest through the heart of downtown and connect to the Eglinton Crosstown LRT at Don Valley station in the northeast. The Ontario Line is being executed in four major works packages together with an enabling works program.

$3.5 billion

anticipated capital investments in the Ontario Line project in 2026-27

In 2026-27, the twin tunnel boring machines Libby and Corkie will begin tunnelling through the downtown core from Exhibition station to just west of the Don River. Also in 2026-27, the second set of tunnel boring machines that will tunnel the segment of the line under Pape Avenue will be delivered and assembled. Other key works in 2026-27 include continued construction of the elevated guideway, pier and bridge deck construction at the new high-level bridges over the Don Valley, and continued excavation of the underground stations. At elevated stations, works such as foundations, substructure construction, and excavation are planned.

SCARBOROUGH SUBWAY EXTENSION

This 7.8-kilometre extension will add three stops to TTC Line 2 from the existing terminus at Kennedy station to Sheppard Avenue East in Toronto. The tunnel boring machine (TBM) Diggy Scardust is the largest to be used on a Canadian transit project. In 2026-27, the TBM will continue boring south toward Kennedy station. Significant utility, shoring, and excavation works are planned to advance the stations, rail, and systems contract.

$1.1 billion

anticipated capital investments in the Scarborough Subway Extension project in 2026-27

YONGE NORTH SUBWAY EXTENSION

The Yonge North Subway Extension brings TTC Line 1 approximately 7.4 kilometres north from Finch Station in Toronto to the City of Richmond Hill. In 2026-27, rail-adjacent works are expected to continue on the Advance Tunnel contract, with detailed design, headwall construction, and the procurement and preparations of tunnel boring machines to take much of the focus. Advance underground works at the future Clark and Steeles stations, as well as the Finch Transition Structure, is expected to begin. 2026-27 is also anticipated to include the completion of the process of selecting key partners that will form the stations, rail, and systems (SRS) Alliance and commencement of that contract's development phase.

$636 million

anticipated capital investments in the Yonge North Subway Extension project in 2026-27

EGLINTON CROSSTOWN WEST EXTENSION

This 9.2-kilometre extension of the Eglinton Crosstown LRT will run from Mount Dennis station to Renforth Drive in Mississauga. In 2026-27, it is anticipated the stations, rail, and systems (SRS) development phase will be completed, as well as the shoring work at the Royal York, Islington, Kipling, and Martin Grove station sites. The shoring work will help to expedite the construction of the underground stations.

$653 million

anticipated capital investments in the Eglinton Crosstown West Extension project in 2026-27

HAMILTON LRT

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 first major package for the project will be delivered through an Alliance contract expected to be awarded in early 2026. Once the contract is awarded, Metrolinx staff will work collaboratively through a development phase with the selected Alliance Partner to advance project design, assess and mitigate risks, and develop a project proposal. Concurrently, enabling works will continue, which will include utilities relocation work that is expected to be completed by the end of 2026-27. Property acquisition and building demolition will also continue throughout 2026-27. These works will help prepare the sites for future construction work when the project enters the development phase.

$276 million

anticipated capital investments in the Hamilton LRT project in 2026-27

HAZEL MCCALLION LINE

The Hazel McCallion Line is an 18-kilometre LRT project along Hurontario Street. In 2026-27, systems installation from Gateway Terminal to Cooksville is expected to be completed, as well as all light rail vehicle “burn-in,” signalling and telecommunication tests; the operating, maintenance and storage facility; and system site integration tests. The subsystem integration tests are also expected to begin in 2026-27.

$660 million

anticipated capital investments in the Hazel McCallion Line project in 2026-27

EGLINTON CROSSTOWN AND FINCH WEST LRTS

In 2026-27, remaining expenditures on these recently opened projects will support the completion of any remaining minor works following the lines’ openings.

$121 million

anticipated capital investments in the Eglinton Crosstown LRT and Finch West LRT projects in 2026-27

8.0 Strategic Management of Real Estate

While delivering major capital infrastructure projects, Metrolinx is collaborating with IO and supporting the Government of Ontario'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.

Exhibit 8:
Real Estate & Development Key Statistics

Over $615M	Value of infrastructure commitments delivered by third parties (with binding agreement, in delivery, or completed as of Oct. 2025)
$325M	Non-fare revenue generated via sale of assets, leases, and third-party fees (2020-21 to 2025-26)

In addition to TOCs, Metrolinx has made significant progress through the development of a Real Estate Strategy that will prioritize long-term and sustainable non-fare revenue. Metrolinx is now moving to a more strategic and lifecycle-focused approach to real estate and asset management 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).

At the same time, business and employee expectations continue to evolve, resulting in new demands on how office space is optimized. By working together with the Government of Ontario, 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. Through this approach, Metrolinx is working to create meaningful in-person work environments for its employees to maximize collaboration, efficiency, and overall performance.

Metrolinx will continue to build on this progress and improve in its role as a responsible owner and manager of real estate in the context of revised legislative authorities and in partnership with Government of Ontario.

Drive Innovation & Value for Money

- **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 Dependable Long-Term Planning

Metrolinx's expanded transit program will transcend municipal borders and foster connections between all communities through new subway lines, extensions, light rail transit, bus rapid transit, and a transformed GO network. 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. Deliberately planning for the integrated transit network of the future is essential to support continued economic growth and a high quality of life in the GGH region over the next 30-plus years. This will allow people to seamlessly and easily use transit to access activities in their neighbourhoods and across the region, whether they use one operator or multiple or transfer between different buses, subways, and rail lines.

Several planning initiatives are underway, including development of an updated Regional Transportation Plan (now Regional Transit Plan or RTP), further integrating fares and services to increase simplicity, affordability, and convenience and advancing planning for future projects.

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

Bringing the Regional Transit Plan (RTP) to reality is only possible through collaboration, consultation, partnership, and engagement with stakeholders and Indigenous communities, including all those who plan, build, maintain, finance, and/or operate transportation in the GGH, such as federal, provincial, regional, and local governments; transit agencies; service providers; corridor owners; and the private sector. This includes ensuring that land use–such as housing, offices, condominium, hospitals, school campuses and recreational facilities–are designed to focus on the movement of people, not just vehicles. As Metrolinx work with its partners on these projects, the organization is seeking to maximize benefits and deliver value for taxpayers.

Metrolinx is continuing work to finalize the 2051 RTP to adapt to a rapidly changing planning and policy context and the continued transformation of the regional transit network. Conditions have changed significantly since the 2041 RTP was released in 2018, including Metrolinx's expanded geographic mandate, updated government direction on housing and growth, and changes in travel behaviour that were brought about by the pandemic. The updated 2051 RTP will support Metrolinx's role in connecting communities through an integrated, sustainable regional transit network for all.

Continuing work to update the RTP to a rapidly changing planning and policy context

Deliver Better Services

- **Bringing the RTP into conformity with the Government of Ontario'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.
- **Continuing to work closely with municipal partners, MTO, and Indigenous communities** to finalize the plan and collaboratively progress actions that address regional issues and advance toward the RTP vision. This includes monitoring emerging trends and changes in travel behaviour, network performance, and connectivity; the state of equity in Metrolinx's current transit network; and the extent of possible growth and land-use scenarios that could affect the outcomes and impacts of the RTP.

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 agency partners toward a regional transit network that fully leverages transit infrastructure investments and integrates fares and services to make transit more connected, affordable, and convenient for customers across the region. This includes improving fare structure, service coordination, schedules, and transfers across boundaries and at key destinations consistent with broader regional transit objectives. Going forward, Metrolinx will continue working toward the long-term vision of an integrated regional transit network through its service planning and operational decisions and implementing fare and service integration initiatives to advance transit affordability and connectivity, support ridership growth, and help create a future-ready regional transit network.

Fare and service integration Initiatives being advanced in the immediate term

Drive Innovation & Value for Money

- **Advancing regional fare and service integration** across the GGH in coordination with MTO and municipal partners to support ridership growth and a seamless customer experience. This includes efforts to facilitate cross-boundary service integration pilots and optimizing and coordinating services and transfers at key destinations and stations, building on the One Fare and GO co-fare programs to improve affordability, simplicity, and consistency in regional fares.
- **Assessing options to modernize the GO fare zone structure in coordination with MTO**, including options to improve fare affordability and allow riders that travel the same distance to pay the same fare, while also ensuring financial sustainability for Metrolinx to continue delivering regional GO Transit service.

9.3 Planning for Future Projects Through Robust Evidence to Support Decision-Making

In addition to the rapid transit projects already underway, going forward, Metrolinx will continue to partner with stakeholders, including the Government of Ontario, federal government, municipalities, municipal transit agencies, freight partners, and Indigenous communities, in advancing the planning and preliminary design work of several other potential future projects outlined in the 2051 Regional Transit Plan, ensuring conformity with the GGH Transportation Plan and alignment with key Government of Ontario priorities. This includes advancing planning for the next generation of the GO rail network through GO 2.0.

Zero Emissions Bus Program

The Zero Emission Bus Preliminary Design Business Case (ZEB PDBC) will support the organization in making an evidence-informed decision about if, when, and how to transform from diesel to Zero Emission vehicles over time as the coach bus market continues to evolve and as new policy and funding opportunities emerge. Work on the PDBC began in early 2025 and is ongoing.

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 advance the project to preliminary design to support the delivery of 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.	Work is underway to advance the planning and preliminary design of an extension of the Hazel McCallion Line into downtown Brampton. Planning and design work is underway to refine options for extending the HML LRT to increase rapid transit access in downtown Mississauga.
Sheppard Subway Extension	Metrolinx is advancing studies and designs to support the progression of this project, including completion of the initial business case.
Regional Ridership and Opportunities Study for New GO Rail Corridors (GO 2.0)	Metrolinx is advancing a preliminary planning and feasibility study to assess opportunities for introducing passenger services on freight-only rail corridors.
Business Case Guidance	Metrolinx is continuing to evolve project evaluation methods through a planned update to the Business Case Guidance to reflect current best practices.

10.0 Metrolinx Internal

10.1 Building and Sustaining a Strong, Capable, and Inclusive Workforce

Metrolinx is ensuring that the capacity and capability of its workforce are consistent with the organization's vision, mission, and strategic priorities. Metrolinx has made progress in delivering on these commitments by developing and engaging its employees, attracting and retaining diverse talent, and building a culture of belonging. Embedding equity and inclusion into how the organization works enables Metrolinx to support and empower colleagues, serve customers with respect, and strengthen the communities in which Metrolinx operates. In addition, Metrolinx has been driving change in all parts of the organization through continuous improvement and project management competencies that enable and empower employees to identify and remove waste. Building on the progress achieved in 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

Drive Innovation & Value for Money

- Developing and implementing strategies that will **drive an improved leadership experience and leadership accountability–including a review of leadership actions and competencies–and accountability toward equity, diversity, and inclusion** to enable Metrolinx to effectively support and engage its 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, diverse talent.
- Enabling broader business objectives through **collaboration and tailored, data-driven, and strategic advice to clients** that takes into account individual pain points and concerns in order to provide tailored talent solutions for business units.
- **Optimizing current and future workforce** so that the organization can attract and retain its talent, develop strong talent pipelines–including expanded succession planning–and deliver the best public service.
- **Leveraging data insights to identify gaps in employee experience** to enhance a sense of belonging.
- Developing **leadership pathways for members of Indigenous and equity-deserving communities**.
- **Executing on the last year of the existing three-year holistic wellness strategy**, which promotes mental health awareness and incorporates universal design wherever possible.

As of December 31, 2025, total staff, expressed as FTE, was 7,174.5, consisting of:

- 133 executives (including CEO, senior management team, vice presidents)
- 2,288.5 management and 4,753 employees (comprised of 2,582.4 non-union and 2,170.6 union staff)

Alternatively, the total FTE of 7,174.5 can be represented as:

- 7,041.5 full-time and 133 part-time
- 6,974.8 permanent and 199.7 fixed-term FTE

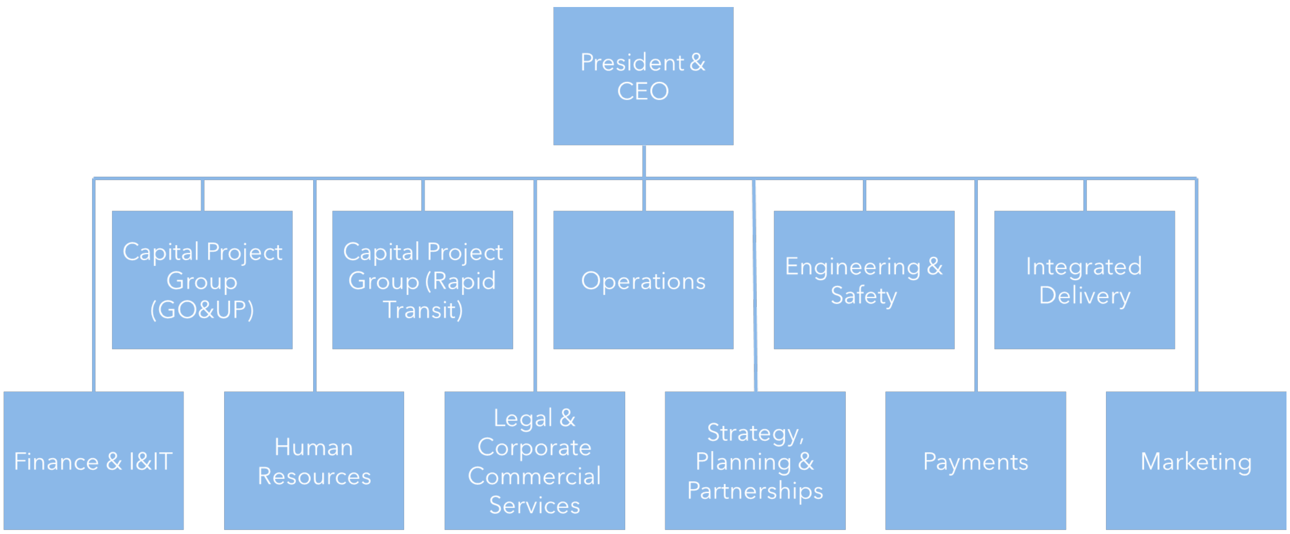
As of December 31, 2025, the organization has a total of 883 consultants.

With provincial agencies like Metrolinx playing a vital role in delivering public services, the Government of Ontario introduced hiring controls for the organization in September 2025 to maintain sustainable and efficient operations.

These controls included an immediate freeze on hiring for non-public facing and non-business critical positions, along with a freeze on consultant hiring. Metrolinx was also directed to operate within a defined workforce size. In alignment with this direction, Metrolinx implemented a Hiring Controls Framework that provides a transparent process for managing workforce complement and consultant usage, providing greater rigour around the hiring process.

In 2025, the organization advanced its efforts to align its structure in a way that will enable the organization to deliver on its strategic goals. Additional structural enhancements that are scheduled for early 2026 will align the organization's Engineering and Safety functions and integrate the organization's Operations divisions, which are intended to further position Metrolinx for ongoing success by strengthening Metrolinx's ability to deliver safe, reliable, and high-quality service for its passengers, employees, and communities. The structural enhancements planned for early 2026 will result in the organizational structure below.

Exhibit 9: Organizational Structure



Metrolinx remains committed to optimizing its people through the ongoing implementation of strategic workforce planning models. Metrolinx continues to focus on enhancing labour relations with its bargaining agent partners (Amalgamated Transit Union and International Association of Machinists & Aerospace Workers) and deploying robust talent attraction and retention strategies, ensuring spans of control that recognize the diverse streams of work across the organization. These efforts allow Metrolinx to continually refine its organizational structure to drive both efficiency and effectiveness. As part of its compensation strategy and talent management approach, Metrolinx conducts regular reviews of total rewards, including employee benefits and pay-for-performance frameworks, to assess market competitiveness while adhering to the Broader Public Sector Executive Compensation Act (BPSECA). These reviews are grounded in formal benchmarking to strengthen Metrolinx's ability to attract and retain top talent, with the assessment of the non-wage benefits package offered at Metrolinx remaining a top priority.

To ensure the organization can deliver its extensive capital program sustainably, Metrolinx is prioritizing the deliberate development of technical capabilities within its capital projects delivery teams. Strengthening in-house expertise is essential for balancing internal and external spend, reducing overreliance on third-party support, and ensuring Metrolinx has the right skillset to meet evolving delivery demands. Building on its enterprise workforce planning approach, Metrolinx will enhance technical proficiency through targeted development pathways, structured on-the-job learning, and clearer progression routes for critical and niche skill areas where internal skills gaps and market-driven competition pose significant challenges to delivering major capital projects. This balanced, strategic investment in technical development will build a stronger, more capable workforce and meaningfully mitigate the enterprise talent risk by ensuring that Metrolinx can attract, retain, and grow the specialized talent required to deliver world-class infrastructure for the region.

It is essential that the organization continually checks in with its employees to understand their experience and address any areas of opportunity. Each year, the organization conducts an employee engagement survey, which incorporates the collection of demographic data to help the organization better understand opportunities to improve the employee experience for Indigenous and equity-deserving communities. Results from the 2025 Annual Employee Engagement Survey showed the highest participation since the surveys started in 2012. Efforts going forward will continue to see a focus on building engagement across the organization.

Following an initial pilot in 2025-26, a psychological safety survey will also be expanded in 2026-27 to gain deeper insights into fostering a psychologically safe team environment, reinforcing Metrolinx's commitment to meeting the National Standard for Psychological Health and Safety in the Workplace.

10.2 Advancing a Modern Workplace Strategy

Metrolinx is advancing a Workplace Strategy that aligns its physical spaces, culture, and technology to enable employees to deliver exceptional transit outcomes for its customers. Through this approach, Metrolinx's workplace environments—across corporate offices, operational facilities, and regional hubs—are being managed to foster collaboration, connection, and innovation in support of its mission to transform transit across the Greater Golden Horseshoe.

Metrolinx has made progress with increasing space utilization, delivering collaboration spaces while integrating employee experience in workspace design and space planning. These initiatives ensure Metrolinx spaces support productivity, collaboration, and engagement—enabling teams to do their best work.

Continuing to progress on workplace strategy

Drive Innovation & Value for Money

- **Maximize the use of existing owned and leased spaces** through improved utilization, flexible seating, and modernized layouts to reduce environmental impact and optimize space efficiency.
- **Design workplaces that promote wellness and inclusion** through ergonomics, accessibility, and connection.
- **Embed sustainability practices in all workplace initiatives**, from materials and furnishings to energy-efficient operations, supporting Metrolinx's climate and resilience commitments.
- **Implement standardized workplace principles and governance frameworks** that ensure consistent, transparent, and data-informed decision-making across all office locations.
- **Align workplace planning with business needs**, prioritizing operational adjacency, safety, and collaboration.
- **Use workplace analytics and occupancy data** to inform long-term planning, measure efficiency, and ensure alignment with corporate objectives and Government of Ontario expectations.
- **Build an inclusive workplace experience** that ties culture, technology, and space to organizational outcomes—empowering employees to connect to Metrolinx's mission and deliver with purpose.

10.3 Advancing Information Systems and Technology Capability

Metrolinx utilizes advanced information systems and technology to deliver transit services to its 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 in these key areas, Metrolinx will continue to pursue a number of key business technology deliverables going forward.

Deliver Better Services

- **Evolving Metrolinx's transit and customer-facing technology solutions** across subway, rapid transit, and GO Expansion to enable a seamless customer experience and enhance customer journey planning, safety, and performance, while supporting new assets entering service.
- **Strengthening Metrolinx's digital resilience** through advanced threat monitoring and zero-trust security to safeguard critical systems and protect data.
- **Implementing cloud strategy** to reduce technical debt and improve cost efficiency across systems and operations.
- **Build operational resilience and continuity** through technology that can withstand disruptions and keep essential transit operations running.
- **Expand automation and the use of artificial intelligence** to simplify processes, predict service needs, and improve efficiency.

10.4 Responsible Use of Artificial Intelligence (AI)

Artificial intelligence (AI) has become an important driver for future technology evolution. Metrolinx, in this regard, has implemented an 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 systems, and sensory technology to improve operational safety; optimization of search engine tools to increase operational efficiencies; and automating the handling of certain customer cases to enhance customer experience.

Going forward, Metrolinx plans to build on the progress in utilizing AI and continue to further assess future application of AI in alignment with Government of Ontario guidance and directives.

Deliver Better Services

- **Leveraging interim AI governance** through an AI Review Board and AI Committee to lead 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 Government of Ontario through the Ontario Vehicle Innovation Network (OVIN).

10.5 Actively Engaging with Communities and Stakeholders

Metrolinx is continuing to transform its community engagement, communications, and stakeholder relations through enhanced integration with project delivery, operations, and business strategies. This advancement in transit in the region will support the Government of Ontario's investment of $80 billion in transit infrastructure. 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 continued focus on building and maintaining strong, collaborative relationships with communities, businesses, government partners, and other key stakeholders, Metrolinx leads transparent communication, engagement, and collaboration with partners to deliver transit and infrastructure projects. Metrolinx strives to meet the needs and expectations of the diverse communities it serves, ensuring the successful delivery of regional transit initiatives.

Metrolinx works with project delivery partners in the spirit of being a "good neighbour." Community and safety walks are conducted during the various stages of projects throughout the construction phase, in addition to liaising with residents and businesses to ensure project benefits and construction impacts 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 the organization to do. Metrolinx communicates through open houses, host construction, and community liaison committee meetings; conducts door-to-door canvassing; and establishes information tables in key community spaces and through its digital and social channels. Doing so helps increase positive public impression and trust while centering Metrolinx's engagement channels as a reliable resource.

Exhibit 10: Engaging Communities

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

Metrolinx's capital projects will improve the connectedness of communities across the region; while doing so, Metrolinx is committed to building and fostering relationships with local businesses and residents who experience the impacts of Metrolinx's construction. By building relationships and establishing communications channels proactively, Metrolinx is helping businesses and residents best prepare as the organization delivers much-needed transit to these communities. Through various tables, Metrolinx seeks to understand and address the needs of businesses throughout the lifecycle of its projects while simultaneously creating opportunities for business input into construction management plans, "shop local" marketing campaigns, and local procurement opportunities. Metrolinx's goal is to demonstrate how it improves lives through transit and help communities and businesses navigate through construction disruption. Metrolinx continues to combine the power of personal engagement with the reach and impact of digital and social technologies, focusing on delivering community-oriented campaigns that prioritize informing audiences about construction: what they can expect; why it is occurring; how Metrolinx is here to support and, where possible, mitigate the impacts of construction; how Metrolinx will maintain community access and mobility around construction sites;, and reminding residents that Metrolinx is here for them.

Demonstrating how Metrolinx improves lives through transit and helping communities and businesses navigate through construction disruption

Deliver Better Services

- **Enhancing transparency and reputation** by focusing on building trust and a positive relationship with communities through timely, transparent, and audience-centered messaging, ensuring Metrolinx tells a connected story about the benefits of transit delivery and informs the community of upcoming construction activities.
- Enhancing communications approach to address major track closures, not only as it relates to informing customers and communities of the service disruption but also **explaining the purpose of the work and the long-term benefits** they can expect.
- **Leveraging data-driven insights** through updated research and the launch of an "interactive map" that allows communities and members of the public to navigate construction impacts and project progress through one consistent lens. Developing a customer-centric "experience map" to increase awareness and improve experiences for residents that are highly impacted by transit development.

- **Delivering a consistent community experience** by advancing early, bilingual, and transparent communication strategies that reduce risks to the delivery of construction projects, embedding clear contractor expectations into project contracts, and seeking to ensure communities across the region have a consistent experience as they navigate the disruption caused by construction.
- **Strengthening stakeholder and municipal relations** through consistent, timely, and transparent communication that encourages participation in Metrolinx projects and programs, builds confidence in Metrolinx's direction, fosters reputational resilience, increases trust, and develops local transit champions to facilitate third-party endorsements. Transformation of Municipal and Stakeholder Relations into highly engaged strategic functions will elevate regional presence, amplify project benefits, and build deeper relationships with industry partners and municipal leaders.
- **Implementing the Community Benefits and Supports Four-Pillar program,** including by publishing the Community Benefits and Supports Annual Update that highlights key data and success from prior years**.**

10.6 Building Relationships with Indigenous Communities

The Indigenous Relations Office (IRO) and the Environmental Programs and Assessments – Indigenous Relations (EPA-IR) teams continue to support meaningful consultation and engagement efforts with Indigenous communities—notably, in ensuring the Duty to Consult is fulfilled when undertakings have the potential to adversely impact established or credibly asserted Aboriginal and treaty rights.

With growing investments in transit, Metrolinx's business needs to be fully equipped to fulfill the constitutional Duty to Consult requirement and ensure that Metrolinx is developing partnerships with Indigenous communities built on the foundation of trust and respect. This constitutional requirement led to the development of the Indigenous Relations function, which currently comprises of three key units: the Indigenous Relations Office (IRO), the 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 continued to prioritize 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 Indigenous communities to not only participate in consultation processes but also participate in economic development opportunities such as Metrolinx procurement initiatives and to have improved connectivity to transit.

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 on Metrolinx initiatives that may be of interest to them.

Deliver Better Services

- **Building Indigenous relations capacity through** appropriate structures, process, and training programs embedded across Metrolinx and with its key partners.
- **Fulfilling Duty to Consult obligations** when projects have the potential to adversely impact Aboriginal and treaty rights through longer-term consultation and engagement planning.
- **Working with the Government of Ontario** to ensure alignment of consultation approaches.

10.7 Ensuring Value for Taxpayers Through Multi-Year Procurement Strategy

Metrolinx's procurement strategies, practices and procedures are based on industry best practices and the latest in tendering and contract case law and are designed to ensure protection of the public interest. This enables Metrolinx to maximize competitive bidding, reflect public sector purchasing practices, and promote accessibility by qualified vendors, including local vendors, to its business and procurement processes. As part of its broader procurement program, Metrolinx ensures value for money for taxpayers, including through the Transit Procurement Initiative (TPI), while also ensuring sustainability and equity considerations are being embedded in procurement activities through the Sustainable Procurement Program.

Exhibit 11: Transit Procurement Initiative

$75.3M
savings and cost avoidance generated since 2008

40
Transit agency partners in 2024-25

The TPI provides procurement services to Metrolinx's municipal partners for conventional urban transit goods and services by aggregating quantities, collaborating to standardize technical specifications, and eliminating duplicate procurement processes to lower unit costs and increase the quality of goods for transit systems. Throughout 2025-26, TPI focused on awarding joint procurement contracts for 9-metre, 12-metre, and 18-metre battery electric buses; on-board video surveillance systems; and tires. TPI has also released Request for Information (RFIs) to better understand the market for new types of goods and services. In 2026-27, TPI will expand its effort to include procurements in areas such as on-demand transit services, bus shelters, solar poles for bus stops, inspection services, and engine and transmission replacements. These initiatives will provide municipal partners with an even wider range of opportunities to leverage joint procurements and achieve greater value.

Metrolinx is committed to increasing transparency and strengthening marketing engagement for its procurements. To support this goal, a new procurement pipeline was launched December 2025 that gives businesses early visibility into upcoming projects, helping them plan, prepare, and compete with confidence in 2026-27 and beyond. More proactive procurement planning will also support improved resource allocation among staff, identify greater opportunities for coordinated purchases across business units, and enable structured execution of sourcing activities.

The Metrolinx Pipeline includes opportunities in the following areas and will be refreshed approximately every six months:

- Asset Management and Maintenance Services
- Construction Delivery and Professional Support Services for Rapid Transit and GO/UP
- Innovation and Information Technology
- Operations for Rapid Transit and GO/UP
- Payments and Corporate Services, including Safety
- Transit Procurement Initiative

In addition to publishing these updates, Metrolinx will continue to engage in meaningful dialogue with the industry to ensure alignment and transparency. Metrolinx invites businesses to explore the procurement pipeline and join the organization in delivering better public transit for the region.

Going forward, Metrolinx continues to support procurement strategies to generate value for taxpayers while ensuring sustainability and equity considerations.

Drive Innovation & Value for Money

- **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, including improving on the program's cumulative financial benefits from administrative cost avoidance, and savings from transit agencies.
- Continuing to grow the **Sustainable Procurement Program** by expanding outreach efforts and engagements with vendors and continuing to build on the initial success of the **Indigenous Vendor Strategy** through capacity-building initiatives and partnership development with Indigenous-owned businesses.
- Supporting **Buy Ontario and Buy Canada initiatives** by ensuring compliance with the Procurement Restriction Policy, the Buy Ontario Act and other Government of Ontario directives as well as working with vendors to optimize local content in both goods and services.
- **Driving increased market engagement and stronger procurement outcomes** by expanding category-specific vendor forums to improve market awareness, promote fair and inclusive access, and support sustainable and socially equitable participation in public procurement.

11.0 Multi-Year Corporate Performance

11.1 Operating Budget

Metrolinx's operating budget presented to the Government of Ontario includes a planned operating subsidy requirement of $1,215.2 million for 2026-27, which includes projected total expenses of $2,098.1 million and long-term interest on capital projects of $51.6 million, as well as total revenue and proceeds of $882.8 million.

For 2027-28 and 2028-29, Metrolinx is currently projecting an operating subsidy requirement of $1,199.1 million and $1,228.2 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 $920.8 million in 2027-28 and $964.8 million in 2028-29, representing year-over-year increases of 4.3 and 4.8% respectively.

Total operating expense is projected at $2,119.9 million and $2,193.0 million respectively in 2027-28 and 2028-29, primarily to support the increased GO services across the region and operationalization of new LRT assets coming into service. Through its operating budget, Metrolinx continues its path toward long-term financial sustainability, including by exploring options to maximize revenue generation, as well as systematic improvements to increase the organization's efficiency and effectiveness.

For 2025-26, Metrolinx projects a total operating requirement of $1,202.9 million, which aligns closely with budget. This reflects on Metrolinx's ongoing commitment to efficiency and effectiveness through strong expense control, rigorous performance monitoring, prudent financial stewardship, and robust revenue performance to optimize resources while delivering on its mandate.

Exhibit 12: Multi-Year Operating Budget Plan and Outlook

($M)	2025-26 Forecast	2026-27 Plan	2027-28 Outlook	2028-29 Outlook
Total Revenue and Proceeds	833.7	882.8	920.8	964.8
Total Expense	2,036.7	2,098.1	2,119.9	2,193.0
Planned Subsidy Requirement	**1,202.9**	**1,215.2**	**1,199.1**	**1,228.2**

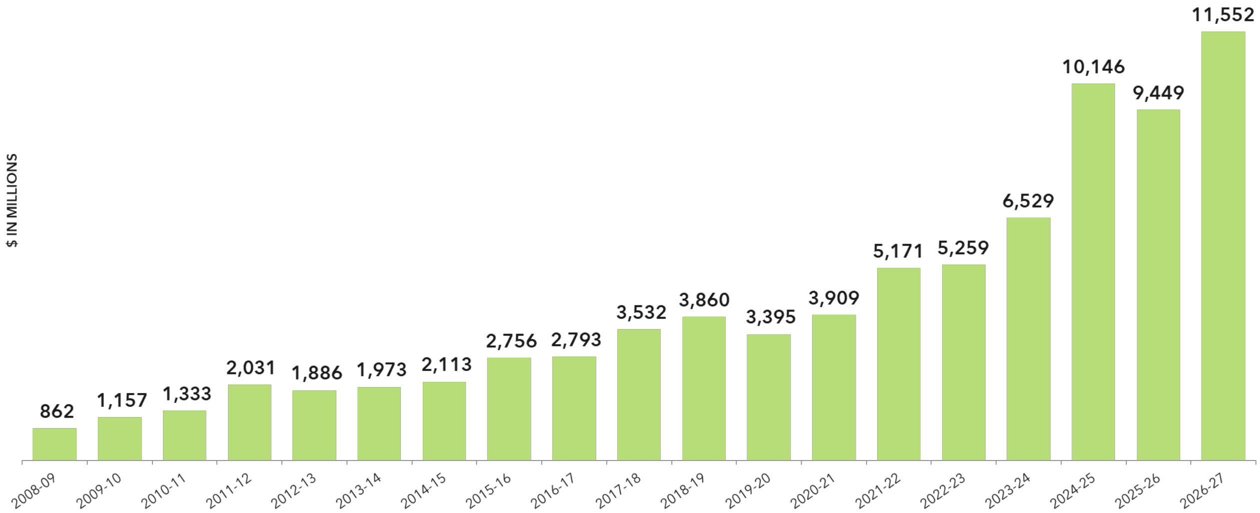
Note:
- 2026-27 operating budget plan and outlook figures reflect Metrolinx's planned revenues and expenses as presented to the Government of Ontario and excludes impact of government-funded fare integration programs, e.g., One Fare Program.
- Operating Expense also includes bid fees and long-term interest on capital projects.

11.2 Capital Investment

Metrolinx submitted a capital budget to the Government of Ontario in Fall 2025 of approximately $11.6 billion in 2026-27, with the majority of the required funding to be provided by the Government of Ontario. Other funding sources to Metrolinx's capital investments include contributions from private third parties and both municipal and federal governments through agreements with the Government of Ontario. With the Government of Ontario's investment in the GO Expansion and Subways Program, growth in the capital plan has been significant in recent years. When compared to the 2025-26 budget, the projected 2026-27 budget is approximately 22% higher as projects continue through design development and into construction phases. For historical comparison, capital spending has grown from less than $1 billion in 2008-09 to approximately $9.4 billion in 2025-26, with a peak in spend projected in 2027-28. Exhibit 13 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 2026-27 capital budget relates to subway projects, Light Rail Transit, GO Expansion, GO Rail Corridor Extensions, and the SmartTrack Stations Program. There are also continued investments into enabling technologies such as payment systems as well as capital rehabilitation work to keep assets in a state of good repair.

Exhibit 13: Capital Investment Growth



Note: Amounts prior to 2025-26 represent actual incurred costs. Figures for 2025-26 are interim actuals (Q2) and figures for 2026-27 are budget outlook.

Exhibit 14 provides a five-year rolling capital plan.

Exhibit 14: Metrolinx Five-Year Capital Plan

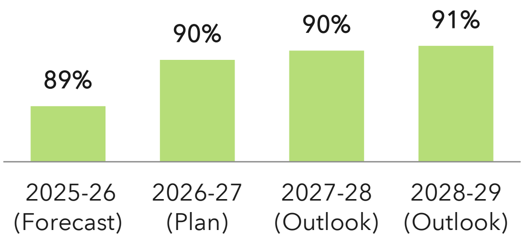
($ in millions)	2026-27	2027-28	2028-29	2029-30	2030-31
Total	$11,552	$13,334	$7,444	$5,190	$4,257

11.3 Performance Measures and Targets

Metrolinx's corporate Key Performance Indicators (KPIs) measure its operations performance in delivering service and report the organization's performance to the public and MTO. These corporate KPIs are reported against targets developed in alignment with the budget submitted to the government through the provincial budgeting process.

PRESTO Adoption

Exhibit 15: PRESTO Adoption



PRESTO adoption measures the share of all transit fares processed through the PRESTO system. As of November 2025, fiscal year-to--date adoption was 89%, slightly below the 90% -target. Adoption is expected to increase gradually and level off around 91% by fiscal year 2028-29, as OC Transpo's O--Payment system replaces some PRESTO trips.

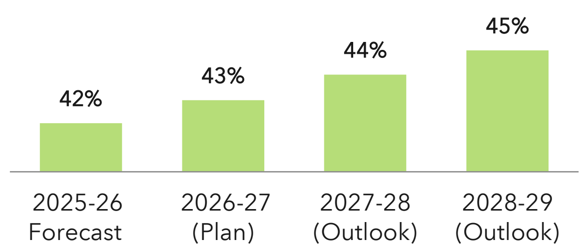
PRESTO adoption is expected to see modest growth, with projections reflecting steady incremental increases through 2025-26. While enhanced products and services are expected to drive this growth, Metrolinx anticipates that some lead time will be required for transit agencies to secure necessary approvals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

The E-Ticket product has served—and continues to serve—a niche segment, maintaining steady-state volumes. With the upcoming FIFA 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) measures the degree to which regular operating activities are self-funded and therefore excludes sale of assets and capital-related expenses. It is measured as the ratio of total revenues (excluding proceeds from sale of assets) 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 construction revenue and expenses).

Exhibit 16: Cost Recovery Ratio

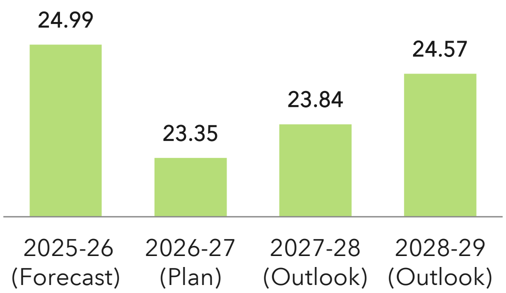


Note: The chart above excludes expenses such as long-term interest expense for capital projects, write-offs, pension adjustment, third party reimbursements and bid fees associated with capital project procurement. Revenue excludes proceeds from sale of assets from TOC program.

For 2026-27, Metrolinx is budgeting for a CRR of 43%, reflecting fare revenue transitioning to steady organic growth, which signals a more stable and predictable post-pandemic operating environment, while operating expenses continue to be scrutinized to maximize cost efficiency. The improvements in operational efficiencies and revenue are in alignment with the organization's renewed focus on laying out a path to achieve CRR improvements. These KPI figures reflect the operating budget presented to the Government of Ontario, which excludes a set of additional revenue-generating initiatives aimed to improve Metrolinx's CRR to 50% by 2028-29, as discussed in Section 2.3 – Ensuring Long-Term Financial Sustainability While Continuing to Deliver the Most Extensive Transportation Investment in Ontario's History.

Cost Per Revenue Kilometre

Exhibit 17: Cost per Revenue Km ($)



In 2026-27, Metrolinx will experience a decreased cost per revenue kilometre compared to 2025-26 to reflect the conclusion of Metrolinx's contract with OOI Inc. and the retention of Alstom for all operating and maintenance activities related to rail service delivery. Outer year service plans until 2028-29 are not anticipated to grow substantially while corridor construction is ongoing. The cost per kilometre in these years will increase slightly year over year because of ongoing inflation against steady service delivery. Beyond 2028-29, when rail service frequencies ramp up, cost per revenue kilometre targets are anticipated to significantly decline in the longer-range forecast as economies of scale and efficiencies are unlocked with OnCorr.

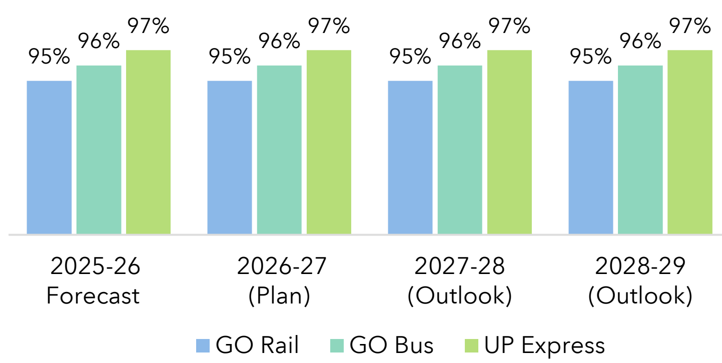
UP Express is expected to operate the same levels of service for 2026-27. The outlook on this metric for future years is based on service increase assumptions and enhancement annualization, as well as higher frequency of service under GO Expansion/OnCorr.

On-Time Performance

The On-Time Performance (OTP) KPI measures the punctuality of GO Rail, GO Bus, and UP Express services. Since each service has different customer commitments and operating characteristics, the OTP metrics are calculated using service-specific methodologies.

For GO rail, a trip is considered on time if it arrives within five minutes of the scheduled time for journeys under 90 minutes and within 10 minutes for journeys over 90 minutes. For GO bus, a trip is currently considered on time if it arrives within 15 minutes of the scheduled arrival time; however, work is underway to refine this definition to better account for the wide range of scheduled trip lengths, which vary from approximately 20 minutes to more than three hours. For UP Express, a trip is considered on time if it arrives within five minutes of its targeted journey time.

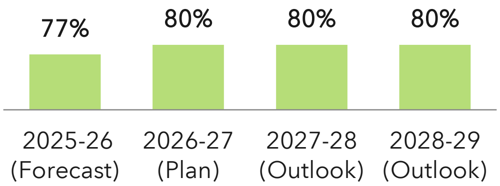
Exhibit 18: On-Time Performance



Metrolinx's OTP for the three segmented services remains strong and continues to meet or exceed industry best practices. Multiple initiatives are underway to further enhance operational efficiency and effectiveness, support operational excellence, and strengthen the reliability and punctuality of all services. Key risks to maintaining punctuality include ongoing GO Expansion construction activities and the impact of aging fleet and network infrastructure. Metrolinx is actively implementing strategies to mitigate these risks. Looking ahead, the outlook remains positive, with expectations to continue meeting or surpassing the OTP targets for each service.

Customer Complaints

Exhibit 19: Customer Complaints Closed within 0-5 Days



Metrolinx prioritizes 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 enhancing the customer experience for GO Transit and UP Express is proactively managing the impacts of construction and major service changes, ensuring clear communication of long-term network benefits and providing real-time support during disruptions. The key areas for the new fiscal year include:

- Managing impacts to the customer experience during construction and service changes
- Providing real-time information and customer communications
- Improving at the station and onboard comfort and amenities
- Modernization of digital customer tools and experience

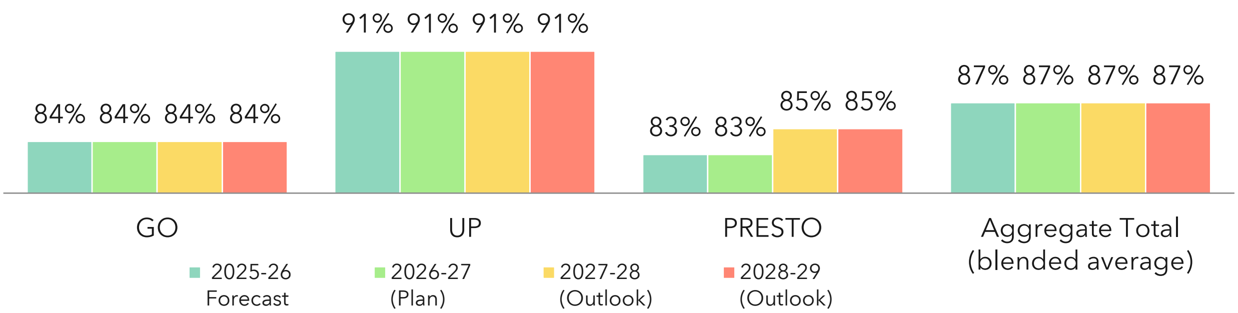
In 2026-27, Metrolinx will continue to improve the customer experience across GO Transit and UP Express services, with a focus on insights to implement improvements across the stages of the customer journey.

Enhancing real-time information remains a top priority, with improvements to digital departure screens, modernized station announcements, and upgraded trip-planning tools to deliver accurate, timely updates across all channels. Metrolinx is advancing station and on-board experience standards through improved safety, cleanliness, and a more consistent and welcoming environment, supported by frontline staff who reinforce situational awareness and platform safety during peak travel periods. In parallel, new digital customer tools, including the updated GO Transit and UP Express app, improved wayfinding, and vehicle preview features, are in development to help passengers navigate increasing service complexity and support them through ongoing network expansion.

With increased construction anticipated in the new fiscal year, 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.

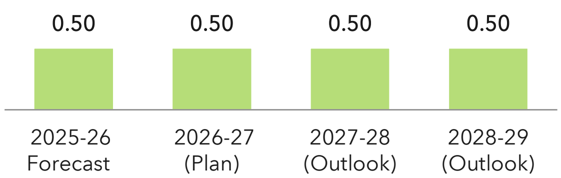
Metrolinx is actively mitigating overcrowding and enhancing the customer experience by guiding travelers to the transit service best suited to their needs. By clearly positioning GO Transit for daily commuters and UP Express for airport-bound travelers, supported through targeted communications, wayfinding, and customer experience design, this strategy directs passengers to the appropriate service, reduces crowding, and ensures a more comfortable and reliable journey across both networks.

Exhibit 20: Customer Satisfaction



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

Exhibit 21: Lost Time Injuries (All Parties - per 200,000 hours worked)



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

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 2026-27 fiscal year, Metrolinx is maintaining the LTIFR KPI target at 0.50 per 200,000 work hours, an exceptionally low threshold compared to industry standards for lost-time injuries, intended to drive continuous improvement in injury avoidance and severity reduction.

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 Metrolinx's most common contributing factors based on trends analysis. A robust safety risk framework is applied to all aspects of Metrolinx's 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 the major contributing groups. The agency will leverage the insight provided by near-miss reporting, life-saving rules campaign, review of serious injury and fatality exposure, and leveraging 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 its policies and standards to ensure employees and contractors are working in the safest conditions possible while also meeting its targeted deadlines and providing quality service to its clients.

11.4 Enterprise Risk Management

At Metrolinx, the Enterprise Risk function, systematically identifies, assesses, monitors, and reports on the organization's key risks. This function maintains a comprehensive view of the enterprise risk landscape, with particular emphasis on alignment with Metrolinx's strategic priorities, vision, and mandate.

By embedding consideration of these strategic elements, the Enterprise Risk function supports effective risk management. This enables Metrolinx to proactively address potential challenges and uncertainties, thereby strengthening its ability to deliver on core commitments: ensuring the safety of employees, customers, and the public; advancing and delivering future transit infrastructure and services; fostering an engaged and inclusive workforce; building strong, collaborative relationships as a trusted partner with stakeholders and communities; and consistently enhancing customer satisfaction.

In 2026-27, Metrolinx will continue to enhance the visibility of enterprise risks and the need for cross-collaborative mitigation strategies to manage emerging issues and support effective decision-making. The priority this year is to take a deeper dive into guiding principles as part of its Enterprise Risk Management Framework and Policy, specifically ensuring a focus on strong monitoring and assessment through the enhancement and refreshed implementation of enterprise risk appetite.

Risk appetite will be a powerful tool that allows for increased awareness into the guard rails set by the organization to take risks and how and where natural tensions exist when a risk sits within or outside its appetite. Through this methodology, Metrolinx can understand where risk can and should be taken or when a more cautious and reserved approach should be considered. To enable this philosophy across the organization, foundational training is underway to provide the business and its decision-makers with the tools to think critically and utilize risk appetite to direct and empower business recommendations.

Furthermore, this methodology will be infused into decision documents and organizational tables to ensure consistency in critical thinking regarding natural tensions that can exist in risk management, and, notwithstanding, will become a consistent presence in all that the organization does. Risk appetite will be considered when delivering Board and committee reporting, funding requests, capital and operating decision papers, and more. 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 22: 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	**Safety** Metrolinx has implemented a strict safety governance structure encompassing the required safety policies, standards, and procedures, such as train operations protocols, to mitigate rule violations. 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, reporting, 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. **Asset Management and Maintenance** Level crossings are intersections where rail tracks cross roadways at grade and are inherently hazardous due to the interaction between rail and road traffic. Metrolinx is responsible for 165 level crossings across the GTHA (132 grade

<table>
<tr><th>Risk Category</th><th>Key Risks</th><th>Risk Management Tools</th></tr>
<tr><td></td><td>operational complexity.</td><td>crossings on publicly managed roadways and 33 private crossings owned and used by private parties such as farmers, commercial businesses, or private individuals).

With increasingly busy service plans, capital investments enabling higher speed profiles across the network, and growth across the GTHA, road and rail interactions have increased at many level crossings. Metrolinx currently undertakes a wide range of activities that support safety at crossing locations, including engineering activities (design and maintenance), engagement with municipalities, public education awareness campaigns, and enforcement activities. Extensive and ongoing works are being carried out to further enhance the safety of level crossings.

For organizational initiatives associated with these risks, please see Section 5.0 – Operations and Section 7.0 – Capital Projects.</td></tr>
<tr><td>Operational</td><td>Risks associated with people, process, technology, security, compliance, and implementation of mandate that can impact Metrolinx's ability to achieve its corporate objectives.</td><td>Information Technology
The current initiatives underway to support the mitigation of Metrolinx technology risks are, at a high level, listed below:
• Deliver resiliency for critical systems
• Continue with initiatives across a three-dimensional approach for cybersecurity, including Minimize, Monitor and Manage
• Increase Metrolinx’s 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
• Improve governance of AI solutions in alignment with Government of Ontario's Responsible Use of Artificial Intelligence Directive.

For organizational initiatives associated with this risk, please see Section 10.3 – 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 customer satisfaction (CSAT) surveys, PRESTO app reviews, 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
Metrolinx continues to focus on operational excellence to support customer experience. This involves efforts to address and support service delivery related to increasing train and bus services, fleet reliability, and on-time performance</td></tr>
</table>

Risk Category	Key Risks	Risk Management Tools
		Prohibition of Open Line Working Large volumes of work on open line railway (Red Zone) while delivering an expanded service plan increases and creates greater safety risk for those working on Metrolinx railways. Train service levels are expected to increase by 18.8% 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 active controls and communications (CROR 842s) 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 communication 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. In September 2025, Metrolinx reached full implementation of the Prohibition of Open Line Working across all corridors, creating more green zones where track workers are safely separated from train movements. Further refinement of the program will consider each project's risk exposure, unique working requirements, and maturity to achieve Green Zone working while improving productivity. **Operations – Rapid Transit** Operations Rapid Transit will shift its focus in 2026-2027 to support three key priorities: <u>Operational Oversight and Service Integrity</u> – Deliver comprehensive management and oversight of the Eglinton Crosstown and Finch West LRT systems in collaboration with Metrolinx's Operator and Maintainer partners. Metrolinx's goal is to ensure a safe, reliable, and high-quality experience for passengers. <u>Continuous Improvement</u> – Drive enhancements to systems and processes that strengthen commercial management, safety controls, and operational efficiency. <u>Future Network Advancement</u> - Support the advancement of upcoming rapid transit projects, including the Hazel McCallion and Hamilton LRT lines, as well as initiatives within the subway portfolio and Bus Rapid Transit networks. **Human Resources** Metrolinx faces an enterprise-wide talent risk that could impact the delivery of strategic objectives and capital projects. Persistent challenges in attracting and retaining specialized talent continue to limit organizational capacity and increase reliance on third-party services. Metrolinx fully acknowledges and respects the hiring control direction and remains committed to working within these parameters while advancing strategies that build internal capability and support long-term workforce sustainability. **Indigenous Consultation and Engagement** A failure to adequately fulfill Duty to Consult requirements with Indigenous communities when Metrolinx initiatives have potential adverse impacts on

Risk Category	Key Risks	Risk Management Tools
		Aboriginal and/or treaty rights may have implications, including legal risks; impacts to Metrolinx's relationships and reputation; and impacts to the delivery of its capital program. To mitigate this risk, Metrolinx's consultation program continues to evolve to meet the needs of the organization and Indigenous communities. Control mechanisms such as regular monthly integrated face-to-face consultation, a programmatic approach to consultation and monitoring of risks, and successes through the use of risk management tools and structures have been implemented for the organization to ensure alignment between teams, to support timely and meaningful consultations with Indigenous communities. This approach has allowed Metrolinx to integrate consultation into the project lifecycles and ensures that Metrolinx considers Indigenous perspectives and interests in its project plans and major operations and maintenance activities. These efforts are supported through Capacity Agreements between Metrolinx and Indigenous communities, enabling a mutually agreed-upon framework for consultation and engagement that is transparent and accessible.
Financial	Risks relating to inability to implement necessary revenue tools that will undermine Metrolinx's financial sustainability.	Without the ability to implement revenue tools necessary to improve its long-term financial sustainability, Metrolinx will prioritize actions that will increase its efficiency and maximize its effectiveness. This includes optimizing Metrolinx's resources and workforce, focusing on value for money, delivering improved and effective operations, and maximizing non-fare revenue. Metrolinx will continue to monitor the probability of this risk materializing throughout the fiscal year. For further context and discussion on Metrolinx's path toward long-term financial sustainability, please refer to Section 2.3 – Ensuring Long-term Financial Sustainability While Continuing to Deliver the Most Extensive Transportation Investment in Ontario's History.
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) is advancing its risk management framework to better align with evolving contracting models and to support consistent, proactive project delivery. CPG is entering the next phase of its risk management journey, focusing on deeper analysis, stronger integration, and system-level insights. CPG remains committed to active risk management by implementing targeted mitigation strategies that reduce exposure and limit cost and schedule impacts across the program. CPG is strengthening the effectiveness of its standards and requirements by leveraging lessons learned and insights from key project stakeholders. To further improve the reliability and consistency of risk assessments, CPG will implement Integrated Quantitative Risk Analysis, enabling a clearer understanding of the interactions between cost and schedule drivers and supporting more data-driven decision-making. In addition, CPG continues to promote collaborative behaviours, risk and opportunity management, commercial incentivization, and open-book financial principles to reinforce transparency and alignment across delivery partners.

Risk Category	Key Risks	Risk Management Tools
		CPG has also expanded its risk intelligence capabilities through several new initiatives. Risk Velocity has been introduced to assess how quickly risks may materialize, enabling earlier intervention and more targeted mitigation planning. A structured risk roll-up process—from project, to sub-program, program, and CPG-wide levels—has been established to provide a unified view of exposure across the portfolio. This approach highlights common patterns, strengthens systemic insights, and supports more coordinated, cross-team responses to emerging risks. These continued enhancements strengthen CPG's overall risk management maturity and support more consistent, informed, and proactive project and portfolio decision making. However, ongoing development of these capabilities across both Metrolinx teams and stakeholders will remain essential to fully realize value engineering opportunities and ensure successful project outcomes. Capital Finance continues to support cost management practices by focusing on best practices, clear guidance, process improvements, and simplification, as well as continued knowledge sharing across the various business units within Metrolinx. There will be continued attention on theme-based variance reviews, improvements in forecasting, and in-depth analysis of estimates at complete. Continuous review and improvements of the Cost Management plan will ensure effective, valuable, and collaborative cost management practices are used across all capital projects in 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** Metrolinx will continue to assess risk by evaluating whether there is loss of life and/or major injuries; property damage and/or financial loss; disruption of service, incidents 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 public. Inaccurate reporting is always corrected in a timely manner to meet this objective. **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, Metrolinx will continually identify and develop community design input and feedback opportunities and host community thank-you events in partnership with its contractors when appropriate. **Municipal and Stakeholder Relations** The Municipal and Stakeholder Relations teams will continue to foster open and transparent lines of communication between Metrolinx business units and the organization's municipal partners and stakeholder groups. Each team is responsible for ensuring the perspectives of municipalities and stakeholders are considered in the development and implementation of Metrolinx policies and programs where appropriate. In addition, these teams create opportunities for potential third-party endorsements of Metrolinx initiatives and announcements.

Risk Category	Key Risks	Risk Management Tools
		The Municipal Relations team will continue to champion good governance processes to resolve issues with municipalities in a timely and reasonable manner. The Stakeholder Relations team will build a stakeholder experience strategy that establishes principles for stakeholder engagement and issue resolution.