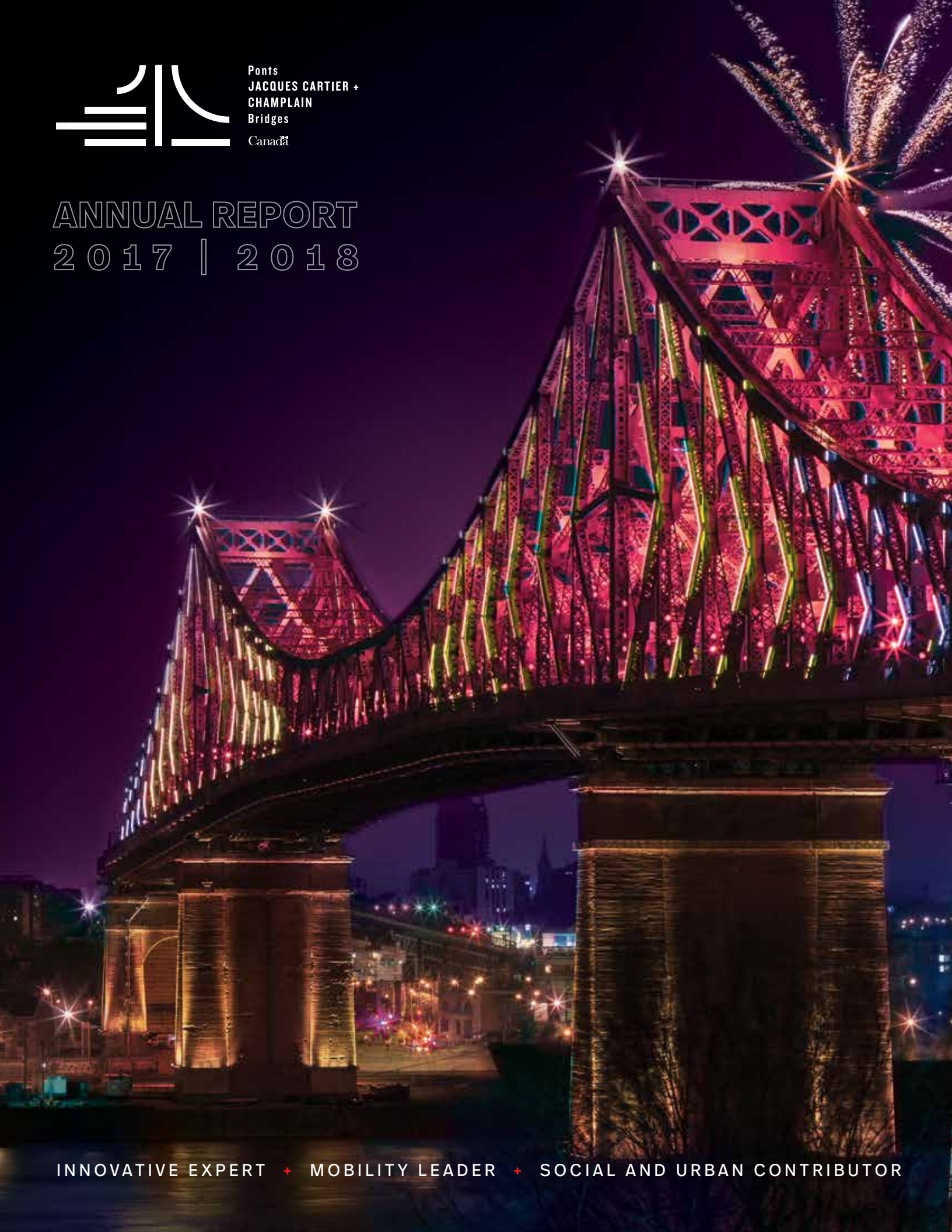


Ponts
JACQUES CARTIER +
CHAMPLAIN
Bridges
Canada

ANNUAL REPORT 2017 | 2018



INNOVATIVE EXPERT + MOBILITY LEADER + SOCIAL AND URBAN CONTRIBUTOR

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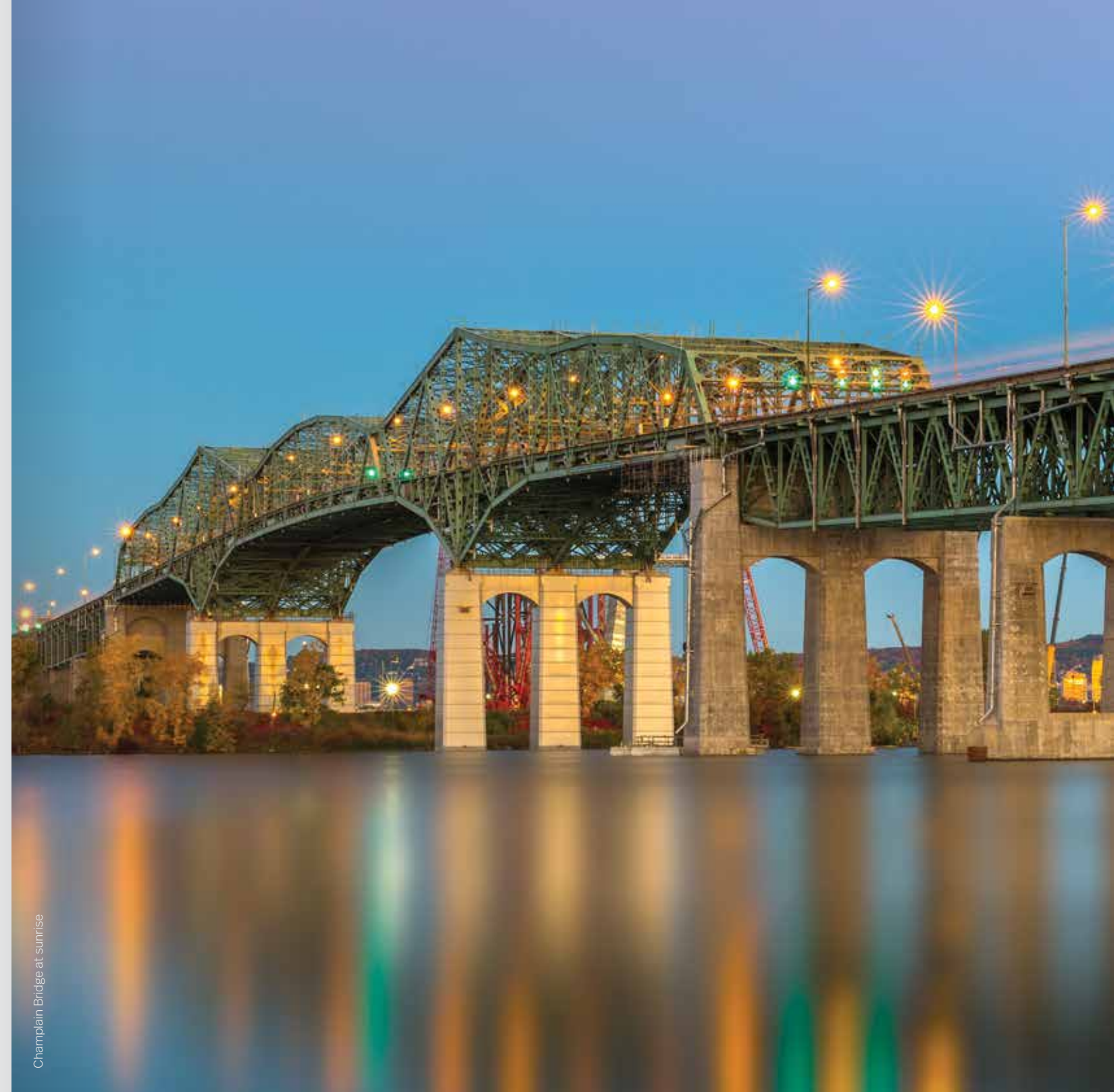
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1.

OVERVIEW



Champlain Bridge at sunrise

MISSION

Ensure the mobility of users, the safety and the longevity of infrastructure using a systemic management approach based on sustainable development.

VISION

Become a leader in major infrastructure management as an innovative expert, a mobility leader, and a social and urban contributor.

VALUES

- + Team work
- + Transparency
- + Thoroughness
- + Innovation
- + Commitment

ABOUT THE CORPORATION

As a manager of important infrastructure, The Jacques Cartier and Champlain Bridges Incorporated (JCCBI) is a federal Crown corporation established in 1978 that is responsible for the Jacques Cartier Bridge, the Champlain Bridge, the Champlain Bridge Ice Control Structure, the Île des Sœurs Bypass Bridge, the federal sections of the Bonaventure Expressway and the Honoré Mercier Bridge, as well as the Melocheville Tunnel.

The Corporation manages, maintains, and repairs these important Greater Montreal structures to ensure the safe passage of thousands of users every day. The Corporation also ensures that these critical structures remain safe, fully functional and aesthetically pleasing both today and in the future. It carries out construction, repair and reinforcement projects on the infrastructure under its responsibility and oversees the operation and maintenance of these structures.



KEY ROAD NETWORK

25.5 km connecting the South Shore and Montreal



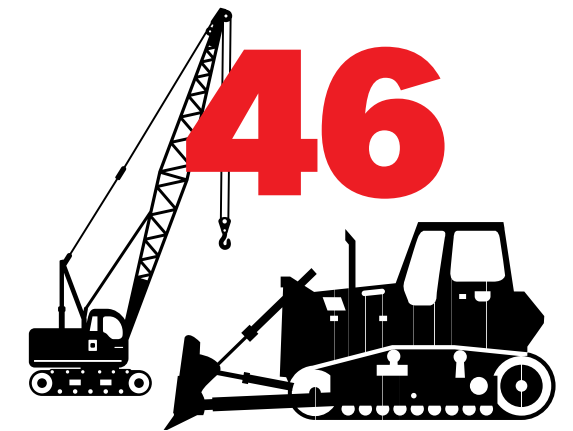
MULTIDISCIPLINARY TEAM

170 employees in engineering, construction, operations, administration, and senior management



ACTIVE TRANSPORTATION

6.4 km of dedicated bicycle paths



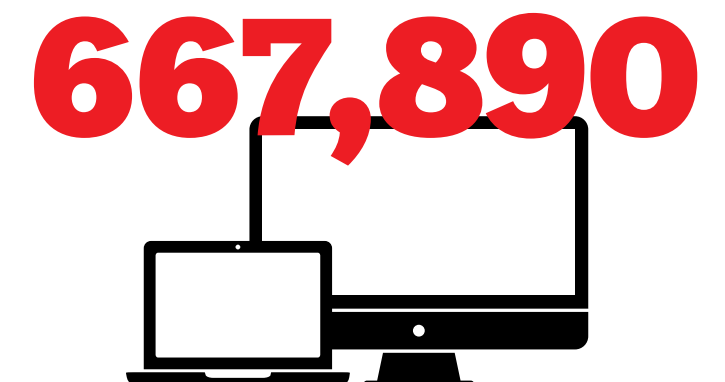
MAJOR WORK

46 projects to repair and maintain our structures



MAJOR WORK

\$134M invested in 2017-2018 in major work



WEBSITE

667,890 unique visitors on our Website



2017-2018 HIGHLIGHTS



◀ **APRIL 2, 2017**
 Press conference of Mayor Denis Coderre and Federal MP Marc Miller to announce the development of the north approach of the Jacques Cartier Bridge.

▶ **APRIL 5, 2017**
 Technical media briefing to present the major work planned on JCCBI's network as well as the prefeasibility study on the deconstruction of the current Champlain Bridge.



◀ **APRIL 18, 2017**
 Unveiling of Mohawk artwork reproduced on banners on the Honoré Mercier Bridge.

▶ **MAY+ JUNE 2017**
 Major work blitzes on the Champlain Bridge to replace two expansion joints.





MAY 17, 2017

Inauguration of the illumination of the Jacques Cartier Bridge for Montreal's 375th anniversary and Canada's 150th anniversary.



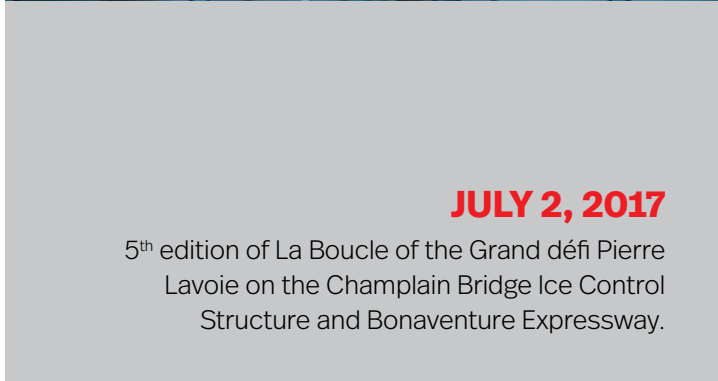
JUNE 1, 2017

Launch of the "Stories and Bridges" multimedia tour.



JUNE 2017

Creation of the advisory committee for the Jacques Cartier Bridge bicycle path.



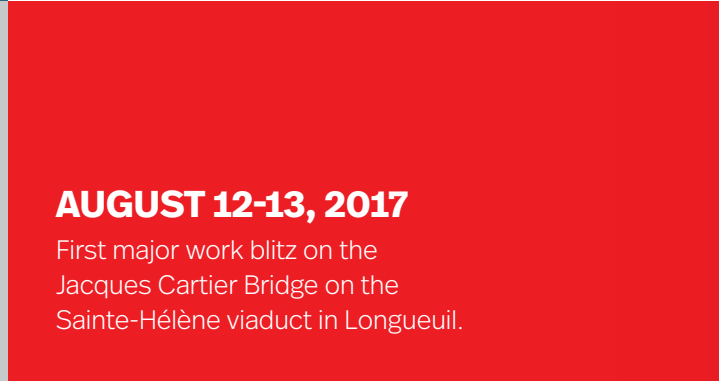
JULY 2, 2017

5th edition of La Boucle of the Grand défi Pierre Lavoie on the Champlain Bridge Ice Control Structure and Bonaventure Expressway.



AUGUST 30, 2017

Inauguration of a rest area on the Champlain Bridge Ice Control Structure, Île des Soeurs side.



AUGUST 12-13, 2017

First major work blitz on the Jacques Cartier Bridge on the Sainte-Hélène viaduct in Longueuil.



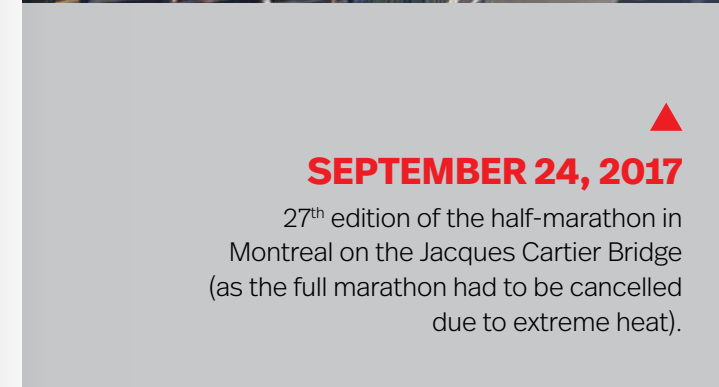
SEPTEMBER 2017

Start-up of contaminated-groundwater containment and treatment system in the west sector of the Solution Bonaventure environmental project.



SEPTEMBER 19, 2017

Annual public meeting.



SEPTEMBER 24, 2017

27th edition of the half-marathon in Montreal on the Jacques Cartier Bridge (as the full marathon had to be cancelled due to extreme heat).



OCTOBER 2017

End of work to temporarily reinforce the pier footings of the Champlain Bridge Ice Control Structure.



DECEMBER 2017

Start of pilot project to test winter maintenance solutions on the Jacques Cartier Bridge multipurpose path.



DECEMBER 2017

End of construction work on the retaining wall in the east sector of the Solution Bonaventure environmental project.

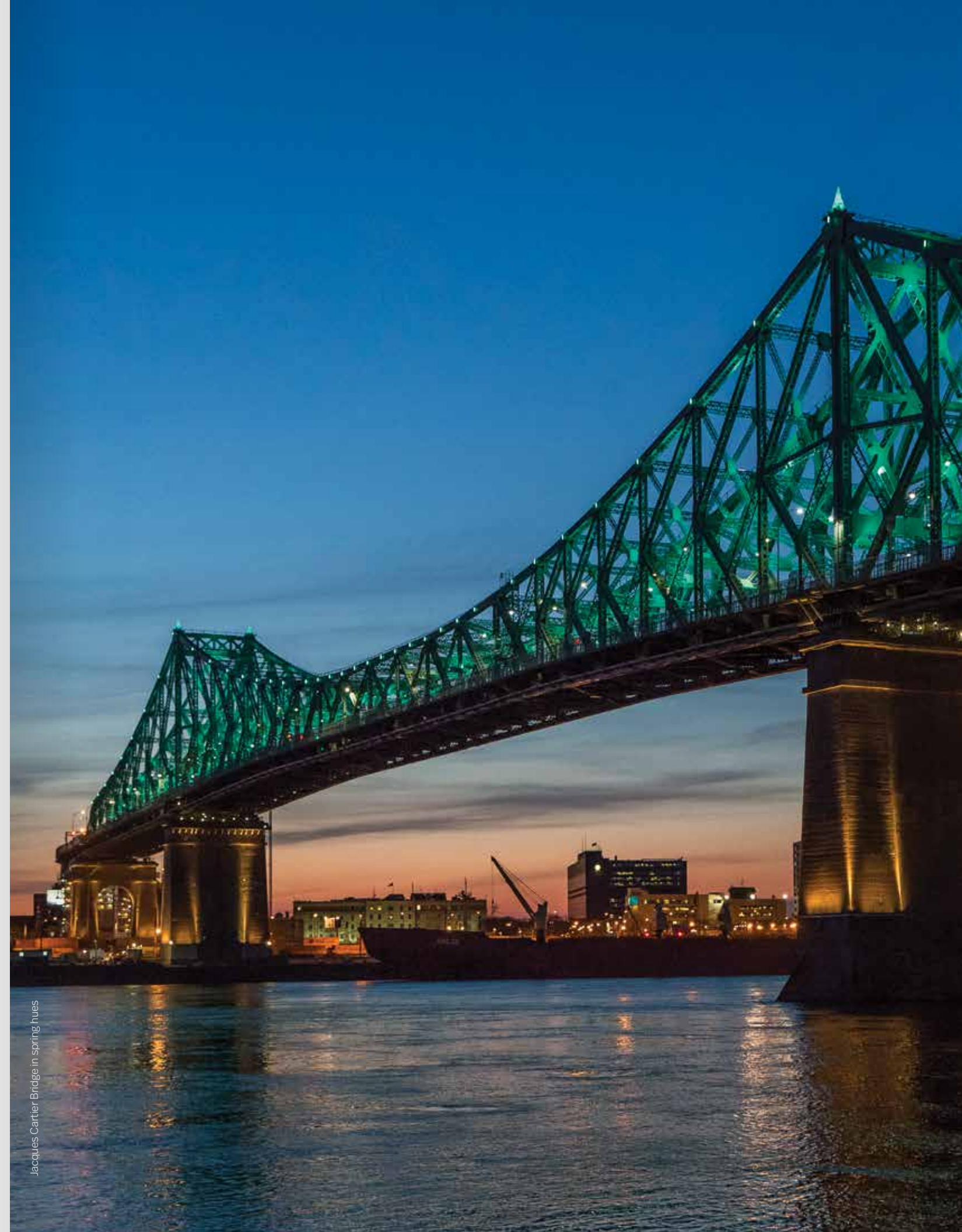


FEBRUARY 2018

Awarding of the "environmental assessment" component of the "Owner's engineer" contract for the Champlain Bridge deconstruction project.

2.

**MESSAGES
FROM SENIOR
MANAGEMENT**



Jacques Cartier Bridge in spring hues



MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

In 2017-2018, the Board of Directors and its different committees fulfilled their role to provide oversight of the Corporation's management team and ensure that it is effectively managing administrative risks as well as the risks related to the structures. The team successfully fulfilled this mandate while facing important issues, particularly concerns about the Champlain Bridge.

Of course, one of the year's major achievements includes the illumination of the Jacques Cartier Bridge, a light installation that has showcased Quebec's talent and expertise around the world. Beyond its technical excellence, this project embodies one of our goals to enhance the esthetics and urban integration of our structures to make them emblematic symbols of their communities.

The Board of Directors held two strategic exercises: the first in fall 2017 to work on the 2018-2028 budgets, and a second in February 2018 to establish the year's strategic orientations. We were

pleased to welcome three new members to the Board: Catherine Lavoie, Dale Ellen Williams, and Sylvain Villiard. We also want to acknowledge the generous contribution of Guy Martin and Serge Martel, who finished their terms of office this year.

Of course, one of the year's major achievements includes the illumination of the Jacques Cartier Bridge, a light installation that has showcased Quebec's talent and expertise around the world.

On behalf of the Board, I would like to thank the Honourable Amarjeet Sohi, Minister of Infrastructure and Communities, for his trust in our Corporation. I want to acknowledge the efforts and talent of our Chief Executive Officer, Glen P. Carlin, as well as our senior managers and all employees at the Corporation, who do important work. We are also indebted to the many partners who support us in our mission.

PAUL T. KEFALAS

Chairman of the Board of Directors



MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

With everything the team has achieved over the past year, 2017-2018 will be remembered as one of the most active ones in the organization's nearly 40-year history. The Corporation invested \$134 million in 46 ongoing projects, some of which stand out in terms of both their magnitude and their complexity.

The most impressive one is, of course, the illumination of the Jacques Cartier Bridge, a flagship project of the celebrations for Montreal's 375th anniversary and the 150th anniversary of Canadian Confederation. This complex endeavour was an incredible success and completed under a very tight deadline. We also implemented risk mitigation measures on the pier caps of the Champlain Bridge, and priority external supports were installed to ensure the bridge's safety.

The construction component of the Solution Bonaventure environmental project has ended. This means that the project is now in place and protecting the St. Lawrence River from contaminated ground

water from a former landfill site. For the Champlain Bridge Ice Control Structure, a program was deployed to reinforce its piers and preserve its structure. Finally, we continued our maintenance activities on the Honoré Mercier Bridge, which included the completion of the deck replacement on the federal section of the bridge as well as repairs to some of its piers. This work has gone very well thanks to our partnership with the Mohawk community of Kahnawá:ke. All of our work aims to extend the service life of our structures and help users get where they need to go.

As for the management plan for the entire Corporation, 2017-2018 saw improvements in our processes, performing efficient project management, conducting systemic risk analyses, and optimizing organizational performance and human resources development.

The Corporation invested \$134 million in 46 ongoing projects, some of which stand out in terms of both their magnitude and their complexity.

The year 2018 will mark the Corporation's 40th anniversary. This will be an opportunity to look back on the Corporation's accomplishments while energising our threefold mission as a mobility leader, innovative expert, and social and urban contributor. This mission is supported by the employees, whom I thank for their dedication.

GLEN P. CARLIN, Eng.
Chief Executive Officer

3.

ACTIVITY REPORT

STRUCTURES

VISION STATEMENT FOR EACH STRUCTURE

JACQUES CARTIER BRIDGE

Keep the bridge safe and operational until its 150th anniversary by constantly integrating it into its urban environment, promoting alternative transportation, and maintaining traffic flow.

BONAVENTURE EXPRESSWAY

Keep the expressway safe and integrate it with the new corridors being developed in the sector and with the needs for active mobility while improving access to the river, downtown, the Pointe-Saint-Charles industrial park and the Port of Montreal using a sustainable development approach.

ÎLE DES SŒURS BYPASS BRIDGE

Optimize the use of this temporary structure using a sustainable development approach.

SOLUTION BONAVENTURE

Help protect the St. Lawrence by capturing and treating contaminated groundwater flowing into the river; increase our knowledge in this area and share our expertise.

CHAMPLAIN BRIDGE

Keep the bridge safe until it is decommissioned; document and enhance our knowledge of the structure in order to share our expertise with the technical community and other bodies.

ICE CONTROL STRUCTURE

Extend the service life of this key corridor for structural maintenance, ice control, and active transportation while enhancing its social and urban value.

HONORÉ MERCIER BRIDGE

Keep the federal section of this bridge safe and operational until its 125th anniversary by constantly integrating it into its local environments and by collaborating with the Mohawk community.

MELOCHEVILLE TUNNEL

Ensure this road corridor remains safe and effective and integrates with seaway operations.



\$ 43.2^M

JACQUES CARTIER BRIDGE

- + Reinforcement of the steel structure in four sections
- + Repair work on the Île Sainte-Hélène pavilion
- + Project to illuminate the superstructure
- + Repairs to two viaducts, Longueuil side
- + Stabilization and development of the east embankment on the Longueuil side and construction of an architectural staircase
- + Replacement and reinforcement of dissuasive fencing and guard rails
- + Pilot project to test the viability of keeping the multipurpose path open in the winter
- + Start of project and design of a fibre optic network, addition of counting loops, and an integrated traffic management system



CHAMPLAIN BRIDGE

\$ **31.3^M**

- + Installation of 171 sensors on the pier caps for ongoing monitoring
- + Replacement of 2 expansion joints
- + Manufacturing and installation of reinforcement systems on 9 pier caps
- + Reinforcement of 3 interior edge girders
- + Installation of carbon fibre reinforced polymeres on 6 diaphragms
- + Awarding of the “Owner’s engineer” contract for the Champlain Bridge deconstruction project



\$ 16.1^M

HONORÉ MERCIER BRIDGE

- + Rehabilitation of piers
- + Mobilisation for painting work on part of the steel structure
- + Start of project to replace gangways for inspection work



BONAVENTURE EXPRESSWAY

- + Replacement of snow fence
- + Engineering for various types of rehabilitation work on the Bonaventure Expressway planned for 2018-2019

\$1.6^M



CHAMPLAIN BRIDGE ICE CONTROL STRUCTURE

\$ **19.9**^M

- + Installation of monitoring systems on 34 piers
- + Redevelopment of approaches to manage access to the structure
- + Temporary reinforcement of the footings of the 72 piers
- + Development of a rest area near the bicycle path of the ice control structure, on Île des Soeurs

MELOCHEVILLE TUNNEL

\$2.3^M

- + Repairs to the tunnel structure
- + Improvements to electrical installations and to the automation and fire protection systems



\$ **19.6**^M

ENVIRONMENT

- + Commissioning and start of operations of the hydraulic barrier and groundwater treatment system in the west sector of the Solution Bonaventure project
- + Construction of a retaining wall and testing of a hydrocarbon capture system in the east sector of the Solution Bonaventure project
- + Launch of multiple projects to support sustainable development (e.g., social/environmental/economic multicriteria analysis; responsible procurement; management of bird populations; asset development; social support)

4.

MOBILITY LEADER



Île des Soeurs Bypass Bridge with a reserved public transit lane

HELPING GET PEOPLE AND GOODS AROUND MONTREAL

Aware of the essential role it plays to move people and goods around Greater Montreal, JCCBI redoubled its efforts during the 2017-2018 fiscal year to keep traffic flowing on the road network despite extensive work.

As a number of complex projects remained active throughout the year, we had to perform detailed planning and implement many work optimization measures from the river or river shores. Thanks to these approaches, the impact on traffic was less than in previous years.

In 2017-2018, the Corporation spent \$134 million on reinforcing and modernizing key structures so that they remain safe and fully operational.

WORK CONTINUES ON THE CHAMPLAIN BRIDGE

Although a large part of the stabilization work of the Champlain Bridge was done last year, JCCBI continued its major repair program on the bridge to reinforce or repair structural components that were deemed a priority following inspections.

In spring 2017, the Corporation carried out two weekend blitzes to replace expansion joints on the bridge deck to guarantee their integrity. These operations required complete closures, first toward the South Shore (May 20 and 21, 2017) and then toward Montreal (June 3 and 4, 2017).

Over 330 sensors measure the behaviour of some of the structure's critical components in real time. JCCBI also conducts detailed inspections throughout the year, and these include an annual inspection for the entire structure and quarterly inspections on components that require more in-depth monitoring based on our experts' opinion. Overall, the Corporation is closely monitoring the bridge to keep this key corridor for Montreal's mobility and economy open until the new Champlain Bridge is commissioned.

PLANNING THE BRIDGE DECONSTRUCTION

Last year, JCCBI also publicly released a prefeasibility study on the deconstruction of the Champlain Bridge. The document contained four areas of study: deconstruction, transportation of materials, material reuse, and asset enhancement. The analysis used a global approach based mainly on sustainable development principles. The Consultant explored different deconstruction methods and provided a preliminary evaluation of the environmental impact of the work.

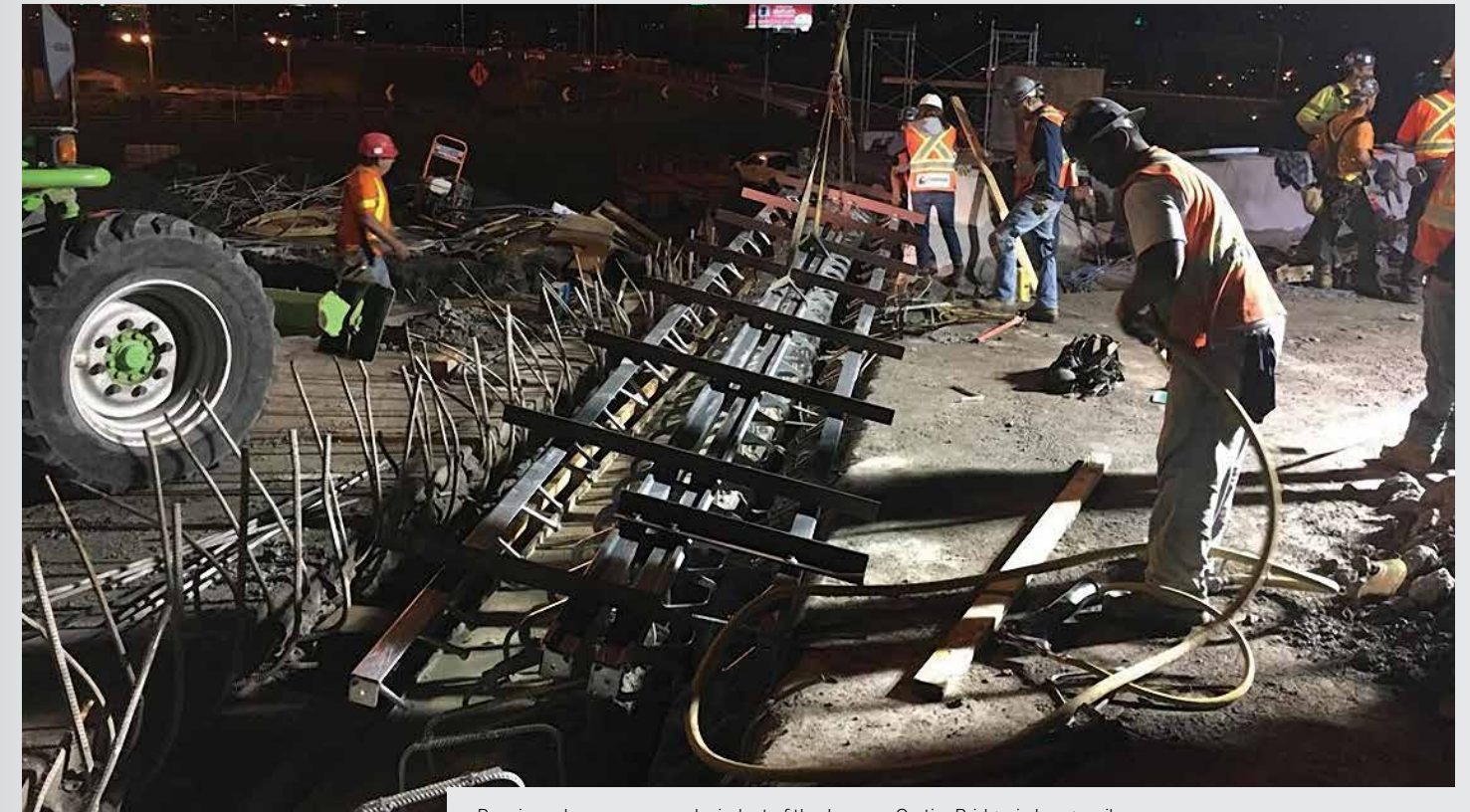
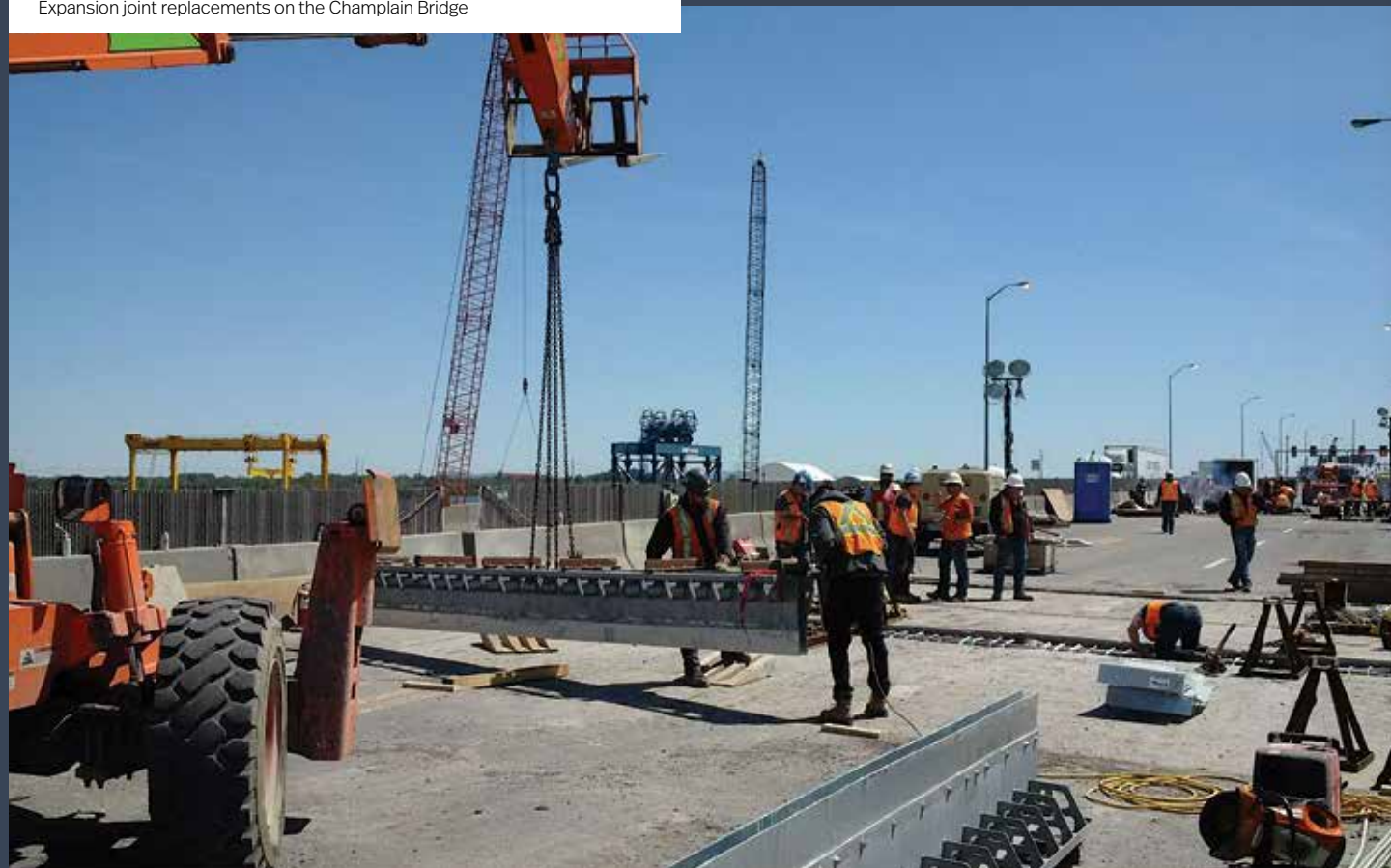
Last year, JCCBI also publicly released a prefeasibility study on the deconstruction of the Champlain Bridge.

Although the governance of the Champlain Bridge deconstruction project had not yet been granted to JCCBI, the government had authorized the Corporation to engage the services of an “Owner’s Engineer” to assist with the environmental evaluation of the project. In February 2018, JCCBI awarded this contract to Consortium Parsons, Tetra Tech et AMEC Foster Wheeler (PTA). This consortium will conduct the preparatory studies for the environmental assessment, including public consultations.

REINFORCEMENT OF THE CHAMPLAIN BRIDGE ICE CONTROL STRUCTURE

During the 2017-2018 fiscal year, JCCBI temporarily reinforced the underwater footings of the structure’s 72 piers. The Champlain Bridge Ice Control Structure was built in 1964-1965 to control ice flow on the St. Lawrence River and reduce the risks of ice dams and flooding.

Expansion joint replacements on the Champlain Bridge



Repair work on an approach viaduct of the Jacques Cartier Bridge, in Longueuil

MAJOR WORK ON THE JACQUES CARTIER BRIDGE

The Corporation is continuing its major steel reinforcement work on the Jacques Cartier Bridge to extend the service life of this structure until its 150th anniversary. Started in spring 2017, in the Longueuil sector, these operations will be conducted in phases across the entire steel structure over the next ten years.

During the year, two other work sites became active on the Longueuil side and included repairs to the bridge’s approach viaducts and the stabilization of an embankment. The sidewalk and staircase to the bridge from Saint-Charles Street West were rebuilt, and the landscaping of the approaches was redone.

AVOIDING TRAFFIC JAMS

To help keep network traffic flowing, JCCBI coordinates its activities every day with all of Greater Montreal’s mobility partners. Schedules are optimized as much as possible so that different types of work are combined during one closure.

To do this, the Corporation uses multiple information channels to update people about work on its network, such as the Twitter accounts for the Champlain Bridge, Jacques Cartier Bridge, and the Honoré Mercier Bridge.

JCCBI’s website (www.JacquesCartierChamplain.ca) also has a dashboard with very useful functionalities: live traffic conditions, traffic cameras, in-progress road closures or obstructions, and the weekly work schedule on the Corporation’s structures. Motorists, truck drivers, cyclists and pedestrians can also get text and email alerts about major closures or emergency work.



45,597 SUBSCRIBERS GET INFORMATION THROUGH THE CORPORATION’S DIGITAL PLATFORMS.

OVER 4,788,300 IMPRESSIONS OF JCCBI’S MESSAGES ON TWITTER.

76 WORK ADVISORIES WERE SENT TO OUR USERS.

In addition to these media available 24 hours a day, the Corporation readily meets with residents or business owners in the sectors next to its work sites. An example of this was in Longueuil in May 2017, when we set up an information booth in the atrium of Université de Sherbrooke about our activities to reinforce the steel structure of the Jacques Cartier Bridge. Residents could interact with JCCBI representatives and better understand the work in progress.

In Montreal, the Corporation created a Good Neighbourly Relations Committee at the start of 2017 for residents and business owners near the Jacques Cartier Bridge. The committee met four times in 2017-2018.

INVOLVEMENT ON MOBILITY MONTREAL COMMITTEES

Since its creation in 2011, Mobility Montréal has planned and coordinated the work and the different mitigation measures required on federal, provincial and municipal work sites in the Montreal region. Mobility Montréal includes 19 public and private sector organizations. This body is overseen by the Ministère des Transports, de la Mobilité durable et de l'Électrification des transports du Québec (MTMDET).

As an active member of Mobility Montréal, JCCBI is involved in its four committees: technical, communication, advisory and executive.

BONAVENTURE EXPRESSWAY

JCCBI conducted preparatory engineering work related to repairs to the Bonaventure Expressway scheduled for 2018-2019. Work in the east sector of the Solution Bonaventure project required close collaboration with Mobility Montréal partners to ensure this important environmental project is successfully completed.

END OF WORK IN MELOCHEVILLE

Maintenance work in the Melocheville Tunnel ended in summer 2017. JCCBI reinforced the concrete structure, enhanced security instruments (thanks to a new automated fire detection system and another detection system for overheight vehicles), waterproofed both tubes of the tunnel, and applied new asphalt.

MAINTAINING THE HONORÉ MERCIER BRIDGE

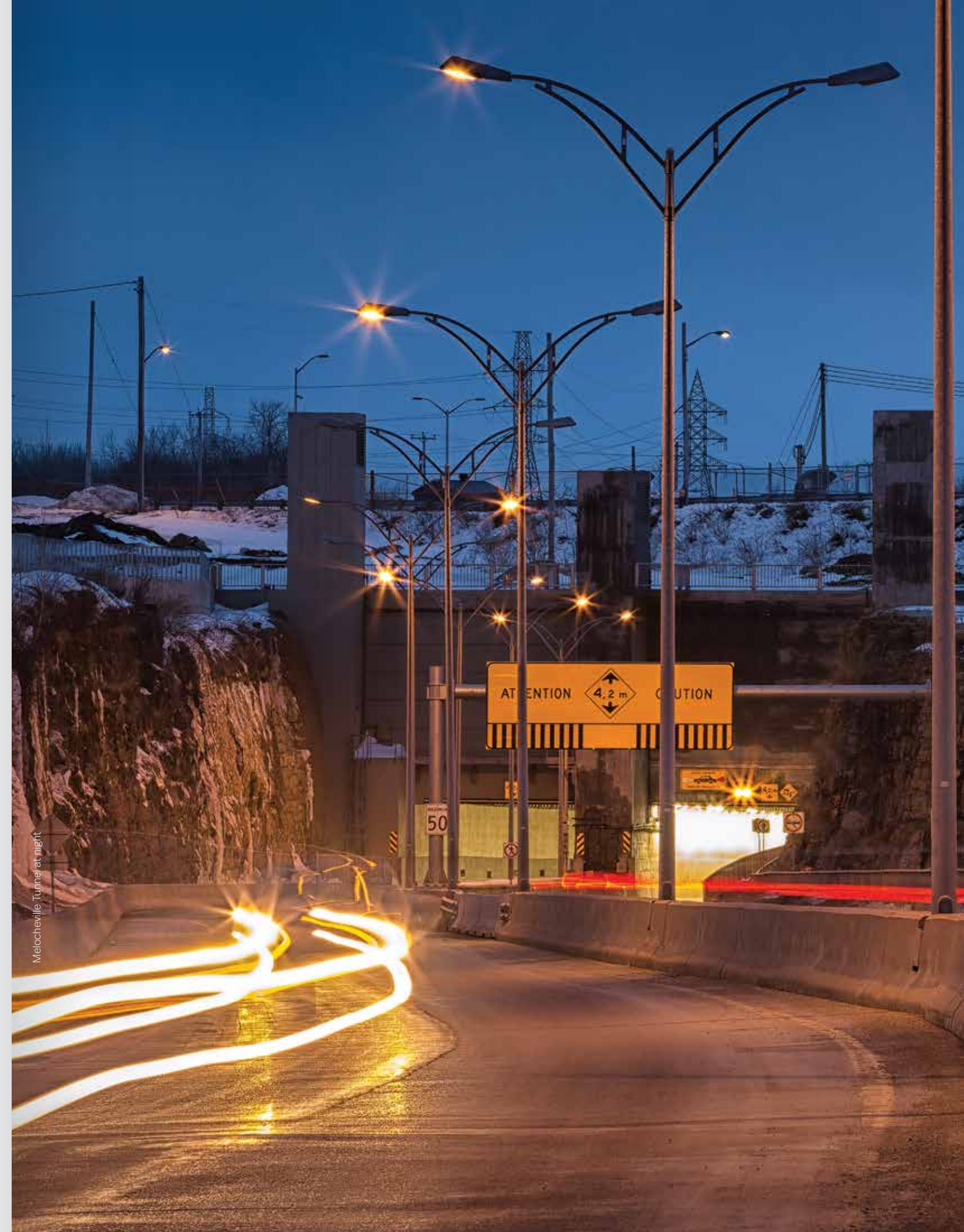
The year 2017-2018 was a very active one on the Honoré Mercier Bridge. The deck replacement work was completed (monitoring station, signage, electricity, correction of deficiencies), concrete repairs were performed on some piers, and painting work on the steel structure between some of the bridge's axes was started. JCCBI would like to acknowledge the excellent partnership with the Mohawk community that has grown year after year as we manage these work sites.

FIBRE OPTIC LOOP

In 2017-2018, JCCBI did preliminary studies to create a fibre optic loop that will link the Jacques Cartier Bridge, the Bonaventure Expressway, the Champlain Bridge Ice Control Structure and the future monitoring station of Signature on the Saint Lawrence Group G.P., which will operate the new Champlain Bridge starting in December 2018.

The installation of this fibre optic loop will improve the processing and sharing of transportation data with our partners, such as the Montreal Port Authority, Ville de Montréal, Ville de Longueuil, the MTMDET, as well as the St. Lawrence Seaway Management Corporation. Together, we can communicate better information to users and make their travel that much easier. This work should be completed in December 2018.

This project also includes major upgrades to the entire JCCBI network, and work will be done to add vehicle counting sites to the network and a system to count pedestrians and cyclists on the Jacques Cartier Bridge. An integrated traffic management system will also be implemented during this work.



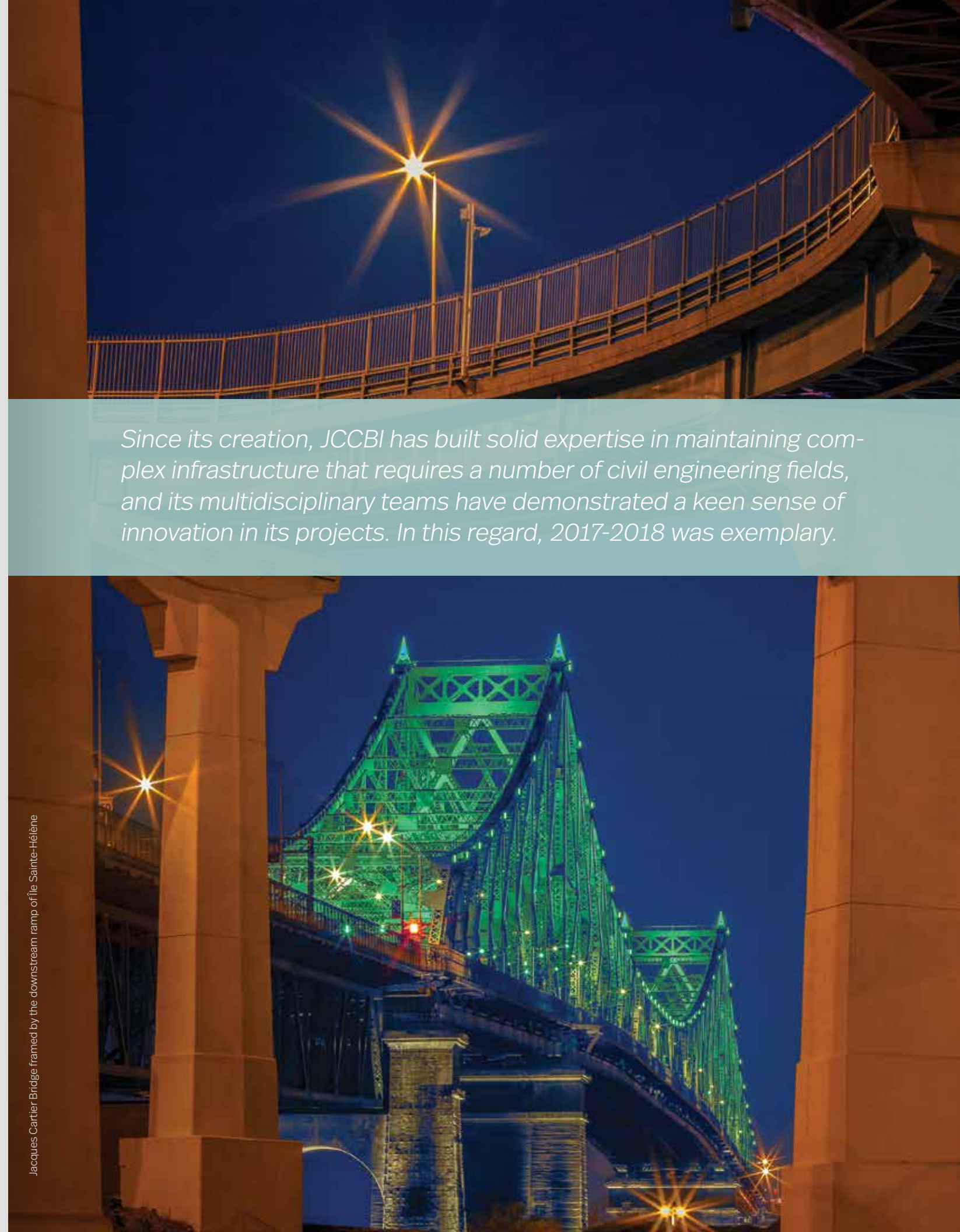
Melocheville Tunnel at night

5.

INNOVATIVE EXPERT

Since its creation, JCCBI has built solid expertise in maintaining complex infrastructure that requires a number of civil engineering fields, and its multidisciplinary teams have demonstrated a keen sense of innovation in its projects. In this regard, 2017-2018 was exemplary.

Jacques Cartier Bridge framed by the downstream ramp of Île Sainte-Hélène



ILLUMINATION OF THE JACQUES CARTIER BRIDGE

The illumination of the Jacques Cartier Bridge, a flagship project for the celebrations of Montreal's 375th anniversary and Canada's 150th anniversary, has highlighted the architectural value of the bridge for the Montreal landscape. Today, the interactive light installation, called *Living Connections*, is already raising the profile of Quebec expertise around the world.

As the project manager, JCCBI contributed a great deal to making this unusual and ambitious project a success. Rarely has the Corporation been so proud to lend its expertise to manage this unique work site. Overall, 2,807 light fixtures were installed, and often in the very demanding and changing weather conditions of the Montreal winter.

The *Living Connections* artistic concept was created by Montreal firm Moment Factory, in collaboration with six multimedia and lighting studios: Ambiances Design Productions, ATOMIC3, Éclairage Public / Ombrages, Lucion Média, Réalisations, and UDO Design. The engineering and work supervision was overseen by the consortium WSP-AECOM, and work to install the lighting systems was done by the contractor Pomerleau.

The Jacques Cartier Bridge is the first in the world to be connected with intelligent systems that light up the bridge every day with different types of digital data sources, such as the weather, traffic, and major news events.

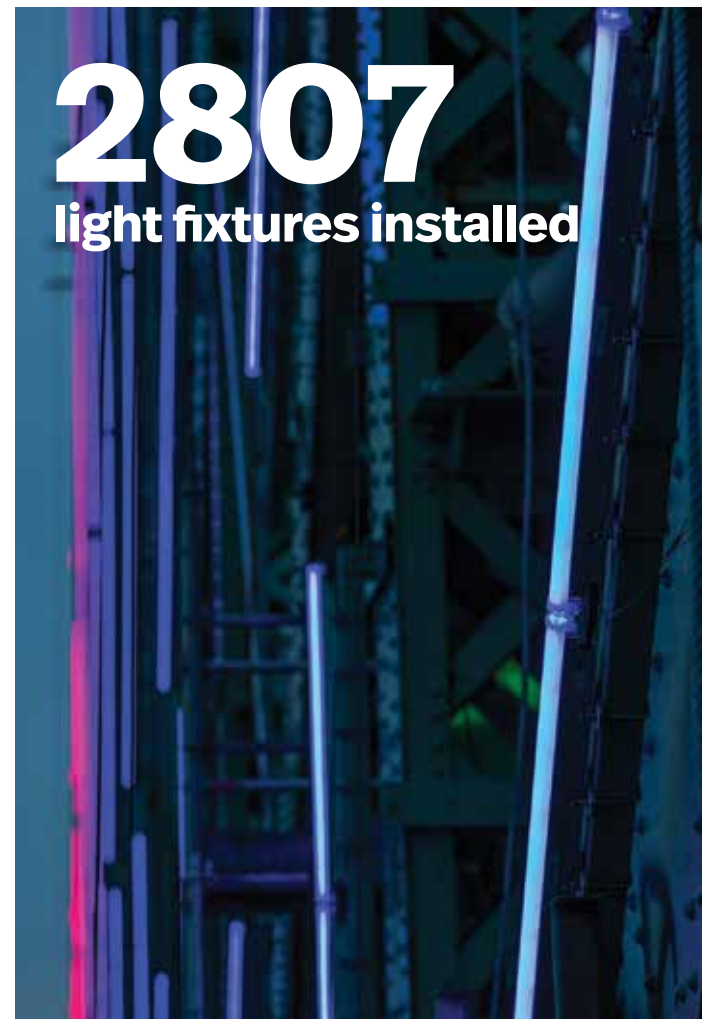
The inaugural show of the official illumination of the Jacques Cartier Bridge was held on May 17, 2017, the official launch date for the celebrations of Montreal's 375th anniversary, in memory of May 17, 1642, the day Ville-Marie was founded by Jeanne Mance and Paul de Chomedey, Sieur de Maisonneuve. Over 400,000 people came to enjoy the show on the river shores, while nearly 2 million Greater Montreal residents followed the show in the media.

The lights came alive against a musical soundtrack created especially for the occasion. The show featured the Orchestre Métropolitain, led by conductor Yannick Nézet-Séguin, and a dozen artists from Montreal's emerging arts scene.

This interactive light installation gives Montreal a new world-class visual signature and is also listed as a top visual attraction by tourism promotion organisations.

Living Connections received the 2018 "Interactive Innovation Award – Smart Cities" from South by Southwest (SXSW). Founded in Austin, Texas in 1987, SXSW is known for its conferences that celebrate the convergence of the interactive, film and music industries.

JCCBI also received an Elixir "Best of Projects" award in the "Palmarès category" from PMI-Montréal for its management of the project stakeholders. This award shows the Corporation's exemplary approach to getting its partners on board, winning over the public, and generating an interest and sense of pride in this major installation. The project also received the "Synergy Award" at the 2018 Prix Distinction gala of Tourisme Montréal, along with the "Prix Lumière" from the Illuminating Engineering Society.



2807
light fixtures installed

#illuminationMTL



AS THE SEASONS CHANGE, SO DO THE LIGHTS

The bridge changes with the seasons using a 365-colour calendar. Day after day, the heart of the bridge gradually shifts from a lively spring green to a radiant summer orange, a rich fall red, and finally an icy winter blue.

A REFLECTION OF MONTREAL'S ENERGY

The bridge captures the pulse of Montreal life in real time. The intensity, speed and density of the light fragments change depending on how often Montreal is mentioned on Twitter. As the bridge pulses with the city's social conversations, it reflects Montreal's energy.

Every new tweet sent with Montreal-related hashtags, including #illuminationMtl, #Montréal, #Mtl and #Mtlmoments, is captured by the bridge's illumination software system. The tweet is then transformed into a moving sparkle of light in the colour of the day. If the tweet is liked, the moving light expands. If it is retweeted, it accelerates. Otherwise, the moving glimmer of light disappears after a few moments.

LIKE CLOCKWORK

At first light, the bridge comes to life in a dance of lights, gradually revealing that day's colour.

Every hour at night, a series of 5-minute animated lighting sequences translate Montreal's energy based on different types of daily data: the weather, traffic, news, major events, and more. The bridge is then taken over by luminous movement, coloured according to the hottest topic of the day in Montreal media: society (red), environment (green), technology (light blue), business (grey), sports (blue), institutions (pink), culture (purple).

At midnight, the bridge acts like an urban clock. It cycles through all 365 colours on its calendar, looking for the colour of the day. At the end of the night, the bridge's framework goes dark. Only the turrets reaching high into the sky and the piers supporting the structure remain softly lit. Finally, at dawn, the bridge greets the city's early risers. It is subtly illuminated with lights mimicking the colour of the sky in real time.

SOLUTION BONAVENTURE: AN INNOVATIVE ENVIRONMENTAL PROJECT

Formerly used as a landfill site for industrial and household waste, the land next to the federal section of the Bonaventure Expressway posed an imminent hazard to the St. Lawrence River, particularly due to the runoff from many contaminants in the groundwater. The Solution Bonaventure environmental project aims at permanently eliminating this problem, and ultimately improve citizens' access to the waterfront.

In the west sector of the highway closer to Île des Sœurs, a hydraulic barrier was created for 32 pumping wells that contain groundwater contaminated with ammonia nitrogen, polycyclic aromatic hydrocarbons, and dissolved metals. This contaminated groundwater is directed to a building to be treated before being discharged back into the river.

In the east sector closer to the Victoria Bridge, the groundwater contains hydrocarbons contaminated with polychlorinated biphenyls (PCBs), which is why a retaining wall was built with two pumping stations at each end. Today, a true groundwater treatment system extends along the federal section of the Bonaventure Expressway.



WEST SECTOR

Every day, the system treats 290 m³ of raw water before discharging it back into the St. Lawrence River.

EST SECTOR*

Every month, the system extracts between 8,000 and 12,000 litres of contaminated water, which may contain from 75 to 150 litres of hydrocarbons per operation phase.

* As data is still being acquired in the east sector, the amount of recovered hydrocarbons may vary.

BICYCLE PATH NETWORK ADVISORY COMMITTEE

During the 2017-2018 fiscal year, the Corporation set up an advisory committee for the Jacques Cartier Bridge bicycle path to create a dialogue with representatives from associations that defend the interests of the pedestrians and cyclists who regularly use the Jacques Cartier Bridge. The committee is a way for everyone to discuss their needs as well as the benefits and constraints related to the use of the bridge's multipurpose path.



PILOT WINTER MAINTENANCE PROJECT ON THE JACQUES CARTIER BRIDGE MULTIPURPOSE PATH

Some cyclists and pedestrians would like to take the Jacques Cartier Bridge year-round to cross back and forth over the river. Of course, Montreal's harsh winter conditions pose big challenges when it comes to maintaining the path.

JCCBI performed testing in winter 2017-2018 with a small tractor equipped with various types of equipment: a shovel, a snowblower, liquid and granular deicing sprayer system, and more. Different types of heated surfaces were also tested, as was a measure to reduce the risk of ice falling onto the path. A number of guard rail sections were replaced, and a "rub rail" was installed to prevent bicycle handlebars from potentially catching the bars of the existing fencing.

To accommodate cyclists who want to bike on both sides of the river, the Corporation partnered with the Réseau de transport de Longueuil (RTL) to launch a pilot project for a dedicated bus for cyclists during peak hours.

From December 20, 2017 to April 6, 2018, the shuttle went between the Longueuil and Papineau metro stations every 20 minutes, with the first departure from Longueuil starting at 6:00 a.m. and the final return trip to Montreal at 6:40 p.m.

RESEARCH PROJECTS OF THE RESEARCH AND APPLICATIONS DIVISION

AN APPLIED RESEARCH AND TECHNOLOGY DEVELOPMENT PLATFORM TO EXTEND THE SERVICE LIFE OF THE STRUCTURES

With the main goal of extending the service life of our infrastructure, the Research and Applications Division (RAD) does research and development to study the behaviour of particular components, promising materials, and new construction methods used to manage major structures. To reach this goal, the RAD implemented projects awarded to researchers and consultants and tests pilot applications.

A dozen projects have been completed or are underway:

+ To extend the service life of the Jacques Cartier Bridge:

- Wind load capacity study completed, with wind tunnel tests on the main span. Result: the scope of the required reinforcements and the budgeted costs will be reduced by half.
- Evaluation of the seismic performance of the superstructure and piers.
- Characterization of the assemblies, trunnions and anchors of the main span.
- Pilot instrumentation application and research project to interpret data through machine learning.

+ To make our structures last:

- Laboratory and in-situ research program on ultra high-performance fibre-reinforced concrete (UHPRC) to reinforce and repair bridge slabs, piers and girders.
- Study of alternatives to deicing salts, given their environmental impact and corrosive action on the infrastructure.
- Participation in the pilot winter maintenance project on the multipurpose path, with testing of heated surfaces and alternatives to deicing salts.

"Thanks to our dedicated development team, our results will provide a better understanding of materials and their behaviour and help optimize investments," explains Sylvie Boulanger, Senior Director of the RAD.



RESULTS OF THE ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT OF THE JACQUES CARTIER BRIDGE ILLUMINATION

The Corporation completed a study to monitor the biological and human impacts of the illumination of the Jacques Cartier Bridge. A report was prepared for each component.

The findings from research on the biological environment do not establish an impact from the bridge illumination on the numbers of species studied around the structure. A number of mitigation measures were nevertheless implemented to limit the potential impact on wildlife and insects. A follow-up study is scheduled in 2018 and 2019.

No major issue was identified from the study of the human impacts of the installation. The main recommendations were to calibrate or decrease the lights at potential observation points of the city. This measure will help reduce the impact of light pollution and blue light, enhance Montreal's urban heritage, and ensure visual comfort and personal safety.

CONTINUED INVESTMENT IN INTELLIGENT TRANSPORTATION SYSTEMS (ITS)

ITS have optimized traffic flow and user safety. A counting system now provides access to real-time traffic data, such as numbers of crossings, vehicle types, number of passengers, speed, and average traffic flow.

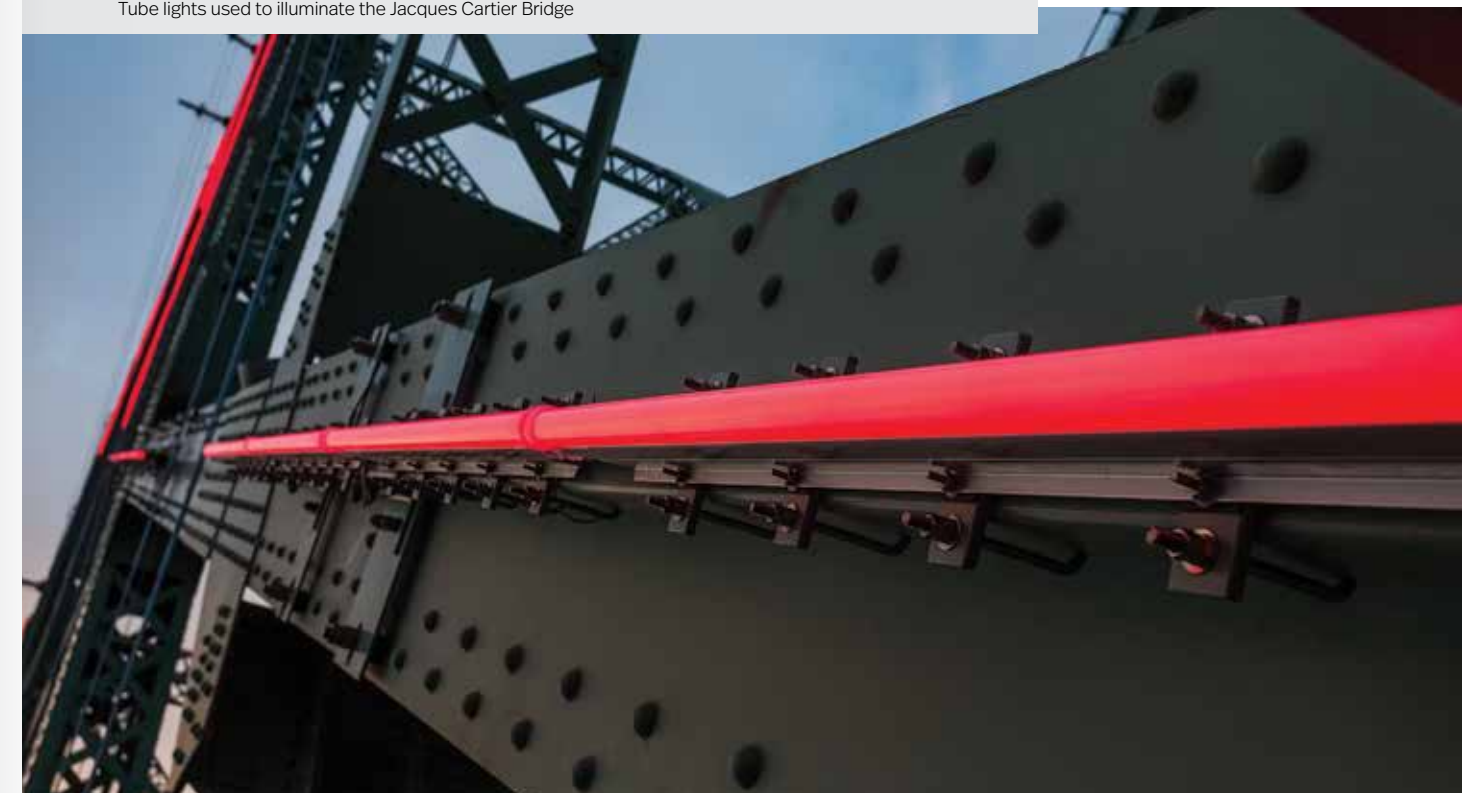
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CAMERAS ON THE JCCBI NETWORK TO MONITOR USER SAFETY AND TRAFFIC FLOW.

REAL-TIME MONITORING OF THE CHAMPLAIN BRIDGE WITH 330 SENSORS INSTALLED ON THE EDGE GIRDERS AND PIER CAPS.

Tube lights used to illuminate the Jacques Cartier Bridge



6.

SOCIAL AND URBAN CONTRIBUTOR

The Jacques Cartier Bridge and Champlain Bridge are important structures that play a role in the daily lives of their local communities. The Corporation is very sensitive to the quality of life of people who live next to the structures under its responsibility. JCCBI therefore carried out a number of activities as a social and urban contributor during the 2017-2018 fiscal year. Here are the highlights.



Bicycle path on the Champlain Bridge Ice Control Structure

MOHAWK BANNERS ON THE HONORÉ MERCIER BRIDGE

For the celebrations of Canada's 150th anniversary, JCCBI and the Mohawk Council of Kahnawá:ke partnered to launch an art competition in the Mohawk community.

The goal was to acknowledge the contribution of First Nations to the history of our country, celebrate Mohawk culture, and highlight the neighbourhood ties to this community and the Honoré Mercier Bridge. The selected works were reproduced on banners that now hang along the federal section of the bridge.

- Artwork adorning the bridge**
- 1 **She Dances Fast**, pencil sketch by Marian Snow
 - 2 **Three Sisters**, an oil painting by Skarahkotane Deom
 - 3 **Kateri Tekakwitha**, illustration by Kaienteri McGregor, high school student, 16 years old
 - 4 **Smoke Dancers Series**, multimedia drawings by Skarahkotane Deom



EXPERIENCE AND KNOWLEDGE SHARING

In 2017-2018, JCCBI interacted with different audiences and in particular increased contact with future engineers at Quebec's major universities.

Future engineers get crafty

For a second year in a row, JCCBI took part in the cardboard bridge competition organized by the civil engineering students' association at Polytechnique Montreal for Civil Engineering Week. Five teams vied for top honours at a competition for which the only materials allowed were cardboard boxes, white glue, and an S-hook. The competitors were judged on the load-bearing strength and aesthetics of their cardboard bridge, which could only weigh up to 300 grams.

Connection between JCCBI and Polytechnique Montréal, McGill University, and Université Laval

To contribute to innovation in engineering and share its knowledge with budding engineers, the Corporation organized a scientific talk at Polytechnique Montréal to discuss the complex challenges of installing and operating the Champlain Bridge monitoring system. Our teams have been tracking the real-time behaviour of the bridge for several years thanks to 330 sensors installed throughout the structure.

In fall 2017, JCCBI welcomed a group of civil engineering students from Polytechnique Montréal for a tour of the Jacques Cartier Bridge illumination project. Students from the Faculty of Bioengineering at McGill University were also given a tour of the site of the Solution Bonaventure environmental project.

Again at McGill, representatives from JCCBI's RAD visited the SURE Poster Presentation Fair and attended project presentations by undergraduate students in the summer engineering research program. Two of these projects were linked to a RAD research contract to evaluate carbon-fibre-reinforced polymer strips as shear reinforcements for existing bridge girders.

Four students from Université Laval who won the 2017 Quebec Engineering Competition had the opportunity to meet the Champlain Bridge project team and go on a boat tour to see all the work done on the bridge over the past few years.



*This year, employees from the Corporation gave no fewer than **42 presentations to external school, community, and professional audiences to showcase its activities and promote its expertise.***

JCCBI was also at the 34th edition of the Quebec Engineering Competition, whose theme this year was sustainable development. Every year, this competition brings together student engineers from Quebec's 11 universities. The teams competing in the "Consulting engineering" category got to work on a case study that JCCBI submitted on redeveloping the south approach of the Jacques Cartier Bridge in accordance with leading sustainable development principles.

Living Connections photo exhibit

JCCBI hosted an exhibit of large-format photographs illustrating the Jacques Cartier Bridge illumination project. The installation was set up in the main hall of the building of JCCBI's head office at 1225 Saint-Charles West in Longueuil. Visitors could also meet with members of the project team and tested out some equipment.



Electrifying light sequence melds with fireworks on July 1, 2017

JCCBI CONTRIBUTES TO MAJOR EVENTS

The schedule for 2017-2018 was filled with public events, and JCCBI spared no effort to help make them a success.

Celebrations for the 150th anniversary of Canadian Confederation

For Canada's 150th anniversary, a special illumination program was held on the Jacques Cartier Bridge on July 1. Montrealers could light up the bridge using the hashtag #Canada150.

Montreal's bridges have played an important role in the city's history and development. For Canada's 150th anniversary, JCCBI offered the public a heritage experience through a technical and historical journey called Stories and Bridges that was developed with Montréal en Histoires.

With the free app, hikers and cyclists can follow a circuit that links the Jacques Cartier Bridge, Champlain Bridge and Champlain Bridge Ice Control Structure via the Greater Montreal bicycle network and get to know the sites, events and characters that have forged Montreal's history.

La Boucle of the Grand défi Pierre Lavoie

About 6,000 cyclists came out on July 2, 2017 for the 5th edition of La Boucle of the Grand défi Pierre Lavoie. From downtown Montreal, an impressive crowd biked along the Bonaventure Expressway and the Champlain Bridge Ice Control Structure to the South Shore to go through seven municipalities over 135 kilometres in a closed circuit. JCCBI oversaw the logistics for the use of its structures.

Rock 'n' Roll Oasis Montréal Marathon

Every year, an impressive number of runners take over the Jacques Cartier Bridge for the Rock 'n' Roll Oasis Montréal Marathon, which had its 27th edition in fall 2017. Although only the half-marathon was held, due to hot and humid weather, the event was a success. JCCBI has partnered with this event for a number of years. The Corporation put up a photo booth directly on the bridge deck to capture everyone at the starting line.

Journées de la culture

As it does every year, JCCBI actively participated in the Journées de la culture 2017 with three free activities in the Jacques Cartier Bridge sector. Visitors could take in the mural *La traversée* created by artist Rafael Sottolichio in spring 2016 that is installed in the pedestrian crossing of the Île Sainte-Hélène pavilion.

Visitors to the Journées de la culture could look for the small signs in the shape of a house inviting them to download the Stories and Bridges mobile app. Through five places of interest and three augmented realities, this production shows the public the events that have forged Montreal's history.

Visitors could then continue their cultural journey at the SSQ Tower in Longueuil to admire the exhibit of large-format photographs featuring the Jacques Cartier Bridge illumination project.

Ringling in 2018

Montrealers welcomed 2018 at a special illumination of the Jacques Cartier Bridge. This light show was set to a soundtrack played live at the Clock Tower Quay and simulcast at the Jacques-Cartier Quay and Place Jacques-Cartier. At the stroke of midnight, the bridge reflected the massive fireworks display to celebrate the New Year.



JACQUES CARTIER BRIDGE GOOD NEIGHBOURLY RELATIONS COMMITTEE

As previously mentioned, JCCBI started a major program in 2017-2018 to reinforce the metal structure of the Jacques Cartier Bridge to extend its service life until 2070. Aware of the impact of this work, JCCBI launched a Good Neighbourly Relations Committee in January 2017 to open dialogue with the public and find tailored solutions for the issues that can arise with this type of work site. These committees are excellent tools to make sure the work site does not detract from community life.

Jacques Cartier Bridge in winter colours



DEVELOPMENT OF THE MONTREAL APPROACHES OF THE JACQUES CARTIER BRIDGE

The Jacques Cartier Bridge is one of Montreal's architectural icons. Built at the end of the 1920's, this monumental icon is also a key feature of the Montreal skyline and one of its main gateways to downtown. However, the imposing structure breaks up the neighbourhood and splits the residential neighbourhoods of Sainte-Marie and Saint-Jacques.

Ville de Montréal is looking to enhance the land near the bridge. The City's "Downtown Strategy" is part of a broader project to revitalize the downtown area by 2030. The proposed development will strengthen the urban fabric in the area, increase the amount of green surfaces, and improve pedestrian and bicycle paths.

While aligning with the vision of Ville de Montréal, JCCBI did a prefeasibility study on improving the management of runoff water from the bridge deck and revitalizing the land under the structure.

The Corporation also organized a public consultation on the redevelopment project with the Ville-Marie borough that was attended by over 200 people. This urban park, which will serve as a new "bridgehead," will have lasting environmental, social and economic benefits.



Sentier urbain received the 2017 "Grand prix Agir ensemble" from Ville de Montréal for the Jardin Biodiversité et pollinisateurs (biodiversity and pollinating garden) located on JCCBI land near the Jacques Cartier Bridge.

JCCBI'S COMMUNITY INVESTMENT

Honours to the 2017 Village au Pied-du-Courant

The collective of 56 builders of the 2017 Village au Pied-du-Courant and La Pépinière | Espaces collectifs won a Grand prix du design du Québec in the "Mention Design événementiel et installation éphémère" category. The Village au Pied-du-Courant is an urban initiative that harnesses the talents of many designers to give life to an ephemeral village that highlights the value of entrepreneurship, the arts and new design practices.

The Corporation was a partner of this initiative and sponsored the Mirador structure designed and created by Le Pictographe. The Mirador provided a new perspective on Montreal, the illumination of the Jacques Cartier Bridge, and the International des Feux Loto-Québec.

Recognition for Sentier urbain

For five years, JCCBI has partnered with Sentier urbain, an organization that works with communities near the Jacques Cartier Bridge. Sentier urbain received the 2017 "Grand prix Agir ensemble" from Ville de Montréal for the Jardin Biodiversité et pollinisateurs (biodiversity and pollinating garden) located on JCCBI land near the Jacques Cartier Bridge. This award was given out as part of Opération patrimoine Montréal, which recognizes citizen contributions to preserving heritage in all its forms.

For the Corporation, associating with organizations like Sentier urbain is a concrete way to fulfill its sustainable development mission and its mission as a social and urban contributor.

Engineering students keen for sustainable development

JCCBI representatives attended the 34th edition of the Quebec Engineering Competition, which took place at the end of January 2018 in Sherbrooke and whose theme was sustainable development. This eight-category competition brings together student engineers from Quebec's 11 universities.

The 11 teams that competed in the "Consulting engineering" category tackled a case study that JCCBI submitted on redeveloping the south approach of the Jacques Cartier Bridge in accordance with leading sustainable development practices. The students had eight hours to develop two solutions. The team from McGill University came in first, followed by the teams from Université du Québec à Rimouski and Concordia University.

JCCBI donates winter coats to the homeless

JCCBI gave a second life to 24 winter coats that are no longer up to construction site standards but that are still in good condition. The coats went to La marche des Ours, a nonprofit that helps the homeless stay warm through the winter.

Support for Opération Bonne Mine

The four primary schools near the Jacques Cartier Bridge received financial assistance at the start of the school year so that students could get the supplies they need to start the new year off right. This program is part of Opération Bonne Mine, an initiative of the Société Saint-Vincent de Paul, which helps underprivileged families at the start of the school year and lets students develop a positive attitude towards school.

JCCBI: A social contributor with Spectre de rue

JCCBI has partnered with local nonprofit Spectre de rue to find lasting solutions to help people near the Jacques Cartier Bridge who are homeless or coping with drug addiction. Spectre de rue has been working in the Centre-Sud neighbourhood of Montreal for over 20 years with marginalized people dealing with issues related to substance abuse, prostitution, homelessness, and mental health.

This organization's approach is to provide referrals and guidance instead of exclusion. Spectre de rue educates

the public about the realities of being homeless with a view to harmonizing cohabitation.

Thanks to its partnership with JCCBI, Spectre de rue has trained JCCBI staff who perform maintenance or construction work in sensitive areas around the Jacques Cartier Bridge. Our teams can now work with these clientele with more sensitivity, and they have better tools when they are out in the field.

Creation of a rest area on the Ice Control Structure

Users of the Champlain Bridge Ice Control Structure bicycle path can now enjoy a rest area. During a walk or ride, people can take a break and admire the scenery from a unique vantage point on Île des Sœurs.

The space has a collection of planted trees, shrubs and perennials. The urban furniture includes picnic tables, bicycle racks, and a station for minor bicycle repairs.



Biodiversity protection

In the Ice Control Structure sector, JCCBI helps protect the site biodiversity by building habitats for species. The ice control structure has a refuge for brown snakes as well as nesting beams for the largest colony of cliff swallows in Quebec. The Champlain Bridge also has nesting boxes for peregrine falcons.



View of the Clock Tower Quay in the Old Port and the Jacques Cartier Bridge

STORIES AND BRIDGES MULTIMEDIA TOUR

Stories and Bridges is a multimedia creation that lets the public discover the people, places and events that have forged Montreal's history. Stories and Bridges reveals five places of interest through educational audiovisual material that includes texts, images and illustrations as well as 3D augmented realities. Thanks to immersive videos, these augmented realities bring alive historical facts, anecdotes and animated characters against a historical backdrop.

Jacques Cartier Bridge sector

At the entrance to the Jacques Cartier Bridge on the Montreal side, the first place of interest explains why the Jacques Cartier Bridge is "crooked." The tour then shows three augmented realities that scroll images of the construction of La Ronde and the Jacques Cartier Bridge. The final augmented reality features Montreal in the 1880s and recounts the history of the ice bridges.

Old Port sector

At the second site of the Clock Tower Quay in the Old Port sector, users learn more about the Jacques Cartier Bridge's unique construction.

Champlain Bridge sector

At the Champlain Bridge, the construction of the Champlain Bridge (from 1957 to 1962) comes alive through spectacular images. In the same place, three sites explain the construction of the St. Lawrence Seaway (one of North America's largest work sites of the 20th century), the role of the Champlain Bridge Ice Control Structure, as well as the many environmental protection programs done by JCCBI.

The free Montréal en Histoires app provides content in French, English, Spanish and Mandarin. Available day and night, these tours let people explore the bridges in their own way and learn more about their history at their own pace.



BIODIVERSITY INVENTORY

In 2016-2017, JCCBI conducted a biodiversity inventory so that all its teams could better understand the territory and its wildlife and plant species. In 2017-2018, JCCBI continued with this approach by developing two more tools: technical data sheets for each species of wildlife and plant life with a special status, and georeferenced maps included in the Corporation's geographic information system (GIS) software.

This exercise is a good example of the precautionary principle that the Corporation adheres to, and it has allowed us to collect scientific data on environmental prevention measures.

- + 1,980 plants, shrubs, trees and vines planted on JCCBI land, with 23 different species.
- + 2 pairs of falcons, each of which produced a brood, as well as 1,271 nests for cliff swallows that have found homes in nest boxes on the structures.
- + 14 technical data sheets created for 11 wildlife species and 3 plant species with a special status inventoried on the Corporation's lands.

Boat tour in the Champlain Bridge sector



7.

GOVERNANCE



Bird's eye view of the cantilever structure of the Jacques Cartier Bridge

ACCOUNTABILITY

The Jacques Cartier and Champlain Bridges Incorporated is a parent Crown corporation of Her Majesty under The Jacques-Cartier and Champlain Bridges Inc. Regulations (SOR/98-568). It is subject to Part X of the Financial Administration Act (FAA).

The Corporation reports to Parliament through the Minister of Infrastructure and Communities. It is mainly financed through parliamentary appropriations, but it also receives revenue to a lesser extent from other sources, such as leases and permits.

BOARD OF DIRECTORS

The Corporation's Board of Directors is made up of seven members, including the Chief Executive Officer. The Board members are appointed by the Minister, with the approval of the Governor in Council. The Chairman of the Board of Directors and the Chief Executive Officer are appointed by the Governor in Council upon the recommendation of the Minister. The Chairman of the Board of Directors has no executive role on the management team.

16 BOARD OF DIRECTORS MEETINGS IN 2017-2018

In accordance with sound governance practices, the Board of Directors has formed three standing committees:

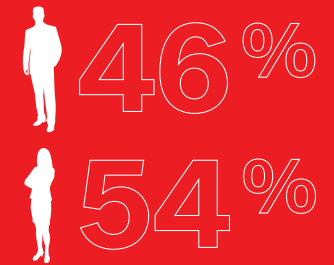
- + The Governance and Ethics Committee, which is responsible for assessing all of JCCBI's governance aspects and practices. Its mandate is to advise the Board of Directors on how JCCBI will address issues related to its governance practices and apply the guidelines related to the governance of Crown corporations issued by the Treasury Board Secretariat.
- + The Audit Committee, whose responsibilities are set out in the FAA. These include monitoring JCCBI's integrity and behaviour standards, the integrity and credibility of its financial statements, and its internal control systems and practices.
- + The Human Resources Committee, whose main role is to provide guidance for the development of human resources policies, programs and practices that are consistent with JCCBI's mission, vision and values as well as with its strategic plan and objectives.

The Board of Directors has also formed other advisory committees without decision-making powers to help ensure that major projects run smoothly.



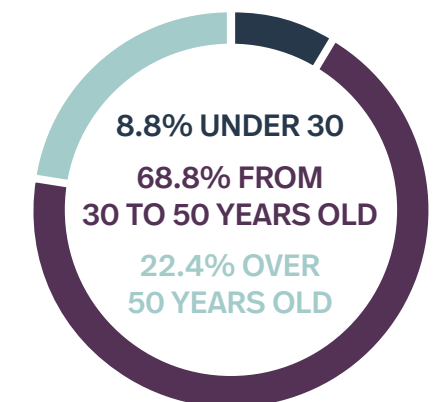
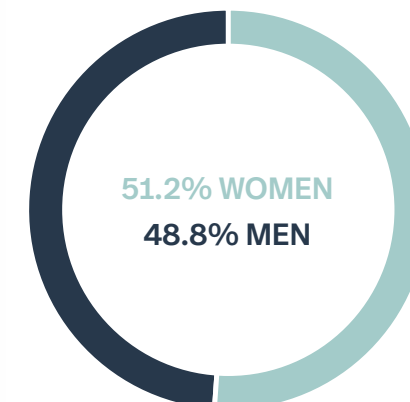
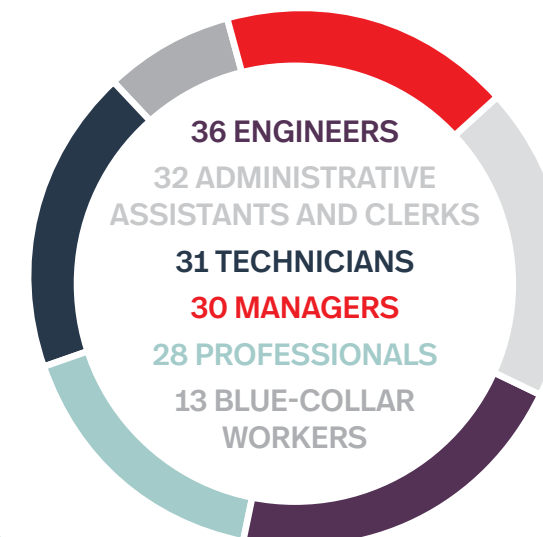
From left: Julie Paquet, Claude Lachance, Sylvie Boulanger, Glen P. Carlin, Catherine Tremblay, Sandra Martel, François Demers.

Overall, 46% of Board positions and senior management positions are filled by men and 54% are filled by women.



HUMAN CAPITAL

JCCBI's multidisciplinary team is made up of over 170 people from various disciplines and trades.



From left: **Dominique Bouchard** (Director), **Catherine Lavoie** (Director), **Dale Ellen Williams** (Director), **Paul T. Kefalas** (Chairman), **Glen P. Carlin** (CEO), **Denise Hébert** (Vice-Chairman), **Sylvain Villiard** (Director)



The Corporation is committed to investing in the development of its employees and to providing them with a positive work environment that is stimulating, respectful, healthy and safe, and where they can develop their talents. This year, JCCBI continued the development of all its staff by investing in training, knowledge transfer, awareness of different aspects of workplace well-being, and initiatives to promote team commitment and involvement. Major achievements in this area are as follows:

- + A second Engage-O-Meter™ survey was conducted among all employees, and an action plan for each department was created to address the identified recommendations (first survey done in 2015)
- + Launch of the “JCCBI academy” to offer internal training programs
- + Signing of the collective agreement with blue-collar employees
- + Report on labour retention and commitment and identification of possible initiatives
- + Development and implementation of an annual workplace health and well-being campaign
- + Training of managers on professional development and new hires so that they can evaluate expected behaviours and attitudes

AVERAGE OF 38 HOURS OF TRAINING GIVEN TO EMPLOYEES IN 2017-2018



MAJOR 2017-2018 ACCOMPLISHMENTS

Occupational Health and Safety

As per its strategic orientations in Occupational Health and Safety, JCCBI ensures that it fulfills all its legal obligations to both employees and anyone admitted onto its work sites. To this end, JCCBI has created a series of procedures and tools to meet the requirements set out in the Canada Labour Code, Part II – Occupational Health and Safety.

Aware of its obligations, JCCBI is fully involved in deploying and implementing its 2017-2018 strategic program.

The 2017-2018 key performance indicators show a rate of 0 disabling injuries, which means that no disabling injuries were reported last year. Overall, only four minor injuries required medical attention and did not result in a work stoppage.

For construction sites and principal contractors with active contracts during this period, the average risk index was at an acceptable level. JCCBI can effectively monitor all of its key performance indicators, including prevention activities, thanks to the implementation of a new OHS dashboard.

JCCBI continues to maintain and enhance the requirements for work site supervision contracts, mainly for health and safety resources, through the development of a global health and safety management contract. Our OHS department is also clarifying the specific expectations associated with major risk management for this type of contract.

Management’s commitment, the involvement of the local OHS committee, and the participation of all employees will ultimately help us move toward the goal of “zero injury by choice.” This philosophy is also a logical and natural fit with the Corporation’s sustainable development approach.

TABLE OF JCCBI ACTIVITIES ACCORDING TO SCOPE, EMISSIONS AND ENERGY CONSUMED FOR THE 2017-2018 FISCAL YEAR

	SCOPE 1 (Vehicle fleet and natural gas)	SCOPE 2 (Electricity consumed)	SCOPE 3 (Employee commutes)
Emissions (tCO ₂ e)	262.4	13.2	315.9
Energy (GJ)	3688.7	26379.7	n/a

NOTES:

- The GHG Protocol methodology was used, and the gases included in the calculation are CO₂, CH₄ and N₂O.
- Emissions factors mainly come from Canada’s latest GHG national inventory report.

Broader focus on our environmental footprint

JCCBI has been keeping track of its environmental footprint for several years. However, these initiatives had been limited to administrative tasks. The Corporation is therefore working on a GHG calculator for all its activities, which means that construction, operations and structural maintenance will be added to the activities we were already tracking. This also means that construction materials, electrical equipment and machinery operations will be added to JCCBI’s environmental footprint calculations.

Tools to reduce water usage

The Corporation has set up initiatives to reduce its water usage and the use of plastic bottles, for example, by using water distribution equipment that is directly connected to the aqueduct that treats water from the St. Lawrence River. This year, small water filter faucets were added to the kitchen sinks.

Limiting the impact of office consumables

This year, the Corporation implemented the TerraCycle program to recycle writing materials that would normally be sent to a landfill. Since the initiative was implemented, 345 items have already been recovered.



ALIGNMENT OF THE SUSTAINABLE DEVELOPMENT STRATEGY

- + The Corporation has begun aligning its sustainable development strategy with two other overlapping programs:
 - The Government of Canada’s Federal Sustainable Development Strategy (FSDS) (13 goals)
 - The United Nations’ sustainable development goals (17 goals)

The FSDS is based on the guidelines of the United Nations, which provide a worldwide framework for sustainable development.

DEVELOPMENT OF A RESPONSIBLE PROCUREMENT APPROACH TO BE DEPLOYED STARTING IN 2018-2019

+ The Corporation is developing a responsible procurement approach that will be deployed starting in 2018-2019. This process includes the creation of a practical guide to responsible procurement for products and services and employee training.



CORPORATE SOCIAL RESPONSIBILITY



Sustainable development orientations

Sustainable development is an integral part of the Corporation's mission and vision. Beyond its infrastructure projects, its commitment to sustainability extends to organizational management and its desire to have a positive impact on the community.

During the 2015-2016 fiscal year, JCCBI launched a sustainable development process that is more systemic and integrated. To support the internal policy, a first five-year action plan (2016-2021) was prepared to consider the environmental, social and economic aspects of JCCBI's activities and asset management.

The Corporation's sustainable development process is based on 8 themes, 33 goals and 123 actions and is reviewed every month by the Sustainability Committee, whose members are made up of senior managers. Progress is measured through the Corporation's commitment, the programs implemented, performance measurement, and communication.

"We are now at the halfway mark of our five-year plan, and we are already seeing the environmental and socioeconomic benefits," says Martin Chiasson, Director, Environment. "Aligning our approach with national and international orientations will let our organization contribute to global sustainability goals."

QUICK FACTS

\$6M DEDICATED TO INSPECTIONS AND STUDIES

307 MEDIA REQUESTS AND OPPORTUNITIES TO INFORM THE PUBLIC ABOUT ITS ACTIVITIES AND SHARE ITS EXPERTISE

100% OF EMPLOYEES WHO TAKE PARENTAL LEAVE COME BACK TO WORK

0 ACCIDENTS WITH WORK STOPPAGE/1,000,000 HOURS WORKED

1,256 USER COMMENTS AND COMPLAINTS HANDLED

UPDATE ON THE SUSTAINABLE DEVELOPMENT ACTION PLAN

THEMES	GOALS	MAJOR 2017-2018 ACCOMPLISHMENTS
<p>Responsible and strategic governance</p> <p>Integrate sustainable development principles into our governance, strategic planning and administrative processes.</p>	<p>Integrate sustainable development aspects into our corporate strategy.</p> <p>Be able to assess our global performance (both financial and non-financial results).</p> <p>Manage risks in a preventive and systemic manner, covering all economic, social and environmental risks.</p> <p>Consider our stakeholders' expectations in the Corporation's strategy and engage them.</p> <p>Communicate transparently on JCCBI's strategy, challenges and global performance (financial and non-financial).</p>	<p>Implementation of the Corporation's sustainable development goals and commitments.</p> <p>Drafting and publishing of a second annual sustainability report.</p> <p>Continued identification of stakeholders.</p> <p>Organization of multiple public consultations and information sessions (e.g., Good Neighbourly Relations Committee).</p> <p>Formalization of internal governance for sustainable development.</p> <p>Start of an exercise to align JCCBI's sustainable development strategy with that of the Federal Government and with the United Nations goals.</p>
<p>Integrity and financial stewardship</p> <p>Manage funds with integrity and in a responsible and efficient way.</p>	<p>Carry out our activities in accordance with the law and with the Values and Ethics Code for the Public Sector.</p> <p>Award contracts fairly and equitably, and fight against corruption in all its forms.</p> <p>Communicate transparently on government funding and the use of public funds.</p>	<p>Development of a new Code of Conduct that includes the Corporation's approach and commitments to ethics and integrity.</p>
<p>Responsible procurement</p> <p>Ensure our partners act according to the same ethical principles and contribute to sustainable development.</p>	<p>Make sure that JCCBI's suppliers act responsibly.</p> <p>Use more sustainable products and equipment.</p>	<p>Development of an approach to responsible procurement to be deployed starting in 2018-2019.</p>

UPDATE ON THE SUSTAINABLE DEVELOPMENT ACTION PLAN

THEMES	GOALS	MAJOR 2017-2018 ACCOMPLISHMENTS
<p>Infrastructure and user safety</p> <p>Provide a reliable and safe service for users of the Corporation's infrastructure.</p>	<p>Manage infrastructure safety aspects using a systemic and preventive approach.</p> <p>Be able to respond to emergency situations.</p> <p>Provide a safe and healthy work environment.</p>	<p>Implementation started of a structured and documented risk analysis methodology for every structure managed by JCCBI.</p> <p>Creation of a new OHS search management process for incidents, noncompliance, and corrective and preventive actions.</p> <p>Creation of a new procedure and reporting tools for accidents and risk situations.</p> <p>Release of OHS performance indicators using a quarterly dashboard.</p> <p>Development of an access management procedure for visitors and other parties.</p> <p>Reinforcement of the role and responsibilities of the local Occupational Health and Safety Committee.</p> <p>Implementation of the key components of a prevention and safety program for musculoskeletal disorders.</p> <p>Update of the emergency response plan, including 8 training sessions for the staff.</p>
<p>Sustainable infrastructure design</p> <p>Designing and developing the infrastructure under the Corporation's responsibility using a vision of sustainability.</p>	<p>Optimize social, economic and environmental aspects throughout the infrastructure life cycle.</p> <p>Promote environmentally friendly modes of transportation (such as walking, cycling, public transit).</p> <p>Minimize the impact of work on the quality of services for users.</p>	<p>Construction of a rest area at the Ice Control Structure and trees planted on an embankment at the south approach of the Jacques Cartier Bridge.</p> <p>Prefeasibility study conducted on the deconstruction of the Champlain Bridge and a prefeasibility study on the reconfiguration of the Bonaventure Expressway, based on technical, social, environmental and economic criteria.</p> <p>Launch of the Stories and Bridges app (a multimedia tour of the Corporation's infrastructure).</p> <p>Hundreds of lane closures at night were avoided, as work on the Jacques Cartier Bridge was optimized at the planning stage.</p> <p>Work to improve the safety of the Jacques Cartier Bridge bicycle path done this winter to limit restrictions on bicycle traffic during the other three seasons.</p>



UPDATE ON THE SUSTAINABLE DEVELOPMENT ACTION PLAN

THEMES	GOALS	MAJOR 2017-2018 ACCOMPLISHMENTS
<p>Environmental stewardship</p> <p>Reduce the impact of our operations and contribute positively to ecosystem conservation.</p>	<p>Manage environmental aspects in a systemic approach to continuously improve our performance.</p> <p>Protect and preserve natural species on and in the vicinity of our infrastructure.</p> <p>Responsibly manage the assets under JCCBI's responsibility with regards to their contamination.</p> <p>Limit the Corporation's environmental footprint.</p>	<p>Launch of a monetization pilot project looking at the outcomes, social benefits and environmental benefits of a flagship project.</p> <p>Development of the scope of a process to adapt to climate change with studies that will begin in 2018-2019.</p> <p>Process started to quantify the environmental footprint of all JCCBI's activities.</p> <p>Implementation of the TerraCycle program to reuse and recycle office supplies.</p> <p>Data on the Corporation's infrastructure pertaining to certain contaminants (e.g., asbestos, lead) proactively updated.</p> <p>Multiple environmental impact studies carried out relating to major work.</p> <p>Review started to improve the tracking of materials to be disposed of at authorized sites.</p>
<p>Human capital</p> <p>Provide a fair, equitable, safe and healthy work environment for the Corporation's employees so that they can excel.</p>	<p>Sustain a good social dialogue.</p> <p>Offer competitive compensation.</p> <p>Support employee well-being by implementing attraction and retention measures.</p> <p>Provide our employees with opportunities for learning and development.</p> <p>Build a healthy and respectful workplace that emphasizes mental health.</p>	<p>A second Engage-O-Meter™ survey conducted among all employees and an action plan developed for each department to address each recommendation.</p> <p>Launch of the "JCCBI Academy" to offer internal training programs.</p> <p>Signing of a collective agreement with blue-collar employees.</p> <p>Report on labour retention and commitment and identification of possible initiatives.</p> <p>Development and implementation of an annual workplace health and well-being campaign.</p> <p>Training of managers on professional development and new hires so that they can evaluate expected behaviours and attitudes.</p> <p>A union-management labour relations committee with white-collar employees meets 9 to 12 times per year.</p>

UPDATE ON THE SUSTAINABLE DEVELOPMENT ACTION PLAN

THEMES	GOALS	MAJOR 2017-2018 ACCOMPLISHMENTS
<p>Socioeconomic contribution</p> <p>Contribute to the economic development and quality of life of people in the communities where the Corporation manages infrastructure.</p>	<p>Maintain an open dialogue with local communities.</p> <p>Respect Indigenous rights and collaborate with local First Nations communities.</p> <p>Contribute to the socioeconomic development of the area.</p> <p>Actively contribute to the development of knowledge on infrastructure engineering.</p> <p>Support community initiatives.</p>	<p>Participation in multiple academic events that highlight innovation in civil engineering and sustainable development.</p> <p>Launch of a new partnership with the non-profit organisation Spectre de rue to support marginalized people in the Jacques Cartier Bridge area and help them integrate in the community.</p> <p>Work completed on the Honoré Mercier Bridge in partnership with the Mohawk community, to improve safety on the lands surrounding the bridge.</p> <p>Donated coats as a corporate contribution to an organization that will give them to homeless people.</p> <p>Innovation efforts continued through targeted research programs done by the RAD.</p> <p>Process established to evaluate completed initiatives to show their added value in terms of the economic, sociological and environmental benefits of sustainable development (via the RAD).</p>

View from Île des Sœurs of the Champlain Bridge Ice Control Structure, a natural environment where biodiversity is protected





Champlain Bridge at night

AUDIT REGIME

JCCBI's auditor is the Auditor General of Canada pursuant to The Jacques-Cartier and Champlain Bridges Inc. Regulations. The Auditor General conducts an annual audit of the Corporation's activities in accordance with the FAA to ensure that the financial statements accurately represent the Corporation's financial results as per recognized accounting principles and that JCCBI's operations have been conducted in accordance with the FAA, the charter and by-laws.

JCCBI develops multi-year internal audit plans to determine, among other things, whether its risk management, control and governance systems allow it to carry out its mission in a fiscally responsible, efficient and effective way in accordance with the applicable legislation. To create these plans, JCCBI retains the services of external firms.

ACCESS TO INFORMATION AND PROTECTION OF PERSONAL INFORMATION

The Corporation processes all requests for access to information and access to personal information in accordance with the Access to Information Act and the Privacy Act. Through the Info Source portal, the Corporation provides information about its functions, programs, activities and related information holdings.

6 ACCESS TO INFORMATION REQUESTS WERE PROCESSED DURING THE FISCAL YEAR.

REMUNERATION

The Governor in Council fixes the rate of remuneration for the Chairman and other Board members, as well as for the Chief Executive Officer. The remuneration for the Chairman and other Board members is consistent with the Remuneration Guidelines for Part-time GIC Appointees in Crown Corporations and section 108 of the FAA. The Chairman receives an annual retainer of \$7,500 and a per diem of \$300 to attend the meetings of the Board of Directors and committees thereof, while the other Board members receive an annual retainer of \$3,800 and are paid at the per diem rate of \$300. Board members are reimbursed for reasonable expenses incurred as part of their duties, such as travel, accommodation and meals.

The conditions of employment for the Chief Executive Officer are set out in the Terms and Conditions of Employment for Full-Time Governor in Council Appointees. The salary range for the Chief Executive Officer (CEO 3) is \$179,200 to \$210,800. The Chief Executive Officer does not receive a per diem to attend Board meetings.

The Governor in Council may also grant the Chief Executive Officer a performance bonus of up to 15% of his or her base salary, based on the level of achievement of his or her key performance objectives.

TRAVEL, HOSPITALITY, CONFERENCE AND EVENT COSTS

In accordance with Order in Council P.C. 2015-1112 and section 89 of the FAA, the following table reports on the annual travel, hospitality, conference and event costs for fiscal year 2017-2018.

	AMOUNT (in thousands of \$)
Travel	43
Hospitality	15
Conferences	62
TOTAL	120





PERFORMANCE ANALYSIS

STRATEGIC ISSUES AND RISKS

INFRASTRUCTURE SAFETY AND SUSTAINABILITY

The infrastructure operated and maintained by JCCBI has been subjected to heavy traffic, climatic conditions and an abundant use of road salt. The age of the infrastructure, the funding required to ensure the maintenance and rehabilitation thereof, and deliberate acts such as terrorism, vandalism or even protests, represent real risks.

Any closure of lanes, of a bridge or of the Seaway could affect:

- + user safety
- + the regional and national economy
- + the reputation of both JCCBI and Canada.

Through funding received in Budget 2018, JCCBI has undertaken a major repair and maintenance program to extend the service life of its structures.

In 2017-2018, the Corporation completed 67% of the work planned in its major work program. JCCBI soundly administers its major maintenance program in order to extend the service life of its infrastructure as much as possible.

The Corporation also has an emergency measures plan and works with other partners to coordinate emergency procedures and approaches. JCCBI holds periodic follow-up and coordination meetings with police services to manage the risks related to terrorism, vandalism and protests. Systems have also been installed for ongoing monitoring.

SUSTAINABLE FUNDING

JCCBI has received funding until 2022-2023. Such funding allows the Corporation to conduct inspections and carry out maintenance work, thereby mitigating the risk associated with the deterioration of the bridges and structures.

JCCBI continues to work with Infrastructure Canada to identify short- and long-term funding needs with a ten-year financing plan that is reviewed annually.

Risk reserves have been set aside to cover professional services and construction costs and should be sufficient to cover any unexpected work or events. In addition, as the maintenance program is carried out, JCCBI reuses the funds released to accelerate certain priority work.

ORGANIZATIONAL PERFORMANCE

JCCBI must ensure that it has the operational capacity to carry out its major maintenance program and fulfill its legal obligations. The risks related to organizational performance may have an impact on the costs and on the ability to carry out its major work program if the Corporation does not have effective and integrated information resources as well as human resources to meet current and future needs. JCCBI has implemented a project-based management organizational structure. JCCBI maintains its integration, training and development programs for its employees and managers. In addition, JCCBI continues to implement its IT master plan that includes information systems for financial management, project management and asset management.

OCCUPATIONAL HEALTH AND SAFETY

JCCBI must ensure that it has the tools in place to meet its occupational health and safety (OHS) obligations in a complex legal environment.

In particular, given the increase in the number of contracts awarded by the Corporation for major work on its structures and the increase in its personnel, JCCBI has acquired various tools to meet its legal obligations under Part II – Occupational Health and Safety of the Canadian Labour Code.

In September 2016, a framework program was endorsed by the Board of Directors. The goal of the 2017-2020 framework program is to define the orientations, and to clarify and consolidate the basis for action and the requirements to put in place. The guiding principles and an approach have been defined therein to enable the Corporation to reach its goals. This also represents an opportunity to identify the best known practices and characteristics of well-performing organizations.

The vision of the OHS framework program is to create the conditions for moving toward a “zero injury by choice” culture. JCCBI management confirms its high level of commitment to the development of an OHS culture at all levels of the organization. JCCBI has improved the health and safety clauses in both its construction contracts and supervision contracts, and added resources thereto.

COORDINATION WITH THE CONSTRUCTION OF THE NCBC AND OF THE REM

The Corporation must manage its rehabilitation and maintenance projects in the Champlain Bridge sector in close collaboration with Infrastructure Canada (INFC), the private partner in the context of the NCBC project and CDPQ Infra in the context of the REM project.

INFC has entered into an agreement with the private partner and with JCCBI to clearly define the role of each party. JCCBI has dedicated coordination resources through its Champlain Project Office, which is responsible for the execution of the existing Champlain Bridge major maintenance program and provides support to both INFC and the private partner. An agreement will be entered into with CDPQ Infra and its subsidiary Réseau Express Métropolitain inc., in charge of the construction and the operation of the REM, on JCCBI land.

ASSET MANAGEMENT

JCCBI is required to carry out proactive and systemic management of its assets and to comply with the concept of sustainable development in choosing the investments that ensure the sustainability of its infrastructure. In this spirit, the Corporation hired an external firm to conduct an initial assessment of its asset management business practices in relation to ISO 55000 standard. It should be noted that, to date, only a few organizations in the Province of Quebec have conducted such an assessment, which demonstrates JCCBI’s desire to become a leader in the management of the type of structures entrusted thereto.

This initial assessment has given JCCBI the opportunity to conclude that the Corporation is already using systemic and integrated methods to manage its assets and plan its projects. This assessment allows the Corporation to more specifically target the development actions that will enable it to manage its structures according to best practices and to have a global and long-term view of the necessary investments and of the condition of its structures.

Over the next few years, JCCBI will gradually implement best practices in asset management to extend the service life of its assets through optimal management. Asset management improvement projects are part of an overall planning of JCCBI’s various initiatives aimed at continuously improving its management practices, in line with its vision.

ANALYSIS OF RESULTS

STATEMENT OF FINANCIAL POSITION

Financial Assets

Total financial assets amounted to \$72.5M as at March 31, 2018 (2017 – \$101.1M). The cash position remains closely linked to the payments of the federal government parliamentary appropriations. The main reasons for the \$28.6M change in total financial assets are the decrease in parliamentary appropriations due from the federal government, the decrease in commercial accounts receivable and the increase in cash. As at March 31, 2018, the amount receivable from government departments and agencies was \$9.2M (2017 – \$46.4M).

Non-Financial Assets

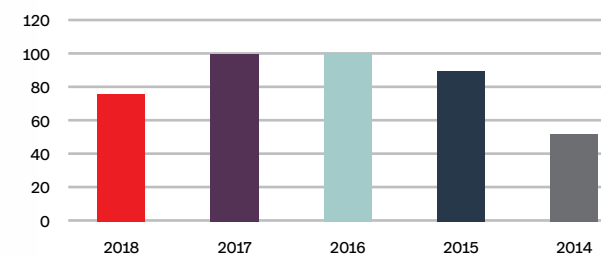
Non-financial assets total \$581.9M (2017 – \$562.3M), having increased by \$19.6M during the period (2017 – \$59.4M). This increase is mostly due to the tangible capital assets of \$581.3M (2017 – \$561.8M), a net increase of \$19.5M over the previous fiscal year (2017 – \$59.6M). The major investments for the year mainly comprise capital works at the Jacques Cartier Bridge (\$35.4M), at the Honoré Mercier Bridge (\$14.3M) and the work on the Champlain Bridge Ice Control Structure (\$4.1M). During fiscal year 2014-2015, the Corporation stopped treating the new investments related to the Champlain Bridge as capital assets. As a result, major work expenditures on this structure, in the order of \$32.6M, were charged to operations.

Almost all capital assets are paid through parliamentary appropriations from the Government of Canada. The amortization for the period, totalling \$33.3M (2017 – \$33.4 M), reduces the investments for the period with respect to tangible capital assets.

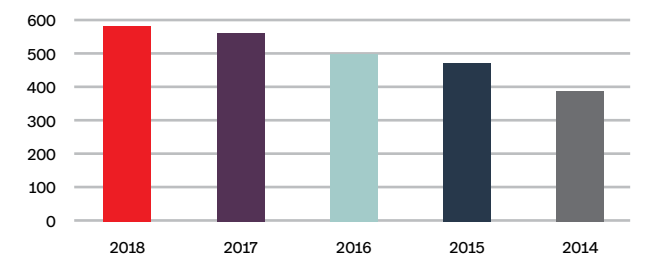
Tangible Capital Assets

Tangible capital assets, which include bridges, roads, and related structures and whose useful life is limited, are amortized over their useful life, which is based on the estimates made by management as to the service life of these assets and is subject to periodic review to confirm the validity thereof. Due to the long service life of tangible capital assets and to the amounts involved, any changes in estimates could have a material effect on the Financial Statements. The deterioration of long-lived assets is subject to verification when events or circumstances indicate that it is impossible to recover their carrying value from future cash flows. If future conditions were to deteriorate compared to management’s best estimate on key economic assumptions and if associated cash flows were to decrease significantly, the Corporation could have to recognize contingent and significant expenses as a result of the write-down of its tangible capital assets.

FINANCIAL ASSETS (IN \$M)



NON-FINANCIAL ASSETS (IN \$M)



The Corporation incurs expenses to maintain its tangible capital assets. Many of these expenses fall within the context of major multi-year infrastructure projects. In recognizing these expenses, management must make significant estimates of the progress of the work carried out to be able to value the liabilities at year end. A change in the estimated percentage of the work progress could have a significant impact on the estimated value of recognized expenses or tangible capital assets.

Liabilities

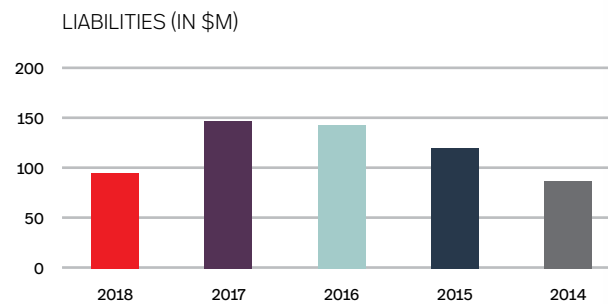
Liabilities of \$95.1M (2017 – \$145.8M) decreased by \$50.7M during the period (2017 – \$4M). This decrease is mainly due to the decrease in accounts payable and accrued liabilities, contractual holdbacks payable and environmental obligations.

The environmental obligations for contaminated land, which are explained in Note 8 to the Financial Statements, decreased by \$22.3M during the current fiscal year (2017 – \$3.5M increase) and amounted to \$24.4M (2017 – \$46.7M). The construction work related to the Bonaventure Solution Project was completed during the fiscal year and the operation of the water treatment plant in the west sector of the Bonaventure Expressway began in June 2017. These factors account for the significant decrease in environmental obligations.

To carry out the work on its structures, the Corporation awarded construction contracts that provide for the withholding of a portion of the amounts payable until some work is completed in compliance with the requirements of the construction contract, or as warranty. These contractual holdbacks totalled \$12.2M as at March 31, 2018 (2017 – \$19.1M) mainly for projects at the Champlain Bridge, the Jacques Cartier Bridge and the Champlain Bridge Ice Control Structure. A portion of these amounts will become payable upon the issuance of an Interim Certificate of Completion, and another portion will become due about one year later, after the expiration of the warranty period. The \$6.9M decrease (2017 – \$6.3M increase) recognized during fiscal year 2017-2018 is therefore related to the completion of the work, resulting in the release of holdbacks under the terms of the contracts, as well as in the smaller increase in

the expenses for the maintenance of the assets and capital assets.

Accounts payable and accrued liabilities decreased by \$21.6M during the current fiscal year (2017 – \$5.1M) and amount to \$57.6M (2017 – \$79.2M). The change is mainly due to a decrease in accounts payable related to major work.



Environmental Obligations

The Corporation has recognized a significant liability under item “Environmental obligations” related to the Solution Bonaventure project, as indicated in Note 8 to the Financial Statements. The estimates underlying this liability reflect the long-term nature of the measures required to contain and treat the water. The changes in the magnitude of the estimated costs could have a material effect on the Financial Statements. It should be noted that the \$24.4M environmental obligations presented in the Statement of Financial Position is based on both granted contracts and contracts that are currently out to tender.

Change in a Accounting Policy

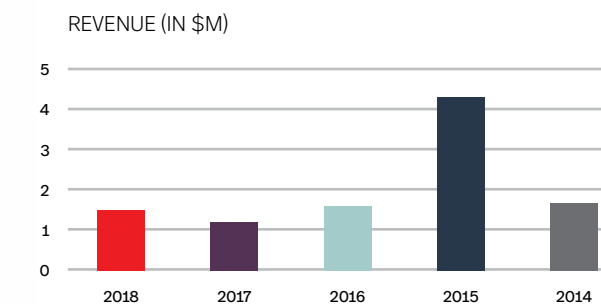
The Public Sector Accounting Board periodically issues new accounting standards that management reviews to determine whether they may apply to the Corporation. Thus, as at April 1, 2017, the Corporation undertook the implementation of five (5) new standards, as required by the Canadian Public Sector Accounting Standards (CPSAS). The adoption of these standards had no impact on the Corporation’s operations and financial position.

STATEMENT OF OPERATIONS

Revenue

The Corporation’s revenue in 2018 was \$1.5M (2017 – \$1.2M), a \$0.3M increase over the previous fiscal year (2017 – \$0.4M decrease).

Although impacted by the conditions and purposes of different commercial commitments, revenue has remained relatively stable.



Parliamentary Appropriations

The parliamentary appropriations recognized in the Statement of Operations totalled \$170.1M in 2018 and \$286.2M in 2017. These appropriations were allocated to the operating expenses (\$117.3M [2017 – \$191.9M]), and the capital assets (\$52.8M [2017 – \$94.3M]).

Parliamentary appropriations support virtually all the Corporation’s activities. For 2017-2018, the appropriations allotted in JCCBI’s budget totalled \$325M (2017 – \$338M). The use of parliamentary appropriations in the payment of the expenses for the year was 52.3%, or \$170.1M (2017 – 84.7% or \$286.2M).

The use of parliamentary appropriations attributable to operating, regular maintenance, administration and engineering expenses is 15% less than the budgeted appropriations allotted to these types of expenses.

Budgeted parliamentary appropriations for major work in 2017-2018 totalled \$281.8M, which included \$118.6M for the Champlain Bridge. The value of the work carried out during the year was \$134M, which included \$31.3M for the Champlain Bridge.

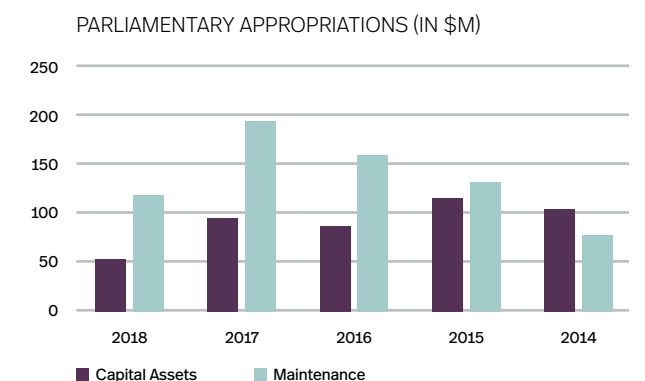
Excluding the Champlain Bridge, unused funds amount to \$60.5M, or 37.1% of the forecasted

\$163.2M budget. The variance is due primarily to the following:

- \$30.6M for unbudgeted work carried out;
- \$67.6M for professional services and work that were budgeted but not performed;
- \$9.4M in savings from contracts for related work that were awarded at a price less than the budgeted amount;
- \$11M of unused funds that were budgeted for professional services and work to be determined and performed as part of the development of risk mitigation strategies.

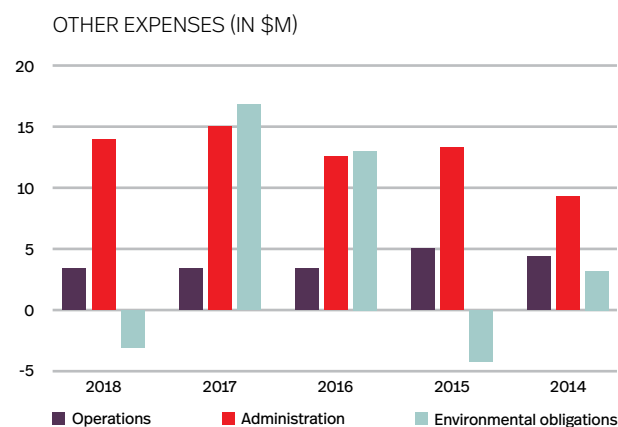
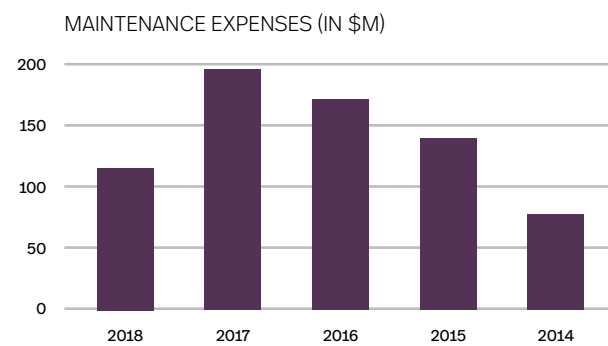
For the Champlain Bridge, unused funds amount to \$87.3M, or 74% of the forecasted \$118.6M budget. The variance is due primarily to the following:

- \$10M for unbudgeted work carried out to maintain the bridge in operation;
- \$31.7M for professional services and work that were budgeted but not performed;
- \$65.1M of unused funds that were budgeted for professional services and work to be determined and performed as part of the development of risk mitigation strategies.



Expenses

The Corporation's expenses totalled \$129.9M (2017 – \$231.3M). The \$101.4M decrease in expenses (2017 – \$77.2M increase) is mainly due to a decrease in maintenance expenses of \$79.8M (2017 – \$24M increase) and the decrease in expenses related to the review of the assumptions underlying the change in environmental obligations. The operating and administration expenses decreased by \$0.8M overall.



Maintenance

The \$115.6M in maintenance expenses (2017 – \$195.4M) represent a 40.8% decrease over the previous year's expenses (2017 – 14% increase). The variance is mainly due to the decrease in the planned major work program and to the postponement of the execution of certain projects.

Operations

Operating expenses totalled \$3.1M (2017 – \$3.1M). As operating expenses consist of police surveillance services on the infrastructure and are governed by contract: they remain stable.

Administration

Administration expenses totalled \$13.9M (2017 – \$14.8M), a 6.1% decrease over the previous fiscal year (2017 – 0.1% increase). The change is due, notably, to a decrease in the needs forecasted for professional services and office equipment.

Environmental Obligations

Expenses related to environmental obligations represent a credit balance of \$2.7M (2017 – \$16.7M increase). This negative expenditure is mainly due to a downward movement in inflation and discount rates. During the 2017-2018 fiscal year, there were no significant changes in assumptions (2017 – \$22.2M) impacting environmental obligations.

STATEMENT OF CASH FLOW

The Corporation's cash flow depends primarily on the moment when funding is received from the Government of Canada for expenditures related to projects and maintenance work. This funding is issued only upon request, after recognition of the assets acquired for the work, as well as of the goods and services received.

FIVE-YEAR FINANCIAL REVIEW

FOR THE YEAR ENDED MARCH 31
(IN MILLIONS OF DOLLARS)

	2018	2017	2016	2015	2014
REVENUE					
Leases and permits	\$0.6	\$0.6	\$0.7	\$3.7	\$1.3
Interest	\$0.9	\$0.6	\$0.9	\$0.6	\$0.4
Total Revenue	\$1.5	\$1.2	\$1.6	\$4.3	\$1.7
EXPENSES					
Maintenance	\$115.6	\$195.4	\$171.6	\$140.3	\$76.8
Operations	\$3.1	\$3.1	\$3.2	\$4.8	\$4.2
Administration	\$13.9	\$14.8	\$12.5	\$13.0	\$9.0
Environmental obligations	\$(2.7)	\$16.7	\$12.9	\$(4.4)	\$3.0
Loss on asset disposal	–	\$1.3	\$30.7	–	–
Total Expenses	\$129.9	\$231.3	\$230.9	\$153.7	\$93.0
Deficit before Government of Canada funding	\$(128.4)	\$(230.1)	\$(229.3)	\$(149.4)	\$(91.3)
Portion of transfer payments for operating expenses	\$117.4	\$191.9	\$157.9	\$131.2	\$76.3
Portion of transfer payments for tangible capital assets	\$52.8	\$94.3	\$87.4	\$115.0	\$102.9
FBCL funding	–	–	–	–	2.3
Operating Surplus *	\$41.8	\$56.1	\$16.0	\$96.8	\$90.2

NOTE

* Pursuant to a review of the Corporation's status conducted by Revenu Québec, which took effect on October 1, 2016, the municipal status granted to JCCBI for the purposes of the Goods and Services Tax (GST) and Quebec Sales Tax (QST) was revoked. Thus, since October 1, 2016, the Corporation qualifies as non-profit organization (NPO) for the application of these two taxes. JCCBI has therefore been entitled, since October 1, 2016, to the partial 50% GST and QST tax rebates.

9.

FINANCIAL STATEMENTS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The management of The Jacques Cartier and Champlain Bridges Incorporated (the "Corporation") is responsible for preparing the Financial Statements in accordance with the Canadian Public Sector Accounting Standards (CPSAS). This responsibility requires the selection of appropriate accounting principles and the ability to exercise judgment in establishing reasonable estimates.

The Corporation's management maintains appropriate financial systems and internal controls. These systems and practices are designed to provide reasonable assurance as to the reliability of financial information and to ensure that the Corporation's assets are adequately safeguarded, that its resources are managed economically and efficiently, and that its transactions are conducted efficiently. These systems and practices are also designed to provide reasonable assurance that the Corporation's transactions are duly authorized and carried out in accordance with the directive issued under section 89 and Part X of the *Financial Administration Act* and its regulations, the *Canada Business Corporations Act*, *The Jacques-Cartier and Champlain Bridges Inc. Regulations*, the *Canada Marine Act*, as well as the Corporation's articles and by-laws.

The Board of Directors is made up of six (6) Directors and the Corporation's Chief Executive Officer. Through the Audit Committee, the Board of Directors ensures that management fulfills its responsibilities for financial reporting and internal controls. The Audit Committee meets with management and the auditors to review the manner in which these groups are fulfilling their responsibilities as well as to discuss the audit, internal controls, and other relevant financial issues. The Financial Statements are reviewed and approved by the Board of Directors on the recommendation of the Audit Committee.

The Auditor General of Canada audits the Financial Statements of the Corporation and his report indicates the scope of the audit and his opinion on the Financial Statements.

The Chief Executive Officer,



Glen P. Carlin, Eng.

June 28, 2018



INDEPENDENT AUDITOR'S REPORT

To the Minister of Infrastructure and Communities

Report on the Financial Statements

I have audited the accompanying financial statements of The Jacques Cartier and Champlain Bridges Incorporated, which comprise the statement of financial position as at 31 March 2018, and the statement of operations, statement of change in net debt and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of The Jacques Cartier and Champlain Bridges Incorporated as at 31 March 2018, and the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

As required by the *Financial Administration Act*, I report that, in my opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of The Jacques Cartier and Champlain Bridges Incorporated that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with Part X of the *Financial Administration Act* and regulations, the *Canada Business Corporations Act*, *The Jacques Cartier and Champlain Bridges Inc. Regulations* of the *Canada Marine Act*, the articles and by-laws of The Jacques Cartier and Champlain Bridges Incorporated, and the directive issued pursuant to section 89 of the *Financial Administration Act*.

Tina Swiderski, CPA auditor, CA
Principal
for the Auditor General of Canada

28 June 2018
Montréal, Canada

STATEMENT OF FINANCIAL POSITION AS OF MARCH 31

	2018	2017
	\$	\$
Financial Assets		
Cash	60,525,063	40,360,557
Accounts receivable (Note 4)	11,963,366	60,729,006
Total Financial Assets	72,488,429	101,089,563
Liabilities		
Accounts payable and accrued liabilities (Note 5)	57,634,156	79,156,586
Employee future benefits (Note 6)	517,070	666,898
Contractual holdbacks (Note 7)	12,240,687	19,097,776
Deferred revenue	268,481	229,813
Environmental obligations (Note 8)	24,401,859	46,675,271
Total Liabilities	95,062,253	145,826,344
Net Debt	(22,573,824)	(44,736,781)
Non-Financial Assets		
Tangible capital assets (Note 9)	581,282,329	561,811,621
Prepaid expenses	621,169	498,049
Total Non-Financial Assets	581,903,498	562,309,670
Accumulated Surplus	559,329,674	517,572,889

CONTINGENCIES AND CONTRACTUAL OBLIGATIONS (NOTES 11 AND 12).

The accompanying notes form an integral part of the Financial Statements.

Approved by the Board of Directors



Director



Director

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31

	2018		2017
	Budget	Actual	Actual
	\$	\$	\$
Revenues			
Leases and permits	599,000	601,280	566,434
Interest	500,000	868,950	623,358
Other sources		53,730	21,722
Total Revenues	1,099,000	1,523,960	1,211,514
Expenses (Note 14)			
Maintenance	232,197,000	115,573,988	195,411,473
Operations	3,520,000	3,144,992	3,067,258
Administration	15,891,000	13,883,928	14,795,052
Environmental obligations	(1,793,000)	(2,706,610)	16,710,984
Loss on disposal of assets	-	-	1,271,743
Total Expenses	249,815,000	129,896,298	231,256,510
Deficit before Government of Canada funding	(248,716,000)	(128,372,338)	(230,044,996)
Parliamentary appropriations for operating expenses	213,476,000	117,323,237	191,852,576
Parliamentary appropriations for tangible capital assets	111,483,000	52,805,886	94,345,968
Annual Operating Surplus	76,243,000	41,756,785	56,153,548
Accumulated Operating Surplus, Beginning of the Year	544,851,000	517,572,889	461,419,341
Accumulated Operating Surplus, End of the Year	621,094,000	559,329,674	517,572,889

The accompanying notes form an integral part of the Financial Statements.

STATEMENT OF CHANGE IN NET DEBT

FOR THE YEAR ENDED MARCH 31

	2018		2017
	Budget	Actual	Actual
	\$	\$	\$
Annual Operating Surplus	76,243,000	41,756,785	56,153,548
Acquisition of tangible capital assets (Note 9)	(111,482,000)	(52,805,886)	(94,345,968)
Amortization of tangible capital assets (Note 9)	36,889,000	33,335,178	33,444,183
Gain on sale of tangible capital assets	-	(4,349)	-
Proceeds from sale of tangible capital assets	-	4,349	-
Loss on disposal of assets	-	-	1,271,743
Total Variation Due to Total Tangible Capital Assets	(74,593,000)	(19,470,708)	(59,630,042)
Acquisition of prepaid expenses	-	(1,270,195)	(3,400,685)
Use of prepaid expenses	-	1,147,075	3,574,279
Total Variation Due to Prepaid Expenses	-	(123,120)	173,594
Decrease (increase) in net debt	1,650,000	22,162,957	(3,302,900)
Net debt, beginning of the year	(25,008,000)	(44,736,781)	(41,433,881)
Net Debt, End of the Year	(23,358,000)	(22,573,824)	(44,736,781)

The accompanying notes form an integral part of the Financial Statements.

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31

	2018	2017
	\$	\$
Operating Transactions		
Annual operating surplus	41,756,785	56,153,548
Non-cash items		
Amortization of tangible capital assets (Note 9)	33,335,178	33,444,183
Loss on disposal of assets	-	1,271,743
Gain on sale of tangible capital assets	(4,349)	-
Decrease in employee future benefits	(149,828)	(621,143)
Increase in environmental obligations	-	3,505,271
Changes in non-cash working capital items		
Decrease (increase) in accounts receivable	48,765,640	(34,363,215)
Decrease in accounts payable and accrued liabilities	(5,278,390)	(2,169,803)
(Decrease) increase in contractual holdbacks	(6,857,089)	6,287,208
Increase (decrease) in deferred revenue	38,668	(39,778)
(Increase) decrease in prepaid expenses	(123,120)	173,594
Decrease in environmental obligations	(22,273,412)	-
Cash Flow Provided by Operating Transactions	89,210,083	63,641,608
Tangible Capital Asset Investment Activities		
Proceeds from disposal of tangible capital assets	4,349	-
Cash used to acquire tangible capital assets	(69,049,926)	(97,277,366)
Cash flow used for capital transactions	(69,045,577)	(97,277,366)
Increase (decrease) in Cash	20,164,506	(33,635,758)
Cash, Beginning of the Year	40,360,557	73,996,315
Cash, End of the Year	60,525,063	40,360,557

The accompanying notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

AS AT MARCH 31, 2018

1. AUTHORITY AND ACTIVITIES

The Jacques Cartier and Champlain Bridges Incorporated (“the Corporation”) was incorporated on November 3, 1978, under the *Canada Business Corporations Act*, as a wholly owned subsidiary of the St. Lawrence Seaway Authority. On October 1, 1998, it became a wholly owned subsidiary of The Federal Bridge Corporation Limited (“FBCL”). On February 13, 2014, pursuant to an Order in Council from the Governor in Council, FBCL transferred all its shares in The Jacques Cartier and Champlain Bridges Incorporated to the Minister of Infrastructure, Communities and Intergovernmental Affairs on behalf of Her Majesty in right of Canada. After this transfer, the Corporation became a parent Crown corporation listed under Part I, Schedule III of the *Financial Administration Act*.

Since December 1, 1978, the Corporation has been responsible for the management, maintenance and control of the Jacques Cartier and Champlain Bridges and a portion of the Bonaventure Expressway. On October 1, 1998, in accordance with a directive issued by the Minister of Transport under the *Canada Marine Act*, the Corporation became responsible for managing the federal portion of the Honoré Mercier Bridge and the Melocheville Tunnel. The management of the Champlain Bridge Ice Control Structure was transferred to the Corporation from the Minister of Transport on December 2, 1999. On April 1, 2015, the south and north approaches to the Champlain Bridge were transferred by Order in Council, meaning the Corporation is no longer responsible for the management and maintenance of the lands and structures constituting the transferred assets.

In July 2015, the Corporation received a directive (P.C. 2015-1112) under section 89 of the *Financial Administration Act* to harmonize its travel, hospitality, conference and event expenditure policies, guidelines and practices with the Treasury Board of Canada’s policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations and to report on the implementation of this directive in its next corporate plan. The Corporation confirms

that it has met the requirements of this directive since December 2015.

The Corporation is not subject to income tax under the provisions of the Income Tax Act.

The Corporation is dependent on the Government of Canada for its funding.

2. SIGNIFICANT ACCOUNTING POLICIES

These Financial Statements have been prepared by management in accordance with the Canadian Public Sector Accounting Standards (“CPSAS”).

The main accounting policies followed by the Corporation are the following:

Government Transfers

Government transfer payments are recognized as revenue when the transfer is authorized and eligibility criteria are met, except to the extent that the stipulations give rise to an obligation that meets the definition of a liability. The transfers are recognized as deferred revenue when stipulations lead to the creation of a liability. The revenue is recognized in the Statement of Operations as the stipulations are met. Any portion of government transfers to which the Corporation is entitled, but has not yet received, is recognized under “Due from the Government of Canada”.

Tangible Capital Assets

Tangible capital assets are recognized at cost. Replacements and major improvements that extend the service life of existing assets are capitalized. Repair and maintenance costs are charged to operations when they are incurred. Costs that increase their service capacity, safety or effectiveness are capitalized.

Amounts related to projects in progress are transferred to the appropriate tangible capital assets category when the project is completed and are amortized in accordance with the Corporation’s policy.

Capital assets received as contribution from departments, agencies and Crown corporations within the jurisdiction of the Government of Canada are recognized at their fair market value at the date of transfer.

Tangible capital assets are amortized based on the estimated useful life of the components, on a straight-line basis, over the following periods:

- + Bridges and roads: between 5 and 48 years;
- + Vehicles and equipment: between 3 and 10 years.

When the conditions indicate that a tangible capital asset no longer contributes to the ability of the Corporation to provide services, or that the value of future economic benefits associated with the tangible capital asset is less than its net carrying value, the cost of the tangible capital asset is reduced to reflect the impairment. Net write-downs on tangible capital assets are recorded as expenses in the Statement of Operations.

Revenue Recognition

Revenue from leases and permits, interest and other sources are recognized in the fiscal year in which they are earned. Revenue from leases and permits collected in advance are recorded as “Deferred revenue” in the Statement of Financial Position.

Employee Future Benefits

PENSION PLAN

All employees of the Corporation are covered by the Public Service Pension Plan (the “Plan”). This is a contributory-defined benefit plan established by law and sponsored by the Government of Canada. Employees and the Corporation must contribute to the Plan to cover the cost of services rendered during the fiscal year. Under current legislation, the Corporation has no legal or constructive obligation to pay additional contributions to cover past services or to fund deficiencies of the Plan. Consequently, contributions are charged to expenses in the fiscal year during which the employees render the services and these contributions represent the total pension obligation of the Corporation. The Corporation is not required by law to make up for the actuarial deficiencies of the Plan.

POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES

Employees are entitled to days of sick leave and compensation for work injuries, as provided for under their conditions of employment. Employees of the Corporation are subject to the *Government Employees Compensation Act*. Every year, they are paid the unused portion of their days of sick leave. These annual payments are recognized directly in current costs for the fiscal year. Before December 9, 2016, unionized employees accumulated their unused days of sick leave, which were redeemable at the end of their employment with the Corporation. Following the renewal of their collective agreement in December 2016, unionized workers can no longer accumulate unused sick leave days and redeem them at the time of their departure. Employees with a banked leave balance can choose either to keep the balance until they leave or redeem the balance. Moreover, the Corporation recognizes the cost of compensation for work injuries payable at the time the event obligating the Corporation occurs. The liability that these benefits represent is determined based on management’s best assumptions in terms of salary increases, age of employees, years of service, the probability of employees leaving, and average life expectancy. These assumptions are reviewed annually. Post-employment benefits and compensated absences are recognized at present value.

Environmental Obligations

Whenever the Corporation accepts responsibility for sites where contamination exceeds environmental standards, when it plans to abandon future economic benefits to that effect, and when the amount involved can be reasonably estimated, an obligation for the clean-up of the contaminated sites is recognized as a liability in the Statement of Financial Position. The estimated future costs are recognized as a liability and are based on the present value of the estimated cash flows of costs that are most likely to be incurred. If it proves impossible to make a reasonable estimate of the amount, the situation will be disclosed through a note to the Financial Statements. Other expenses related to environmental measures are recognized as expenditures as they are incurred.

Financial Instruments

The Corporation identifies, assesses, and manages the financial risks to minimize the impact thereof on its results and financial position. Financial risks are managed in accordance with specific criteria disclosed in Note 16. The Corporation neither engages in speculative transactions nor uses derivatives.

The accounting of financial instruments depends on their classification as presented in the following table:

CATEGORIES	FINANCIAL INSTRUMENTS	MEASUREMENT
Financial assets	Cash Accounts receivable (other than taxes receivable)	Cost or amortized cost
Financial liabilities	Accounts payable and accrued liabilities Contractual holdbacks	Cost or amortized cost

Contingencies

Contingencies result from uncertain situations whose outcome depends on one or more future events. Contingencies include contingent liabilities and contingent assets.

Contingent liabilities are possible liabilities which could become actual liabilities if one or more future events occur. If it is likely that an event could occur, and a reasonable estimate of the liability can be made, a provision is recognized and an expense is recorded. If the likelihood of the event cannot be determined or if the amount involved cannot be reasonably estimated, a contingency is disclosed in the notes to the Financial Statements.

Contingent assets are possible assets that could become assets if one or more future events occur. If it is likely that the future event will occur, the existence of the contingent asset is disclosed in the notes to the Financial Statements.

Measurement Uncertainty

In preparing the Financial Statements in accordance with the CPSAS, management must use estimates and assumptions that affect the reported amounts of assets and liabilities and the presentation of assets

and contingent liabilities at the date of the Financial Statements, as well as the amounts of the revenue and expenses recognized during the period covered by the Financial Statements. Actual results could differ significantly from these estimates.

The most significant estimates used in the preparation of these Financial Statements relate, in particular, to the useful life of tangible capital assets, accrued liabilities for major rehabilitation work and claims received from suppliers, the liability for employee future benefits, expected costs for liabilities arising from environmental obligations as well as contingencies.

Budgetary Data

Budgetary data included in the Financial Statements have been provided for comparison purposes and approved by the Board of Directors.

3. ADOPTION OF ACCOUNTING STANDARDS

As required by the Canadian Public Sector Accounting Standards (CPSAS), on April 1, 2017, the Corporation undertook the implementation, on a prospective basis, of five (5) new accounting standards: PS 3210 Assets, PS 3320 Contingent Assets, PS 3380

Contractual Rights, PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions. The adoption of these standards had no impact on the Corporation's operations and financial position.

4. ACCOUNTS RECEIVABLE

The Corporation's accounts receivable consist of the following:

	2018 \$	2017 \$
Due from the Government of Canada	7,307,204	41,695,265
Taxes receivable	1,899,508	4,752,267
Re-invoicing of work to business partners	2,308,379	8,419,115
Other accounts receivable	448,275	5,862,359
	11,963,366	60,729,006

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Corporation's accounts payable and accrued liabilities consist of the following:

	2018 \$	2017 \$
Suppliers and accrued liabilities	55,726,186	77,561,646
Salaries and employee benefits	1,907,970	1,594,940
	57,634,156	79,156,586

6. EMPLOYEE FUTURE BENEFITS

a) Pension Plan

All employees of the Corporation are covered by the Public Service Pension Plan (the "Plan"). The President of the Treasury Board of Canada sets the employer's contributions, which represent a multiple of employee contributions. The basic contribution rate in effect at the end of the year was 9.83% (9.47% in 2017) for employees hired before January 1, 2013, and 8.77% (8.39% in 2017) for other employees for each dollar contributed by employees. The total contributions recorded during the fiscal

year amount to \$1,514,199 (\$1,425,410 in 2017). Total contributions paid by employees during the fiscal year amount to \$1,341,515 (\$1,191,278 in 2017).

The Government is required by law to pay the benefits associated with the Plan. The pension benefits accrue up to a maximum of 35 years at an annual rate of 2% by year of pensionable service, times the average of the best five (5) consecutive years

of earnings. The benefits are coordinated with the Canada Pension Plan and Quebec Pension Plan benefits and are indexed to inflation.

b) Post-Employment Benefits and Compensated Absences

To calculate the liability for compensated absences relating to sick leave accrued as at December 9, 2016 for employees who have chosen to keep this leave until their departure, the Corporation uses a rate of compensation increase of 1.5% (2% in 2017), a discount rate of 1.63% (2.28% in 2017), and a probability of employee departure of 15% (15% in 2017) before retirement eligibility.

For post-employment benefits relating to work injuries, the Corporation recognized a liability amounting to \$281,109 (\$304,553 in 2017). To calculate this post-employment benefit, the Corporation uses a rate of compensation increase of 1.5% (2% in 2017), a discount rate of 1.63% (2.28% in 2017) for an average life expectancy of 80 years (80 years in 2017) as an assumption for the end of the payment of the compensation.

The liability for post-employment benefits includes the following elements:

	2018 \$	2017 \$
Accrued benefit obligation, beginning of the year	666,898	1,288,041
Current service costs for the year	-	320,928
Benefits paid during the year	(149,828)	(942,071)
Accrued Benefit Obligation, End of the Year	517,070	666,898

7. CONTRACTUAL HOLDBACKS

Contractual holdbacks (including performance holdbacks and warranty holdbacks) represent the total amount that the Corporation temporarily retains on amounts due to contractors during the performance of the work, to guarantee that the latter fulfill their obligations pertaining to the warranties of rectification and correction of defects and poor workmanship in the work performed. The warranty periods applicable to each contract begin following the issuance of the Interim Certificate of Completion for the work concerned. The Corporation then pays the 5% contractual holdback (designated as “performance holdback”) and retains a new amount equal to 2.5% as a contractual holdback (designated as “warranty holdback”). The contracts provide that the Corporation will pay the second portion of 2.5% of the contractual holdback (designated as “warranty holdback”) less,

where applicable, any amount owed by the contractor under the terms of the contract once the warranty period has expired.

8. ENVIRONMENTAL OBLIGATIONS

The Corporation periodically compiles an inventory of all its properties in order to classify their environmental condition for the purposes of prioritizing any required interventions. The Corporation has a number of properties whose soil is contaminated beyond the acceptable criteria. The properties concerned are located under the Jacques Cartier Bridge and along the Bonaventure Expressway. With respect to the lands under the Jacques Cartier Bridge, water and/or soil contamination has been identified during classification exercises, but further environmental

monitoring and analyses are required to determine whether the water table may be affected and whether a decontamination exercise is required. To this end, work was carried out during fiscal year 2015-2016 and the results indicate that the level of contamination, the impact and the actions to be taken could not be determined, but that the risk of migration of contaminants to nearby sites was weak. Currently, the finding of this study remains unchanged and no environmental liability has been recorded.

As at March 31, 2018, the priority environmental issue for the Corporation remains that of the lands located in the Bonaventure Expressway sector in Montreal. These lands, which have been managed by the Corporation since 1978, are located on a portion of and close to a former landfill site operated by the City of Montreal between 1866 and 1966. This former landfill site covers several tracts of land belonging to different owners. Since 2003, the Corporation has conducted studies and toxicity tests on the groundwater in this location. The tests revealed that the groundwater is contaminated beyond acceptable criteria. Given the complexity of the issue, the involvement of numerous owners and the significant costs involved, the federal government has focused on integrated solutions to the environmental issues at this site. This site can be divided into two sectors: the east sector and the west sector.

a) East Sector

The containment and pumping operations will begin in 2018. The operation of the containment and pumping system in this sector has not yet been awarded. Therefore, the liability estimate is based on the following main characteristics and assumptions:

- + The duration of the containment and pumping operations is estimated at fifteen years. The duration of the project will extend beyond this period, but it is impossible, at this time, to determine the costs beyond fifteen years.
- + There is no residual value to the project.

b) West Sector

Both the plan operation and water containment began in 2017. The Corporation is managing this project. The portion of the costs incurred by the Corporation is 50% of the total costs to be incurred. The liability estimate is based on the following main characteristics and assumptions:

- + The duration of the containment operations is estimated at fifteen years. The duration of the project will extend beyond this period, but it is impossible, at this time, to determine the costs beyond fifteen years.
- + There is no residual value to the project.

MAIN ASSUMPTIONS		East Sector	West Sector
As at March 31, 2018			
Discount Rate (Note 1)			
Inflation Rate – NRBCPI (Note 2)			
Accuracy Factor		+/-10%	–
Undiscounted Range to which the Inflation Rate was Applied:			
In 2017	Minimum	\$42,158,000	\$10,607,000
	Maximum	\$51,526,000	\$10,607,000
In 2018	Minimum	\$18,407,000	\$10,228,000
	Maximum	\$21,144,000	\$10,228,000
Discounted Range to which the Inflation Rate was Applied:			
In 2017	Minimum	\$37,704,000	\$8,971,271
	Maximum	\$46,083,000	\$8,971,271
In 2018	Minimum	\$15,547,000	\$8,854,000
	Maximum	\$17,849,000	\$8,854,000
Provision for Environmental Obligations		\$15,547,000	\$8,854,000

Since 2016, there is no range to be considered for the obligation for the west sector, as this part of the project is based on the financial terms of the contract awarded for the decontamination solution. For the east sector, it is only for the operation component, whose contract has not yet been awarded, that the Corporation considers a range of variability of 10% (2017 – 10% accuracy factor used for the entire estimate).

As at March 31, 2018, the Corporation estimates the environmental obligation at \$24,401,859 (\$46,675,271 in 2017) for the east and west sectors. This amount was recorded as Environmental obligations in the Statement of Financial Position as at March 31, 2018.

Note 1: The discount rates are determined based on the actual zero-coupon yield curve for Government of Canada bond market issued by the Bank of Canada. The discount rate for the year 2019 is 1.63% (2017 – 0.72%). The rates for subsequent years range from 1.79% to 2.19% (2017 – 2.28%).

Note 2: Based on the Non-Residential Building Construction Price Index. For fiscal year 2017-2018, the rate is 2.99% (2017 – 3.05%).

9. TANGIBLE CAPITAL ASSETS

	Lands	Bridges and Roads	Vehicles and Equipment	Projects in Progress	Total
	\$	\$	\$	\$	\$
COST					
April 1, 2016	5,250,117	517,495,453	4,653,085	154,011,374	681,410,029
Acquisitions	-	65,389,895	328,552	28,627,521	94,345,968
Disposals	-	(2,350,573)	(552,747)	-	(2,903,320)
Transfers	-	118,404,603	-	(118,404,603)	-
March 31, 2017	5,250,117	698,939,378	4,428,890	64,234,292	772,852,677
Acquisitions	-	36,429,161	1,134,929	15,241,796	52,805,886
Disposals	-	-	(21,728)	-	(21,728)
Transfers	-	62,803,242	-	(62,803,242)	-
March 31, 2018	5,250,117	798,171,781	5,542,091	16,672,846	825,636,835
ACCUMULATED AMORTIZATION					
April 1, 2016	-	175,487,969	3,740,481	-	179,228,450
Amortization	-	33,098,555	345,628	-	33,444,183
Disposals	-	(1,078,830)	(552,747)	-	(1,631,577)
March 31, 2017	-	207,507,694	3,533,362	-	211,041,056
Amortization	-	33,029,325	305,853	-	33,335,178
Disposals	-	-	(21,728)	-	(21,728)
March 31, 2018	-	240,537,019	3,817,487	-	244,354,506
NET BOOK VALUE					
March 31, 2017	5,250,117	491,431,684	895,528	64,234,292	561,811,621
March 31, 2018	5,250,117	557,634,762	1,724,604	16,672,846	581,282,329

As at March 31, 2018, "Accounts payable and accrued liabilities" includes acquisitions related to tangible capital assets of \$21,905,884 (\$38,149,924 in 2017).

10. SHARE CAPITAL

The authorized share capital is 50 shares without par value and the Corporation has issued and fully paid one (1) share in the amount of \$100.

11. CONTINGENCIES

Legal Proceedings and Claims

In the normal course of its operations, the Corporation is subject to claims or lawsuits, the outcome of which cannot be predicted with certainty. Management has made, in the affected accounts, provisions which it deems sufficient, and believes that the resolution of such contingencies should not have any material adverse effect on the Corporation's financial position.

As at March 31, 2018, there are contingent assets whose estimated amount can not be determined. Access to ownership of these assets depends on the progress of the negotiations with a business partner. The contingent assets are not recognized in the Financial Statements.

Other contingencies

- a) The Corporation was granted a permit to install, maintain and use a cable for closed circuit television signals on lands that it does not own. In the event of termination of this permit, the Corporation will have to remove its facilities, at its expense. As at March 31, 2018, neither the owner of the lands nor the Corporation has indicated its intention to terminate the permit. Therefore, no contingent liabilities related to this capital asset has been recognized.
- b) The Corporation holds structures erected on land whose owner has transferred the management and administration thereof to the Government of Canada. The owner of the land could take back the land in the event of a change in the use thereof, without any indemnity for the structures erected, provided they are in satisfactory condition, at the convenience of the owner. At present, the Corporation has no intention of changing the current use of these structures. Therefore, no liabilities related to these capital assets has been recognized.

12. CONTRACTUAL OBLIGATIONS

a) Operating Services

The minimum amount payable for police services amounts to approximately \$3,998,205 per fiscal year (\$3,957,245 as at March 31, 2017). Unless otherwise stipulated by either party, the current contract remains in effect until the entry into force of a new contract which is currently under negotiation.

b) Suppliers

The Corporation has committed, mainly under major repairs, procurement, and professional services, to paying \$111,580,164 over the next few years (\$117,276,736 in 2017). The minimum payments due for the next fiscal years are the following:

2019	\$91,382,739
2020	\$10,981,932
2021	\$1,782,795
2022	\$2,506,853
2023 and beyond	\$4,925,845

c) Leases

The Corporation has committed, under leases for the rental of offices and equipment, to paying \$3,698,980 in the coming years (\$5,117,170 in 2017). The minimum payments due for the next fiscal years are the following:

2019	\$1,298,574
2020	\$1,170,007
2021	\$930,993
2022	\$299,406

13. RELATED PARTY TRANSACTIONS

The Corporation is related in terms of common ownership to all departments, agencies, and Crown corporations created by the Government of Canada, as well as to its key management personnel, close family members thereof and entities subjected to the control of said individuals. The Corporation enters into transactions

with these entities in the normal course of business. These transactions are recognized at the exchange amount, except for the cost of the audit of the Financial Statements, which is carried out without consideration and not recognized in the Statement of Operations.

14. EXPENSES BY TYPE

	2018	2017
	\$	\$
Regular and major maintenance	64,415,987	148,013,654
Environmental obligations	(2,706,610)	16,710,984
Amortization of tangible capital assets	33,335,178	33,444,183
Salaries and employee benefits	19,126,544	18,355,937
Professional services	10,132,489	7,396,898
Goods and services	5,592,710	6,063,111
Loss on asset disposal	-	1,271,743
Total des charges	129,896,298	231,256,510

15. FINANCIAL INSTRUMENTS

a) Fair Value

The carrying value of the Corporation's financial instruments approximates their fair value.

b) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation is subject to credit risk on cash and accounts receivable other than taxes receivable. The Corporation manages this risk by dealing mainly with the government and by closely monitoring credit allocation and collections from commercial clients. The carrying value reported in the Corporation's Statement of Financial Position for its financial assets exposed to credit risk represents the maximum amount exposed to credit risk. The Corporation's credit risk is not significant.

The credit risk associated with cash is minimal, since it is composed of cash balances and that the Corporation only deals with well-known financial institutions that are members of the Canadian Payments Association.

The credit risk associated with accounts receivable is minimal, since a large portion of the accounts receivable is owed by the Government of Canada. As at March 31, 2018, the amounts owed by the Government of Canada represented 61% of the total amount owed (69% in 2017) and the other accounts receivable showed no outstanding balance (none in 2017).

The level of credit risk and the procedures in place to mitigate this risk are similar to those of the previous fiscal year.

c) Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations as they become due. The Corporation manages the risk by establishing budgets and detailed estimates of the cash associated with its operations and by regularly monitoring them. The liquidity risk is low, given that the Corporation is funded, for the most part, by the Government of Canada.

Maturities of the Corporation's financial liabilities are as follows, according to estimates:

	2018 \$	2017 \$
LESS THAN 90 DAYS		
Accounts payable and accrued liabilities	57,634,156	79,156,586
Contractual holdbacks	6,221,292	8,221,125
Subtotal	63,855,448	87,377,711
90 DAYS TO ONE YEAR		
Contractual holdbacks	4,847,920	7,384,850
MORE THAN ONE YEAR		
Contractual holdbacks	1,171,475	3,491,801
Total	69,874,843	98,254,362

The level of liquidity risk and the procedures in place to mitigate this risk are similar to those of the previous fiscal year.

d) Market Risk

Market risk is the risk that there is an impact on the results following a change in the market conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Corporation is only exposed to interest rate risk. This exposure is attributable to its cash flow. To reduce this risk to a minimum, the Corporation must, in keeping with its investment policy, invest its working capital surplus in highly liquid and low-risk instruments. If interest rates had varied by 1%

during the fiscal year, the interest revenue on cash would have varied by approximately \$528,936 (\$538,369 in 2017).

The level of risk for the interest rate and the procedures in place to mitigate this risk are similar to those of the previous fiscal year.

16. SUBSEQUENT EVENT

The Minister of Infrastructure and Communities has confirmed the deconstruction of the existing Champlain Bridge following the commissioning of the new Champlain Bridge, scheduled for December 2018. By letter dated May 3, 2018, the Minister confirmed that the Corporation was mandated to undertake the deconstruction of the existing Champlain Bridge, in accordance with the sustainable development principles upheld by the Corporation. The Corporation will develop a deconstruction strategy that will involve a precise scheduling of the methods used for deconstruction as well as ongoing transportation and material recovery planning to minimize the environmental effects and the impacts on surrounding residents. Since the deconstruction method has not yet been determined, the financial implications of the deconstruction project cannot be estimated.

10.

APPENDICES



From left: **Dominique Bouchard** (Director), **Catherine Lavoie** (Director), **Dale Ellen Williams** (Director), **Paul T. Kefalas** (Chairman), **Glen P. Carlin** (CEO), **Denise Hébert** (Vice-Chairman), **Sylvain Villiard** (Director)

BOARD OF DIRECTORS AND OFFICERS

Directors

Dominique Bouchard
Glen P. Carlin
Denise Hébert
Paul T. Kefalas
Catherine Lavoie
M^e Sylvain Villiard
Dale Ellen Williams

Two members finished their term of office during fiscal year 2017-2018.

Serge Martel
Guy Martin

Officers

Paul T. Kefalas, Chairman of the Board
Denise Hébert, Vice-Chairman of the Board
Glen P. Carlin, Chief Executive Officer
Claude Lachance, Treasurer
M^e Sylvie Lefebvre, Legal Counsel
M^e John Papagiannis, Acting Corporate Secretary

LIST OF COMMITTEES OF THE BOARD OF DIRECTORS

Audit Committee

Denise Hébert, Chair
M^e Sylvain Villiard
Dale Ellen Williams

Governance and Ethics Committee

Paul T. Kefalas, Chair
Catherine Lavoie
M^e Sylvain Villiard
Dale Ellen Williams

Human Resources Committee

Denise Hébert, Chair
Dominique Bouchard
Dale Ellen Williams

Risk Committee – Infrastructure

Catherine Lavoie, Chair
Dominique Bouchard
Denise Hébert
Paul T. Kefalas

Champlain Technical Committee

Glen P. Carlin, Chair
Paul T. Kefalas

Corporate Risk Committee

M^e Sylvain Villiard, Chair
Dominique Bouchard
Denise Hébert
Paul T. Kefalas

ALIGNMENT WITH INTERNATIONAL SUSTAINABLE DEVELOPMENT STANDARDS

To prepare this table, JCCBI referred to the G4 Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI).

GENERAL INDEX	INDICATORS	PAGES	COVERAGE 2017-2018
Strategy and Analysis			
G4-1	Statement from the most senior decision-maker of the organization	14-15	Partial
Organizational Profile			
G4-3	Name of the organization	6	Complete
G4-4	Primary brands, products, and/or services	6, 17	Complete
G4-5	Location of organization's headquarters	104	Complete
G4-6	Number of countries where the organization operates	104	Complete
G4-7	Nature of ownership and legal form	58	Complete
G4-8	Markets served	17	Complete
G4-9	Scale of the reporting organization	7, 17, 82 to 85	Complete
G4-10	Size of the workforce	7, 59	Partial
G4-12	Organization's supply chain	-	Partial (check the 2015-2016 Sustainable Report pages 14 and 15)
G4-14	Precautionary principle	55	Complete
G4-15	Externally developed economic, environmental and social initiatives	46 to 55	Complete
G4-16	Memberships in associations	36	Complete
Identified Material Aspects and Boundaries			
G4-18	Defining report content and aspect boundaries	-	Partial (check the 2015-2016 Sustainable Report pages 4 and 5)
G4-19	Material aspects identified	-	Complete (check the 2015-2016 Sustainable Report pages 5 to 7)
G4-20	Aspect Boundary within the organization	-	Complete (check the 2015-2016 Sustainable Report page 44)
Stakeholder engagement			
G4-24	Stakeholder groups	-	Complete (check the 2015-2016 Sustainable Report pages 5 to 7)
G4-26	Organization's approach to stakeholder engagement	36, 48, 51, 52	Complete
G4-27	Key topics and concerns raised through stakeholder engagement	-	Complete (check the 2015-2016 Sustainable Report page 5)

GENERAL INDEX	INDICATORS	PAGES	COVERAGE 2017-2018
Report Profile			
G4-28	Reporting period	104	Complete
G4-30	Reporting cycle	104	Complete
G4-32	GRI Content Index	100	Complete
Governance			
G4-34	Governance structure	58	Complete
G4-35	Process for delegating authority for EES topics	-	Complete (check the 2015-2016 Sustainable Report pages 10-11)
G4-36	Executive-level position with EES responsibility	-	Complete (check the 2015-2016 Sustainable Report pages 10-11)
G4-38	Composition of the highest governance body and its committees	58	Partial
G4-39	Chair of the highest governance body is also an executive officer	58	Complete
G4-40	Nomination and selection processes for the highest governance body	58	Partial
G4-41	Processes for highest governance body to manage conflicts of interest	-	Partial (check the 2015-2016 Sustainable Report page 9)
G4-51	Remuneration policies for the highest governance body and executives	69	Partial

GENERAL INDEX	INDICATORS	PAGES	COVERAGE 2017-2018	
Ethics and Integrity				
	G4-56	Values, principles, standards and norms of behaviour	-	Complete (check the 2015-2016 Sustainable Report pages 10-11)
Economical				
Economic Performance	G4-DMA	Disclosure on management approach	-	Complete (check the 2015-2016 Sustainable Report pages 9, 12 and 13)
	G4-EC1	Direct economic value generated and distributed	7, 82 to 85	Partial
	G4-EC3	Coverage of the organization's defined benefit plan obligations	87	Complete / Partial
	G4-EC4	Financial assistance received from government	82 to 85	Complete
Indirect economic impacts	G4-EC7	Infrastructure investments and services supported	16 to 31	Complete
	G4-EC8	Significant indirect economic impacts	46 to 55	Complete
Procurement practices	G4-DMA	Disclosure on management approach	-	Complete (check the 2015-2016 Sustainable Report pages 14-15)
Environmental				
Energy	G4-EN3	Energy consumption within the organization	61	Partial
Biodiversity	G4-DMA	Disclosure on management approach	52, 53, 55	Complete
	G4-EN13	Habitats protected or restored	52, 53, 55	Partial
Emissions	G4-DMA	Disclosure on management approach	61	Complete
	G4-EN15	Direct Greenhouse Gas (GHG) Emissions (Scope 1)	61	Complete
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	61	Complete
	G4-EN17	Other indirect greenhouse gas (GHG) emissions (scope 3)	61	Complete
Products and Services	G4-EN27	Extent of impact mitigation of environmental impacts of products and services	66	Complete

GENERAL INDEX	INDICATORS	PAGES	COVERAGE 2017-2018	
Environmental				
Compliance	G4-DMA	Disclosure on management approach	-	Complete (check the 2015-2016 Sustainable Report pages 28-29)
Overall	G4-EN31	Total environmental protection expenditures and investments by type	30	Partial
Supplier Environmental Assessment	G4-DMA	Disclosure on management approach	-	Complete (check the 2015-2016 Sustainable Report pages 14-15)
Labor Practices and Decent Work				
Employment	G4-DMA	Disclosure on management approach	60	Complete
	G4-LA2	Employee benefits	60, 87, 89, 90, 95	Partial
	G4-LA3	Return to work and retention rates after parental leave	63	Partial
Occupational Health and Safety	G4-DMA	Disclosure on management approach	60	Complete
	G4-LA6	Injuries, diseases and fatalities	63	Partial
Training and Education	G4-DMA	Disclosure on management approach	60	Complete
	G4-LA9	Average hours of training per year per employee by employee category	60	Complete
	G4-LA10	Skills management and lifelong learning	-	Partial (check the 2015-2016 Sustainable Report pages 34-35)
Diversity and Equal Opportunity	G4-LA12	Composition of governance bodies and breakdown of employees	59	Partial
Supplier Assessment for Labor Practices	G4-DMA	Disclosure on management approach	-	Complete (check the 2015-2016 Sustainable Report pages 14-15)
Human Rights				
Indigenous Rights	G4-DMA	Disclosure on management approach	9, 15, 17, 48	Complete
Society				
Local Communities	G4-DMA	Disclosure on management approach	48, 51	Complete
Product Responsibility				
Customer Health and Safety	G4-DMA	Disclosure on management approach	5	Complete



ABBREVIATIONS

CEAA	Canadian Environmental Assessment Act (2012)
CFRP	Carbon fibre reinforced polymeres
CPSAS	Canadian Public Sector Accounting Standards
FAA	Financial Administration Act
GRI	Global Reporting Initiative
INFC	Infrastructure Canada
JCCBI	The Jacques Cartier and Champlain Bridges Incorporated
MTMDET	Ministère des Transports, de la Mobilité durable et de l'Électrification des transports du Québec
NCBC	New Champlain Bridge Corridor
OHS	Occupational Health and Safety
RAD	Research and Applications Division
tCO₂e	Tonne of carbon dioxide equivalent

ABOUT THIS REPORT

The Corporation is committed to communicating with transparency about its activities and investments. This annual report is the second one that combines JCCBI financial results and progress in sustainable development. It covers the fiscal year from April 1, 2017 to March 31, 2018.

This report was reviewed and approved by the Board of Directors and the Sustainability Committee.

The Jacques Cartier and Champlain Bridges Incorporated

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