

Sustainability Report 2019



A More Connected, Sustainable and Mobile Canada

Our vision is to be a smarter way to move people by making cities and communities more accessible, connected and sustainable.

As we modernize for the future, we look forward to improving passenger rail service and frequency, enabling Canadians to get to their families faster and providing travellers with more connections, while building a better future economically, socially and environmentally.

2019

Highlights



\$1.62M

in in-kind trip donations
to over 1,500 local, regional
and national organizations



58%

women on our Board
of Directors



37%

reduction in Scope 1
and 2 GHG emissions when
compared to 2005

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— Message from the President



Our Bright Future

As I celebrate my first year as President and CEO of VIA Rail, I am proud to be leading a socially-responsible company which is defined by growth, innovation and collaboration.

Last year, we took important steps towards building a sustainable business for the future – one which embraces diverse stakeholder perspectives to deliver meaningful impacts that last the test of time.

Bringing Sustainability to Life

With record growth in terms of revenues and passengers, our vision of being the smarter way to move was brought into sharper focus. We surpassed our benchmark of \$400 million in revenue, and closed the year having welcomed more than five million passengers onboard.

“

By modernizing our services and infrastructure, we are setting the groundwork for the future of sustainable travel in Canada.”

— Cynthia Garneau

President and Chief Executive Officer, VIA Rail

By modernizing our services and infrastructure, we are setting the foundation for the future of sustainable travel in Canada, and I am pleased with our progress thus far. We completed work to refurbish and overhaul several of our heritage fleet cars, initiated the concept and design phases of our fleet replacement program, and established the Joint Project Office (JPO) to further explore our High Frequency Rail project. The JPO is focusing on land and track acquisitions, technical and financial analysis, safety and environmental assessments, as well as stakeholder and community consultations.

A Year of Achievement

Despite several challenges last year, we continued to move forward on our corporate objective to operate sustainably.

One of the most inspiring aspects of 2019 was our focus on the health, safety and well-being of the entire VIA Rail community. One example of this commitment was the participation of our VIA Rail Police in Rail Safety Awareness Week, which highlighted how we embrace our responsibility to protect our passengers, employees and the communities where we operate.

The coming into force of the Accessible Canada Act this year resulted in our taking a pioneering approach to accessibility. Notable developments included state-of-the-art accessibility updates to the Halifax and Ottawa stations, the successful launch of a pilot project to make travelling with service animals easier, and the publication of our very own accessibility policy towards a barrier-free Canada.

Our diversity and inclusion programs were also strengthened. As the first female President and CEO of VIA Rail, I am proud to be part of an already diverse organization with women accounting for 40% and 58% of our executive team and our Board of Directors respectively. In 2019, we conducted unconscious bias training for our managers, held “lunch and learn” sessions with inspiring VIA Rail female leaders, and participated in several external events to strengthen female leadership.

Becoming good neighbours and building our relations with the communities where we operate remains a priority. While we have work to do, we

made important progress educating our employees on cultural awareness. For example, our partnership at the 2019 Indspire gala was perhaps one of the most visible extensions of our support of educational programs for Indigenous youth and recognition for the achievements of Indigenous peoples.

As a responsible corporate citizen, I continue to be impressed by the compassion and willingness of our people to volunteer and assist in various causes we support. Our contributions to young Canadians remain dear to my heart. Last year, we were pleased to support the 2019 Forum of Young Canadians as well as the “WE Schools” week long program on the environment and Indigenous Reconciliation.

By providing Canadians with one of the most environmentally friendly travel options, VIA Rail represents a key component of the climate change solution for Canada. Thanks to car cycling optimization and train handling practices of our Locomotive Engineers, we improved our fuel efficiency last year by 6.4%. In fact, we have reduced our carbon emissions by 37% since 2005. In looking ahead, the renewal of our fleet will be a game-changer. By replacing the fleet with Tier 4 compliant locomotives, we will achieve even greater reductions in carbon emissions with up to 15-20% fuel efficiency improvement.

Being a responsible corporate citizen with sustainability top of mind also means being prepared in the face of crises. As I am writing this message, 2020 has brought us two unprecedented situations, which have led VIA Rail to swiftly implement measures and solutions protecting the health and safety of its passengers and employees. Through our prompt and agile response, we have, and will continue to, provide a stable and safe environment in uncertain times.

All of these achievements could not have been made possible without the support and dedication of our people. It is their commitment, motivation and talent that ensures VIA Rail will remain a successful and sustainable business for the future. On behalf of Canadians, I thank everyone on our team for their passion and hard work.



VIA Rail at a Glance

Who We Are

VIA Rail operates Canada's national passenger rail service on behalf of the Government of Canada. An independent Crown corporation established in 1977, VIA Rail provides a safe, cost-effective, and environmentally responsible service from coast to coast in both official languages. The Corporation operates 454 train departures weekly on a 12,500-km network, connecting over 400 Canadian communities. With 3,234 employees VIA Rail carried more than 5 million passengers in 2019.

Where We Operate

400+

communities served
across Canada

Passenger Revenues Per Train Route

81%

of passenger revenues
are from inter-city travel
(in the Corridor)

18%
Long-Distance

1%
Regional

Passenger Trips Per Train Route

96%

of passenger trips
consist of inter-city
travel (in the Corridor)

3%
Long-Distance

1%
Regional

Inter-City Travel (in the Corridor)

In the densely populated Corridor between Quebec City, QC and Windsor, ON, VIA Rail trains provide travel between the downtown cores of major urban centres, as well as between suburban centres and communities.

Long-Distance Travel and Tourism

In Western and Eastern Canada, VIA Rail's trains support Canada's tourism industry by attracting travellers from around the world. The *Canadian*, VIA Rail's western transcontinental train, provides service between Vancouver and Toronto. In Eastern Canada, the *Ocean* runs between Montréal and Halifax.

Regional Services

VIA Rail provides passenger service in several rural and remote regions of Canada. Mandated by the Government of Canada to meet essential transportation needs, these trains serve many communities where alternative, year-round transportation is limited or unavailable.

* Services on Vancouver Island and Gaspé are suspended due to infrastructure availability.

Our key assets reflect the breadth of our business, from our stations and maintenance centres to the fleet of locomotives and train cars we operate, the passengers we serve, the buildings we occupy and the employees who work for us.

— Frequency Train Departures

454

per week, of which 84% of our trains depart on time

— Employees

3,234

Active Employees
as of the end of the calendar year

Employee
Diversity

34%

of our employees are women,
15% are visible minorities,
2% are people with disabilities, and
2% are Indigenous People

— Fleet

430

Train Cars
(in and out of service)

Locomotives

73

of which **92%** have been rebuilt
for improved operational and
environmental efficiency

— Passengers

5M

**passenger
trips covering
close to
1.7 billion
kilometres
across
Canada,
of which:
96% is
inter-city
travel, 3%
is long-
distance
and 1% is
regional.**

— Buildings

121

**Train
Stations**
of which **54** are
heritage stations

9

Offices
1 head office
6 regional
2 satellite

4

**Maintenance
Centres**
- Montréal
- Toronto
- Winnipeg
- Vancouver

— Creating Shared Value

As the only national passenger rail service in Canada, we play an integral role in supporting an increasingly mobile and connected population. VIA Rail contributes to economic growth, enriches the cultural experience of Canadians and foreign tourists and provides one of the safest and environmentally sustainable transport options.

— Customers

Providing superior customer service is a top priority. In 2019, our ridership grew to

5 million

Passenger volumes from inter-modality increased **24%** and **454,928 passengers** took advantage of our discounted packages.

94%

on-time performance
of trains on owned infrastructure

— Government

As a Crown Corporation, we work diligently to contain our operating deficit and subsequent reliance on government funding. Thanks to our superior customer service, we completed the year with higher revenues and more passengers.

\$411.1M

in revenues generated

— Employees

We provide jobs for more than

3,200

employees from diverse backgrounds, who received **\$83.2M** in remuneration, including wages and benefits. Our investment in training also helps develop local talent and intellectual capital.

\$83.2M

paid in wages and
benefits to employees

— Communities

We connect more than

400

communities across Canada and work with a variety of local, regional and national charity groups and non-profit organizations to support community activities, fundraisers and initiatives across the country through promotional in-kind travel credits.

— Suppliers

We pay for the services of more than

2,431

suppliers of which approximately **95%** are Canadian-based companies. We work closely with many of our suppliers to encourage more diversity and promote better, healthier and sustainable products and services.

\$356M

spent on purchased services,
materials and fuel

— Environment

Passenger rail helps reduce the transportation sector's contribution to climate change and smog. Many travellers are turning to our trains as a means of travel that is respectful of the environment.

289,177

tonnes of carbon avoided on
our trains compared to car

Modernizing the Canadian Journey

By modernizing our services and infrastructure, we are laying the groundwork for the future of sustainable travel in Canada. Our vision is to offer our travellers a safe, more reliable and enjoyable experience while helping to protect the environment and boost the Canadian economy.



More departures.
Improved schedules.
Shorter travel times.
Affordable.
Eco-friendly.

High Frequency Rail

Last year, our High Frequency Rail (HFR) project, which will transform travel through the creation of a dedicated track for passenger trains between Québec City and Toronto, was brought into sharper focus. In June, we were pleased to secure \$71 million in new funding from the Government of Canada and the Canada Infrastructure Bank, to further explore the project through a Joint Project Office (JPO). The JPO is focusing on: finalizing safety and environmental assessments requirements; consulting stakeholder and Indigenous communities; examining the required land and track acquisition; and completing the technical, financial and commercial analysis.

— **32**
new trainsets

— **Universal
accessibility**

— **More enjoyable
ride for all**

— **4–5x**
less pollution
than cars

Fleet Replacement Program

We are excited to be acquiring 32 new train sets for use in the Québec–City – Windsor Corridor to be brought into service starting 2022. In 2019, we made great progress successfully completing the concept and design phases with unparalleled features ranging from universal accessibility to comfort and convenience. We also launched a maintenance facilities modernization program, which will see our maintenance centres enhanced and upgraded to support the arrival of the new fleet while better servicing our current fleet.

Heritage Fleet Refurbishment Program

Already three years underway, we will be refurbishing a total of 71 train cars in our HEP fleet, which are scheduled to run in 2021 on various routes whether in the Corridor, on the *Canadian*, the *Ocean*, or on some of the Regional services we offer. Last year, we completed work on seven Economy cars and two Business cars, which included the overhaul and modernization of mechanical systems, train car interior design and comfort and analysis to extend the life cycle. We also completed partial overhauls of 14 out of 15 P42 locomotives, which are scheduled for completion in 2020.



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Customer comfort.
Improved reliability.
**Fleet reuse-
recycle-repurpose.**

What Sustainability Means for VIA Rail

Providing
a passenger rail
service that is
environmentally
sound, socially
responsible and
economically
viable.

We are working hard to be the smarter way to move people and embed sustainability into everything we do, from the way we operate our trains, stations and maintenance facilities to the considerations we make in how we live and bring to life our values and strategy.

Sharpening our Focus

Last year, we refreshed our corporate strategy focusing on our “Passenger First” mission. We settled on five strategic objectives – one of which includes our ambition to become a leading transportation company focused on responsible economic, social and environmental sustainability. We are determined to be a positive force in society by creating shared value for all our stakeholders through our focus on sustainability.

- **Economic Prosperity:** Provide a safe, affordable and reliable passenger rail service, enabling people to access jobs and participate in the economic activities of neighbouring communities.

- **Social Cohesiveness:** Create a safe, inclusive and diverse workplace, while contributing to the social fabric of Canada by connecting communities and improving their quality of life.
- **Environmental Resilience:** Reduce the environmental impacts of our own fleet and buildings and help bring transformational change to Canada by reducing the transportation sector's contribution to climate change, congestion and smog.

Adhering to the Highest Standards

We take a principle-based approach to sustainability in alignment with the Government of Canada's Federal Sustainable Development (FSD) Strategy as well as with international policies and commitments.

Our everyday actions are guided by our Code of Ethics, ensuring we comply with laws and regulations and conduct our business in an ethical, responsible and prudent manner. This year, we elevated our employee whistleblowing mechanisms by extending our online reporting platform to suppliers, third parties and the community.

Embedding Accountability

The Board is responsible for providing oversight on our sustainability approach, reviewing performance and approving our annual sustainability report. Our President and Chief Executive Officer, Cynthia Garneau, is accountable for ensuring we deliver on our strategy. Last year, the CEO's incentives continued to include sustainability objectives.

At the executive management level, accountability for sustainability sits with our new Chief Public Affairs and Communications Officer, Ben Marc Diendéré. He is responsible for the strategic direction, alignment and operational performance of activities related to the internal and external communications, public affairs and media relations, as well as government and stakeholder relations.



Ben Marc Diendéré

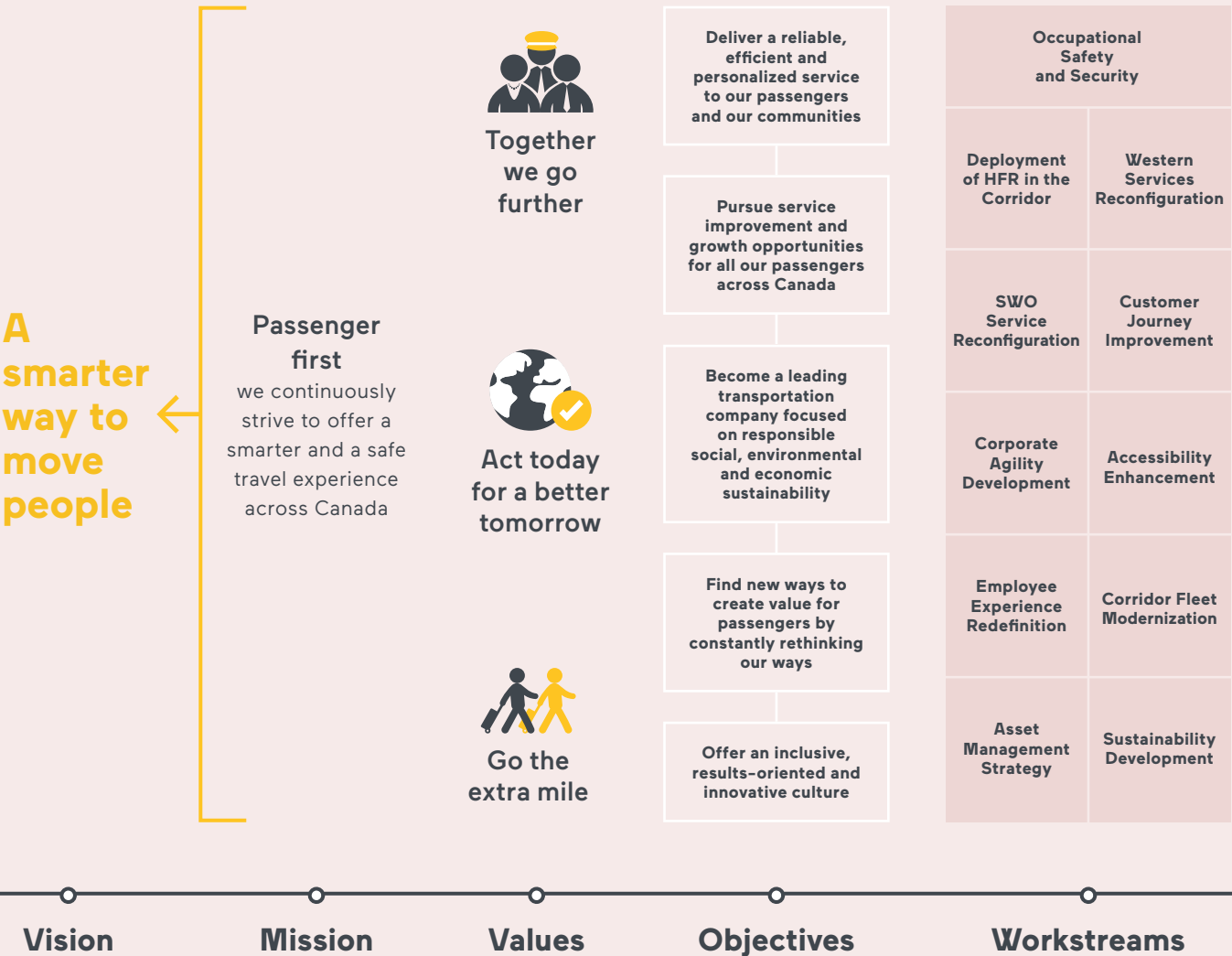
Chief Public Affairs and
Communications Officer

The alignment of our sustainability approach to Canada's FSD strategy and international standards reinforces our commitment to the issues that matter to our stakeholders. We believe this is essential to the promotion of understanding and trust.

- United Nation's Sustainable Development Goals (SDGs)
- World Bank Mobility Goals on Equitable Access, Safety and Security, Efficient and Reliable Services and Green, Clean and Resilience
- International Union of Railways (UIC) Commitment to Climate Change Reduction
- United Nations Global Compact Principles on Human Rights, Labour, Environment and Anti-Corruption
- UN Universal Declaration of Human Rights
- International Labour Organization Conventions
- Guiding Principles on Business and Human Rights




Vision and Strategy

Embedding sustainability into our corporate strategy is an ongoing focus as we build and strengthen our business for the future. It is a core part of our vision and mission to continuously offer a smarter and safe travel experience across Canada.



Performance Highlights

We are proud of our accomplishments in 2019 and the significant progress we made across our business.

Pillar	2019 Performance Highlights	KPI	2019	2018	2017
 Economic Prosperity	Customer-Centric Strategy: Engaged over 8,000 customers to better understand the customer journey. Continued to maintain a high net promoter score (NPS).	Customer satisfaction net promoter score (NPS)	53.1	53.0	52.0
	Universal Accessibility: Completed \$15 million in renovations making our Ottawa station fully accessible.	Number of accessibility participants consulted in working sessions	34	42	-
	Community Contributions: Supported over 1,500 local, regional and national organizations with in-kind trip donations amounting to \$1.62M.	In-kind trip donations (in thousands \$)	1,618	1,949	2,423
 Social Inclusion	Talent and Development: Enrolled 10 candidates (5 women, 5 men) in our new Locomotive Engineer Apprenticeship Program	Average hours of training per employee	35.3	33.5	46.0
	Inclusion and Diversity: Achieved Gold Parity on our Women in Governance Certification and increased women at the Board level to 58%.	Female Board diversity (%)	58%	55%	50%
	Safety Preventative Culture: Strengthened our safety culture and Safety Management System (SMS) effectiveness and reduced our train incident ratio by 42%.	Train incident ratio per million train-miles	0.7	1.2	0.6
	Security Management: Reduced fraud cashback by 50% through our strategic fraud committee.	Fraud reduction (%)	-50%	-13%	-
 Environmental Resilience	Climate Change: Conducted a climate scenario analysis and strengthened our mitigation and resilience measures. Achieved reductions of 37% in our Scope 1 and 2 GHG emissions when compared to 2005.	Kilograms CO ₂ e per passenger-kilometre	0.081	0.089	0.089
	Sustainable Procurement: Launched a New Vendor Management Policy. Continued to source on-board products from local businesses.	Local Canadian suppliers supported (%)	95%	93%	94%
	Resource Management: Developed a Green Building policy and continued to integrate sustainability across our building projects.	Projects considering sustainability elements (%)	77%	77%	-





— Economic Prosperity

**Contributing
to a resilient,
economically
prosperous
society**

As the only national passenger rail service, we play a unique role in supporting an increasingly mobile and connected Canada. Putting our passengers first is what drives our customer-centric strategy to improve mobility access and deliver great service. As we modernize VIA Rail for the future, we will be doing our part to contribute to an integrated sustainable transportation system for Canada that creates jobs, supports local business and promotes Canadian culture and tourism.

Customer-centric Strategy

Putting passengers first

Being a customer-centric organization is a key part of our strategic initiative to modernize VIA Rail. By putting our passengers first, our promise is to deliver consistently great service that is reliable, comfortable and convenient, making it easier to leave their cars at home and take the train.

Over the past year, we continued to focus on increasing train frequencies, enhancing the customer experience to deliver an exceptional service and learning more about our passengers and understanding their preferences and behaviours.

Improving Train Frequencies

Through our Network Planning Teams, we are consistently delivering on our promise to improve our schedules and train frequencies particularly within the Québec City – Windsor Corridor. As a result of our efforts, in 2019, we welcomed more than five million passengers aboard our trains – our highest annual ridership in the last three decades. We also surpassed the \$400 million revenue mark, a first in our history. Notably, we saw a 5.5% increase in ridership which increased from approximately 4.7 million to over 5 million.



→ **5M**
passengers
of which
4.5M
were in the
Corridor





Intermodality and Interoperability

Through our intermodality and interoperability partnerships, our passengers have access to diverse carriers, including commuter trains, motor coaches, car-sharing companies, ferries, airport shuttle buses and airlines. Over the past year, we continued to explore new partnership agreements. With the recent new funding by the Government of Canada for our proposed HFR project, we will also be conducting technical work to ensure the interoperability and integration of HFR with operating tracks used by local and regional transit providers in Montréal and Toronto.

Listening to our Customers

This year, to better understand our customers, we surveyed over 8,000 customers and conducted close to 50 personal interviews. Among the findings, we learned that environmental aspects are important to 89% of customers, with strong interest for more sustainable or locally sourced products onboard. We are using these insights to continually enhance our onboard offerings to align with customer preferences.

Enhancing the onboard experience with Wi-Fi

To improve the online experience for passengers, upgrades were made to the Wi-Fi service. We mainly focused on upgrading the Wi-Fi service in our Economy and Business class cars used on the Québec City – Windsor corridor and between Montréal and Halifax. By the end of 2019, more than 80% of cars travelling on these routes had their Wi-Fi upgraded, enabling them to connect to up to 300 devices per train car. The improved connectivity on board our trains has resulted in a higher level of customer satisfaction and improved feedback.

Universal Accessibility

Being one of the most accessible mobility options in Canada

We understand the importance of offering barrier-free transport and the critical role we can play in creating an environment in which everyone can travel autonomously and confidently.

Our teams spent last year developing an official accessibility policy as well as a three-year accessibility plan, which we plan to launch in 2020. We are also actively pursuing efforts to make Canada a barrier-free country that not only meets but surpasses requirements of the proposed Accessible Canada Act.

Improving Access through Collaboration

Our accessibility projects begin with gaining a deeper knowledge of the challenges, concerns and needs of our passengers, their families and their companion travellers, by engaging with organizations that represent people with disabilities. In 2019, key collaborations have included participation at the 2nd Annual Digital Access Day organized by the Internet Society Canada Chapter, involvement of the Canadian National Institute for the Blind on autonomous navigation solutions, knowledge-sharing with Public Works Canada and various other groups to ensure accessibility features are considered right from the start as we design our new fleet.



\$15M

invested at the Ottawa
station, making
it fully accessible



Piloting New Concepts

Our Ottawa station is the perfect testing ground for many of our accessibility projects, informed by stakeholder collaborations. In 2019, we successfully completed our Clear Station pilot project to develop a solution to assist blind and partially sighted passengers in their journey from curb to platform. We also started a pilot project to explore options for future indoor and outdoor service animal relief areas at our stations. Representatives from the Canadian Council of Disabilities, Courageous Companions, the Canadian Council of the Blind and the Canadian National Institute for the Blind have participated to share insights on how to make travel easier for those accompanied by a service animal.

Investing in Accessibility Features

Every year we invest significantly in improving and renovating our stations to meet and surpass accessibility requirements. Notably, in 2019, we completed \$15 million in renovations at our Ottawa station making it fully accessible for people with limited mobility. We also improved station accessibility at our Halifax station, which involved significant construction upgrades.

Improving Accessibility for the Blind and Partially Sighted Passengers

Last year, VIA Rail launched the innovative Clear Station pilot project and successfully tested a proof of concept using beacon-based wayfinding and echolocation obstacle detection to help the blind and partially sighted passengers navigate a station from entrance to platform and back autonomously.

The next phase will be to install the beacon-based mobile-app solution in six stations between Ottawa and Montréal and to conduct a pilot test on the train to explore autonomous navigation on board. The success of the project was recognized at the Association québécoise des transport (AQTr) gala, where we won the People's Choice award, as well as the ambassador's award for our innovative and technical realization aligned with our sustainable mobility objectives.



Accessibility Features in our Stations and Trains



1.



2.



1. and 2. Halifax
Station



Better Station Access in Halifax Station

We have improved station access through accessible parking spots, elevator refurbishments, renovations to the main entrance and new sliding doors leading to the train.

A Sensitivity Room at Toronto Station

We are piloting a special waiting room at Toronto's Union station, which will serve as a peaceful haven and quiet retreat for parents travelling with a child who has a disability, as well as for adults with disabilities.

An Accessible Business Lounge at Ottawa Station

The newly renovated accessible business lounge includes an accessible self-service food and beverage area and spaces dedicated to passengers with functional limitations.

Universally Accessible Fleet

Our new fleet will improve the travel experience for reduced-mobility passengers and their caretakers, offering more accessible areas, braille seat numbering and enhanced wheelchair spaces.



3.



3. Ottawa Station
Business Lounge

Community Contributions

Making a difference in the communities we call home

As an important part of the social fabric of Canada, we support community organizations that benefit the many communities where we live and work. Youth, diversity, environmental sustainability, innovation and Canadian heritage are the key impact areas where we are most focused.

Over the past year, we made significant progress improving our community investment funding request process through the launch of our new, centralized online platform called Sponsorium. We are now able to better contribute to communities across Canada, including remote and marginalized communities.



VIA Rail participated in Pride celebrations across the country





VIA Rail supported
“WE Schools”
environment
and Indigenous
Reconciliation
program



Supporting Youth

We are supporting the next generation of future leaders by providing them with opportunities to discover their country through learning, social involvement and civic responsibility. In 2019, we participated and contributed close to \$419K of in-kind contributions to youth programs and events, including free travel for 46 students between Thompson and Churchill, Manitoba, to support “WE Schools” week long program on the environment and Indigenous Reconciliation and supporting the National Youth Orchestra and the national YMCA program.

Taking Pride in our Canadian Heritage

Enhancing the knowledge of our passengers about our country, its culture and history is a tradition we have proudly carried out for many years. In 2019, we contributed approximately \$98K in-kind contributions to organizations that promote Canada’s official languages, partner with new Canadians, support Canadian military and veterans and promote tourism in Canada. Last year, we welcomed 2,500 visitors to our Montréal and Toronto Maintenance Centre Open Houses, which involved participation from more than 198 employee volunteers.



Promoting Environment and Innovation

We contribute to and support organizations that foster environmental awareness and promote innovative solutions for society. In 2019, we contributed to several Canadian innovation events, organizations and incubators, such as Trajectoire Québec, the Manning Centre and the Femmessor Institute. We also supported the David Suzuki Foundation Butterfly Project, encouraging the planting of pollinator-friendly wildflowers and partnered with Alvéole to install beehives on our station rooftops to promote the development of greener Canadian cities.

Serving Diversity

We are proud to serve the diverse communities that make up Canada. In 2019, we contributed \$826K of in-kind contributions to organizations that support diverse communities, including women’s organizations such as Equal Voice and Femmessor as their official transporter in support of female entrepreneurship, events that support the LGBTQ+ community such as the country-wide PRIDE celebrations as well as Indigenous communities.

Strengthening Relations with Indigenous Communities

Guided by our Indigenous Policy, we continue to enhance our relations with Indigenous Peoples by supporting projects and engaging in dialogue.

Celebrating the Indigenous Culture

In 2019, we celebrated Indigenous arts, culture and music by supporting several National Indigenous Day events as well as the Indspire Gala.

Contributing to Economic Development

By partnering with organizations such as the Canadian Council for Aboriginal Business, we are working hard to cultivate lasting relationships with Indigenous companies and increase representation in our workforce.





Improving Northern Community Services

We engage regularly with Indigenous community leaders regarding our services between Thompson and Churchill, Manitoba.

Promoting Indigenous Tourism

We attended several northern economic development meetings hosted by Indigenous organizations to discuss how Indigenous tourism could be grown and promoted, including with representatives from the Kitigan Zibi Anishinabeg community and organizations like KAIROS and imagineNATIVE.

Supporting Youth Programs

We supported Katimavik, a youth scholarship summer work program, offering Indigenous young adults with opportunities to gain life skills and work experience while contributing to community development through volunteerism.







Social Inclusion

Creating a safe, inclusive and productive workplace

We are committed to creating a safe, diverse and inclusive workplace that enables our people to thrive. As our business continues to transform, we are investing in our people. We are working to attract the best talent and provide them with opportunities to develop their skills and be proud of the work they do, the company they work for and the difference they make. We foster a strong safety and security culture empowering our employees in every office and maintenance centre, on every train and in every station to lead by example. We drive performance across our organization and in the communities where we operate.

Talent and Development

Being an employer of choice

We are committed to being an employer of choice, recruiting and retaining the most talented people and developing their skills. We invest at every stage of their development, from early careers to senior management.

As our business transforms, we need strong, capable and highly engaged people to guide us into the future. This year, we worked on attracting, onboarding, developing and engaging our talent through a number of strategic initiatives.

Attracting and Onboarding Talent

To improve talent attraction, this year we strengthened our relationships with recruitment organizations, universities and technical schools and improved the visibility of job postings on our corporate website. We also modernized our onboarding programs, particularly our On-Train Services program and added a train ride as part of the corporate office new hire onboarding process. As a result of our efforts, we successfully hired and onboarded more than 587 new VIA colleagues, up 8% from last year.

Upskilling and Developing Leaders

Every year, we invest significantly in developing our people through the VIA Rail Leadership School Program, Mechanical Services Apprenticeship program as well as over 30 additional professional and leadership training sessions. In 2019, we launched a new Learning HUB – an online training platform that provides personalized learning paths to upskill our colleagues at their own pace. Since its launch the Learning HUB has had more than 5,233 visits and 400 registrations, with 30 training sessions.



→ **35.3**
average hours
of training per
employee, up 5%
from last year



Creating a Healthy and Rewarding Workplace

To help employees balance their work and personal lives, we introduced new flexible work solutions, including access to teleworking options, two new satellite offices and dedicated parking spots near public transit hubs. We continued to promote wellness through our VIAWELL Ambassadors, Peer Support programs and training workshops and dedicating resources to critical incidents, mindfulness, harassment and violence.

We recognize the contribution of our VIA colleagues. In 2019, we expanded our VIA Appreciation employee recognition platform to all employees. Over the year, 10,942 VIA Appreciation recognitions have been sent out. Our annual Distinction Awards were further strengthened through a new "Distinction App," resulting in a record-breaking 218 nominations, up by 27% from last year.

Launching our LEAP Program

As part of our strategy to meet our future operational hiring needs within the locomotive engineer workforce, we launched our newly developed Locomotive Engineer Apprenticeship Program (LEAP). The two-year program recruits candidates with no formal industry experience and sets them on a path to become VIA certified Locomotive engineers through practical training with experienced VIA Rail workers. Five men and five women recruits were selected as part of the inaugural class in 2019.



Inclusion and Diversity

Being an inclusive and diverse company

We strive to be an inclusive, accessible and attractive employer open to people from all backgrounds. Doing so enables us to better respond to the needs of our customers and helps us attract, retain and motivate a workforce that reflects the many communities in Canada where we operate and with whom we work.

Last year, we conducted a benchmark analysis to review leading inclusion and diversity practices to elevate our current processes and to further inform our strategic plan to be launched in 2020. Our inclusion and diversity program continued to be strengthened through the various initiatives we have in place to increase representation from the four groups designated by the Government of Canada: women, people with disabilities, visible minorities and Indigenous peoples.

Supporting Gender Equality

The percentage of women in higher-level management positions continued to grow in 2019, reflecting our ambition to support gender equity at the most senior levels. Our Board of Directors is composed of 58% women, up from 50% last year, while our Executive Team is composed of 40% women.

We conducted new diversity and inclusion workshops and unconscious bias training for our managers and held “lunch and learn” meetings with inspiring VIA Rail female leaders. We also participated in external events to strengthen female leadership, including Défi 100 Jours, Défi Leadership in Québec and Canada Women’s Executive Network (WXN). Our efforts were recognized as we moved from a Silver to a Gold certification by Women in Governance, a not-for-profit organization supporting women in leadership.



Reinforcing Indigenous Communities

This year, we continued working towards meeting the requirements of the second phase of the Progressive Aboriginal Relations (PAR), which focuses on the development and deployment of Indigenous cultural awareness for our employees and reinforcing corporate Indigenous relations.

As part of this process, 75 employees, including our Executive Team, took part in the BLANKET exercise, an Indigenous cultural awareness program. Over 40 Executives and Management team members were trained on Indigenous relations. Select staff members also took part in a professional development webinar on Indigenous law and all our Police team members received training on Aboriginal and First Nations Awareness.

Elevating People with Disabilities

We continued to partner with a community organization to introduce internships for people with disabilities. Furthermore, we undertook an analysis and conducted an inventory of the tools we need to make our recruitment processes more inclusive.

Supporting Visible Minorities and Veterans

We actively attract visible minorities through our recruitment process, while supporting events that bring greater awareness to our diverse cultural heritage. In 2019, we collaborated for the tenth consecutive year with the Children's Breakfast Club of Toronto to highlight Black History Month by sponsoring the travel of 200 young students from diverse cultural communities on trains to Parliament Hill. We also maintained our long and proud tradition of supporting military and veteran community members in making the transition to civilian life. In April 2019, VIA Rail received the Veterans Employment Transition Award, an award acknowledging our innovative programs supporting veterans re-entering the workforce.



Preventive Safety Culture

Safety is a core value embedded in everything we do

Our goal is to go from safe to safer as we strive for a zero incident, no-harm environment for our people, passengers and the public.

Fostering a strong safety culture is at the heart of everything we do – whether in our maintenance centres, in our stations, on board our trains or in the communities where we operate. Last year, nonetheless, a VIA Rail train derailed travelling from Churchill to Winnipeg, Manitoba. Our VIA Rail employees and first responders acted swiftly and professionally: two passengers and three crew members were taken to hospital for medical attention and later released. Authorities have our full collaboration as we continue to investigate this serious incident.



A key focus in 2019 was the launch of our 2019-2021 safety action plan. It was the outcome of a collaborative process, informed by the insights and perspectives of 885 employees secured through a company-wide safety culture survey and focus groups. Our safety action plan consists of three key pillars: safety culture, safety management system (SMS) and safety preventive measures.

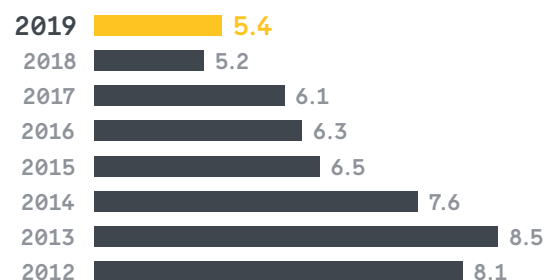
Strengthening our Safety Culture

We strengthened our safety culture by setting up a multi-functional Safety Steering Committee to oversee the safety action plan. Updates to our safety policy was a key focus in 2019, including communicating our renewed commitment to all employees. We further strengthened accountability by adding safety reviews to all Management and Executive Committee meetings and developing a safety category as part of our VIA Appreciation recognition program.

→ **42%**
reduction in our
train incident ratio
from last year

Accident Frequency Rate

per 200,000 hours worked



Integrating our Safety Management System

Our Safety Management System (SMS) provides the framework to implement our Safety Policy and deliver on our safety action plan. It includes the procedures, processes and responsibilities for safe railway operations in accordance with the SMS regulations under the Railway Safety Act put into effect by Transport Canada, the international ISO 45001 safety management standards, as well as industry best practices. In 2019, our business units worked to further integrate our SMS into all aspects of their operations.

Preventing Safety Incidents

Understanding the causes behind injuries is a critical step in preventing hazardous occurrences. In 2019, we launched a new incident reporting and investigation procedure and developed two new safety dashboards – one focused on workplace injury incidents and the other on train incidents. Our new incident reporting allows us to better capture, categorize and report on safety incidents, improving the quality of our safety data using real-time dashboards to inform actions and improvements.

COVID-19: Keeping our Passengers and Employees Safe

From the beginning, VIA Rail has been carefully monitoring the development of COVID-19 and remains in close contact with health agencies and the federal government. A dedicated committee meets regularly to monitor risk levels and ensure appropriate procedures are implemented and communicated to our employees and passengers. We have taken a number of measures to protect passengers and employees.

- Reduced our train schedules
- Limited the number of seats that we sell on most of our trains to help keep some distance between passengers, to the extent possible.
- Increased cleaning frequency of trains and stations
- Trained employees on preventive and reactive measures as recommended by Health Canada
- Conducted short health checks with passengers before they board
- Offered food and beverages as passengers enter the car, instead of cart service

As well, VIA Rail has offered full refunds or allowed passengers to modify their reservations without incurring any charges and extended its cancellation policy through November 1, 2020.

As Canada gradually recovers from COVID-19, we are well-positioned to offer the best travel service for passengers looking for a healthy and safe transportation option.

Please note that this only provides an overview of the different measures implemented to protect the health and safety of our passengers and employees in response to the pandemic. We invite you to visit our website for more information.

Security Management

Ensuring the security of our passengers and employees

Our security programs are an integral part of our responsibility under the Railway Safety Act to promote and provide for the safety and security of the public and our employees as well as the protection of the property and assets of our railway operations.

Our VIA Rail Police and Corporate Security team is committed to protecting our passengers, employees and property. We do this by building relationships with the community and working closely with Canadian police and intelligence agencies to prevent and manage security risks. This year, we swore in four new VIA Rail police constables and continued to make progress on our five key focus areas.

Enhancing Operational Efficiency

We reorganized our structure to integrate our Contracted Security Services within our VIA Police and Corporate Security team. In this new structure, contracted security guards are now fully integrated into our information and communications network, ensuring that security incidents are handled in a standardized, centralized manner.

Preventing Crime and Security Incidents

Our team partners with law enforcement agencies to conduct physical security assessments of our stations and locations to identify risks and take preventative action before incidents occur. In addition to our work to prevent physical security incidents, our team continues to focus on fraud prevention through our Fraud Strategic Committee. In 2018, we successfully reduced fraudulent ticket purchases by 13% year-over-year. In 2019, the number is even greater, with fraudulent ticket purchases reduced by nearly 50%.



50%
reduction
of fraudulent cash
back purchases

Protecting Crime Victims

Last year, we piloted a program to train our teams on how to help homeless individuals frequenting our stations by referring them to local community resources and shelters rather than ticketing. The pilot was a great success with 75% of interventions resulting in individuals referred to community resources. We are now expanding the pilot to other stations in our network.

We also worked with our frontline workers training and equipping them with the appropriate tools and information to recognize and assist victims of crime. The program is currently underway and being closely monitored to assess its effectiveness.

Supporting Passenger Train Services

Keeping our trains safe and running when emergencies or incidents occur is critical. We continue to strengthen our emergency response measures and procedures on board and in stations. This year, we strengthened our approach by formally defining our active aggressor protocol in alignment with leading sector practices.

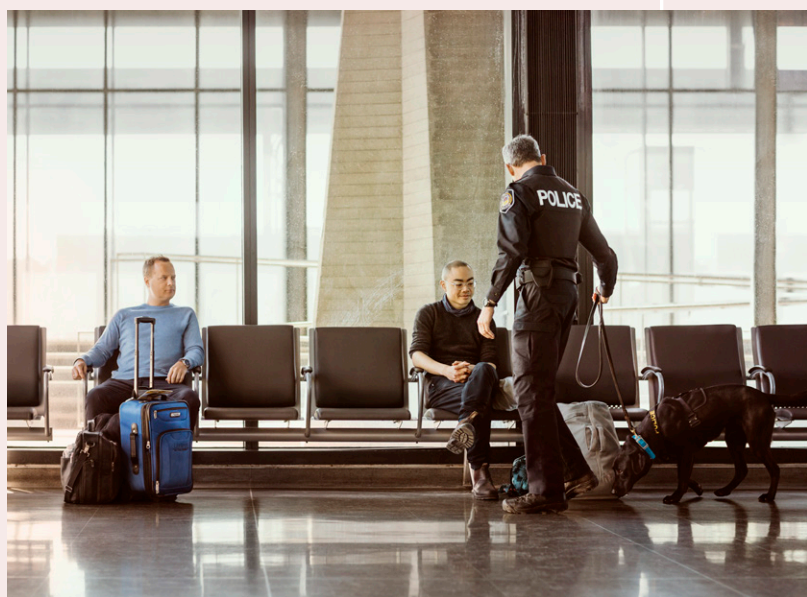
Promoting Railway Safety Awareness

It is important that we build trust in the community by driving awareness around railway safety. For this reason, our team once again participated in a number of railway safety events in 20+ communities across the country, including Rail Safety Week, Operation Clear Track and the 5th International Union of Railways Security Week.

Railway Safety and Security Public Outreach

As part of our commitment to public safety, we were pleased to participate in Railway Safety Week through our partnership with Operation Lifesaver, as well as in the 2019 Association of American Railroads railway industry security exercise. Our employees, management and police constables were heavily involved in events throughout the country.

Our VIA Rail Police were also one of 17 Canadian police services participating in Operation Clear Track, the largest rail-safety law enforcement initiative in North America. They also participated in the 5th International Union of Railways Security Week by being present on trains and at information booths in major cities across Canada.





Environmental Resilience

Reducing our impact and preparing for the future


As one of the most environmentally-friendly inter-city transportation modes, we believe passenger rail is an important part of the environmental solution for Canada. VIA Rail provides a cleaner, more accessible and affordable alternative to cars, while supporting the shift needed to reduce the transportation sector's contribution to deteriorating air quality, smog, congestion and climate change. We also recognize the important responsibility we have to do our part to reduce the impacts of our own operations and ensure the resilience of our buildings and infrastructure to climate change.

Climate Change

Shaping Canada's low-carbon resilient economy

Climate change is one of the most significant threats we face in Canada. The impact on our transportation systems is potentially devastating.

We recognize the urgency for climate action. Our transition plan is focused on promoting the environmental benefits of rail, reducing the carbon footprint of our own operations and ensuring the resilience of our business and infrastructure to climate change.



37%
reduction in carbon
emission intensity
since 2005

Promoting the Environmental Benefits of Rail

Passenger rail is the most environmentally-friendly inter-city transportation mode. It generates 4 times less carbon emissions than taking the car – making it an important part of the environmental solution for Canada. Communicating the environmental benefits of rail to Canadians is an integral part of our Love the Way campaign. In 2019, we targeted advertisements with Canadians in metro stations, bus shelters and bike-share stations in Toronto, Montréal and Ottawa, inspiring commuters to adopt VIA Rail as part of their public transportation routine. We also engaged our corporate account partners to develop internal policies and communications to encourage their employees to opt for passenger rail when engaging in inter-city travel.

Reducing our Carbon Footprint

We spend considerable effort improving our rail fuel efficiency, which represents 80% of our total carbon footprint. In 2019, our fuel efficiency per passenger kilometre improved by 6.4% over the previous year, mainly due to car cycling optimization that increased our passenger load factor from 57% to 60% and our work with our Locomotive Engineers to minimize idling and conserve fuel when handling the train.

We also upgraded our fleet and electrified operations where feasible. At our Toronto Maintenance Centre and our Ottawa, Halifax and Jasper stations, we installed and upgraded 480-volt panels enabling our trains' heating/cooling systems to run on electricity during maintenance activities. Once our new fuel efficient locomotives are in place in 2022, we expect to realize even greater reductions. Renovations and upgrades to our buildings and stations is ongoing with a focus on energy and carbon efficiency improvements. Further to this, we continued to invest in energy-efficient LED lighting at our Toronto Maintenance Centre and installed eight new Electric Vehicle charging stations in our buildings.

Reinforcing Climate Resilience

Working together with the Railway Association of Canada, the National Research Council and key subject matter experts, last year we successfully completed a full scan of our procedures, processes and infrastructure, targeting 10 stations, 4 maintenance centres and the tracks we own, to increase our resilience in the face of climate change. We performed an in-depth vulnerability assessment using various weather scenarios and timeframes and identified the regions likely to be most affected. This understanding of the specific challenges and risks we face will enable us to address vulnerabilities to make our infrastructure more resilient. We've begun preparing a five-year plan for implementing the required changes, which will serve as an update to our current readiness playbook.

Fleet Replacement and Carbon Emission Reductions

The replacement of our fleet in the Corridor will be a game-changer for both GHG emissions and Criteria Air Contaminant (CAC). Within a few years, beginning in 2022, we will be welcoming passengers onto 32 new trainsets for use in Québec and Ontario, where we serve over 4.5 million passengers a year. The new trains, which will replace our aging fleet, will be comprised of Tier 4 compliant engines expected to reduce fuel consumption by 15 to 20%, resulting in a significant decrease in GHG emissions and a 90% reduction in overall CACs.



Sustainable Procurement

Embedding sustainability across our supply chain

We are committed to working with our suppliers to promote the use of environmentally and socially responsible products and services. We continue to work hard to embed sustainability principles into all facets of our procurement process from our supplier code of conduct and request for proposals, to selection criteria and vendor management.

In responding to our Requests for Proposal (RFP), all prospective suppliers must agree to abide by our VIA Rail policies and guidelines and provide us with information about their sustainability programs related to their labour, safety, security and environmental practices. Where relevant, sustainability information in our RFPs is tailored to the types of products or services we are procuring.

This year, we formalized our vendor management policy, which will be applied to all large contracts, including those that are critical to our operations such as waste management. This policy will enable us to develop deeper relationships with our suppliers, engage in discussions on sustainability and better monitor and track sustainability criteria.



Canadian-made
Glutenberg
beer is served
on our trains



95%
of our suppliers
are Canadian-based
companies





Sourcing Locally

At this time, 95% of our suppliers are Canadian-based companies and, whenever possible, we aim to stimulate the Canadian economy by sourcing our onboard products from local businesses, such as Canadian bakeries, wineries and microbreweries. In 2019, we made considerable efforts to integrate environmental and social certification into our office supply procurement. For instance, our office paper will now come from Forestry Stewardship Council (FSC)-certified sources.

Procuring Zero-emission Vehicles

As part of our sourcing strategy, we are constantly exploring low carbon alternatives. An RFP issued in 2019 related to the management of 60 fleet vehicles reflected our green objective of having 75% of our new vehicle purchases to be zero emission vehicles and to have green vehicles comprise 80% of our fleet by 2030. These commitments have led us to engage proactively with our suppliers to identify the best options on the market to meet our needs.

Engaging Indigenous-owned Companies

We have been working with the Canadian Council for Aboriginal Business (CCAB) to further engage Indigenous-owned suppliers. Many of these companies do not have an online presence, making it difficult for them to respond to our tenders. Working closely with the CCAB, we have compiled a list of local Indigenous businesses that we now invite to respond to our tenders, making our process more inclusive.



Diamond Estates winery is one of VIA Rail's local suppliers

Resource Management

Using resources efficiently and minimizing waste

Our commitment to waste management is a core part of how we plan to contribute to the circular economy. Our focus is on minimizing the generation of waste and ensuring products and packaging are reused and recycled keeping them in the system for as long as possible.

Over the past year, we mainly focused on our onboard waste, operational waste and the design of sustainable buildings.

Managing Onboard Waste

In 2019, we continued to conduct audits and analyze our onboard waste data to help us understand our greatest opportunity areas. We implemented meaningful reduction solutions including shifting our straws from plastic to paper, thickening our napkins and reducing our cups from 16-ounce to 12-ounce in weight. We also introduced composting and reusable dishware and cutlery for business class passengers in the Corridor. As we design our new fleet, we are embedding environmental thinking within the train design, by including more bins for recycling and composting and sorting centres adjacent to the washrooms.

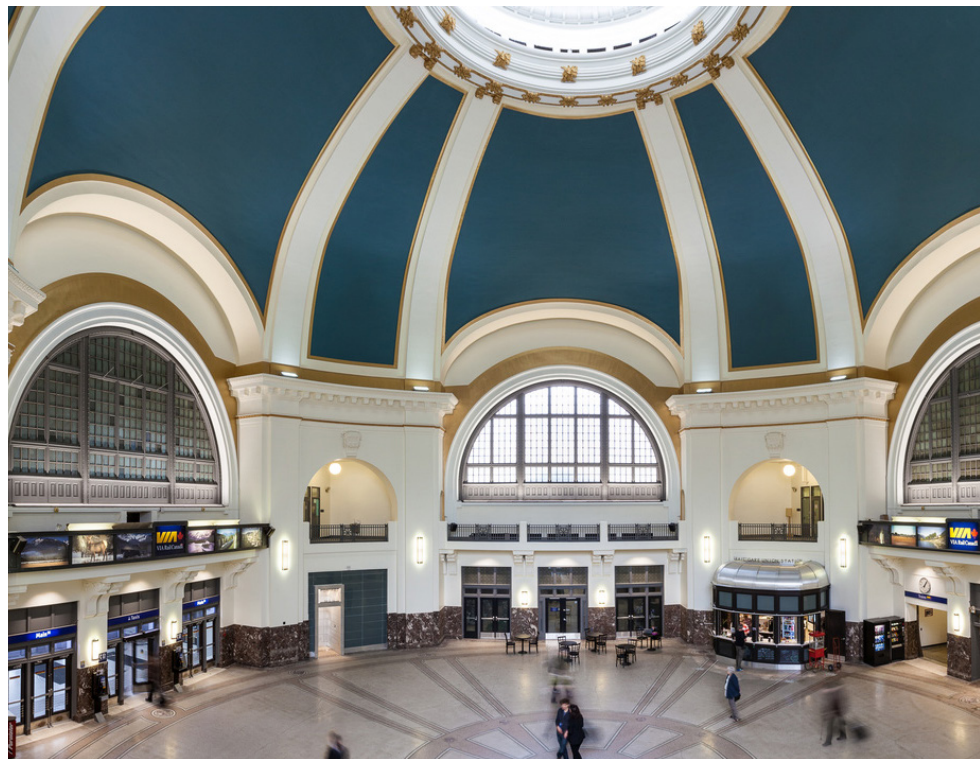


Bottles used on board the train are collected, sorted and recycled.



77%

of capital projects considering sustainability elements





Reducing Operational Waste

Guided by our ISO-certified environmental management systems, we are constantly looking for ways to reduce waste at our buildings and maintenance centres. In October 2019, we began working with a third party to recycle, refurbish and resell our IT equipment waste, diverting 2,203 kilograms of electronic waste from landfill, avoiding 25.4 tCO₂e and supporting the rehiring of 77 people into the workforce.

We successfully reduced our paper waste by developing electronic versions of our Service Manager's Trip Reports, reducing over 27,000 paper reports. Furthermore, we found creative ways to divert our retired truck waste by leveraging the materials to construct employee tables and benches at our Maintenance Centres. Our circular mindset is helping us reduce renovation and construction waste at Ottawa Station, where we have developed a Maintenance and Renovation Policy with guidelines for purchasing, waste disposal and indoor air quality management. We plan to extend this policy to additional facilities, going forward. Over the past year, we diverted more than 450 tonnes of waste from our landfills.

Designing Sustainable Buildings

Waste reduction is an important part of how we manage our buildings, including at our stations and maintenance centres. Through our recently developed Green Building Policy, we are integrating sustainability into all our construction and renovation projects. Today, 77% of our capital projects are aligned with one or more of our sustainability ambitions.

We have also been working hard to ensure effective resource management to meet green building standards. Notably, in 2019, our Winnipeg station once again earned the BOMA BEST sustainable buildings certification for our best practice management of energy, water, air and waste. We also completed work for LEED Certification of our Ottawa station, at the Gold level of performance. We expect to submit the building for certification to the Canada Green Building Council in 2020.



Through our recently developed Green Building Policy, we are integrating sustainability into all our construction. Winnipeg station, seen here, earned the BOMA BEST sustainable buildings certification.



Measuring our Performance

In compiling the content for our 2019 Sustainability Report, we were guided by the reporting principles set out in the Global Reporting Initiative (GRI) Standards Reporting Framework, using the Core option. New this year, we've included a table containing topics and issues identified by the Sustainability Accounting Standards Board (SASB) Rail Transportation Standards. We've also integrated our commitment and implementation of the United Nations Global Compact (UNGC) principles throughout the report.

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(SASB) Index

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United Nations Global
Compact Index

Data Summary Table

GRI / VIA RAIL INDICATOR		2019	2018	2017
Customer				
VIA Rail	Passengers (in thousands)	5,008	4,745	4,392
VIA Rail	Passengers-miles (in millions)	1,055	992	953
102-43/44	Customer satisfaction (Corridor Net Promoter Score)	53	53	52
VIA Rail	On-time performance (in %)	68%	71%	73%
VIA Rail	Passengers taking advantage of fare discounted packages (in thousands)	455	447	452
VIA Rail	Inter-modality passengers (in thousands)	153	123	115
Socio-economic				
201-1	In-kind trip donations (\$)	1,618,459	1,949,477	2,423,222
203-2	Total suppliers supported	2,431	2,673	2,818
203-2	Local canadian suppliers supported (%)	95%	93%	94%
203-2	Supplier expenses for purchased services, material and fuel (in \$ millions)	356	379	364
Safety				
403-2	Train incident ratio per million train-miles ^{a)}	0.7	1.2	0.6
403-2	Crossing accidents	6	12	9
403-2	Trespassing accidents	17	18	17
403-2	Accidents per 200,000 hours worked (frequency)	5.4	5.2	6.1
403-2	Days lost per 200,000 hours worked (severity)	140.8	102.5	95.0
403-2	Lost-time incidents	151	147	158
403-5	Safety training hours	21,857	15,702	42,865
Environment				
VIA Rail	Total GHG emissions (scope 1 and 2) (tCO ₂ e) ^{b)}	146,212	150,975	138,437
305-1	Total direct GHG emissions (scope 1) (tCO ₂ e) ^{b)}	143,516	148,025	136,510
305-1	Rail locomotives (tCO ₂ e) ^{b)}	132,711	138,548	126,533
305-1	Maintenance centres and stations (tCO ₂ e)	10,446	10,894	9,615
305-1	Road vehicles (tCO ₂ e)	359	383	362
305-2	Total indirect energy consumed – electricity (scope 2) (tCO ₂ e) ^{b)}	2,695	2,950	1,928
VIA Rail	GHG emissions avoided by VIA Rail trains compared to cars (tCO ₂ e) ^{c)}	289,177	271,888	261,357
VIA Rail	% reduction in GHG emissions since 1990 ^{d)}	35%	34%	40%
VIA Rail	% reduction in GHG emissions intensity since 2009 ^{d)}	35.3%	30%	34%
VIA Rail	Reduction in GHG emissions intensity since 2005 (%) ^{d)}	37%	32%	30%
305-4	Kilograms CO ₂ e per passenger-kilometre ^{d)}	0.081	0.089	0.089
GRI Sector	Litres of fuel per passenger-kilometre ^{d)}	0.027	0.029	0.030
VIA Rail	% reduction in fuel intensity since 2005 ^{d)}	35%	32%	30%
305-7	Total criteria air contaminants (CAC) kilotonnes ^{e)}	4.02	3.84	3.28
305-7	Nitrous oxides (kilotonnes)	2.61	3.32	2.11
305-7	Sulphur oxides (kilotonnes)	0.93	0.001	0.001
305-7	Particulate matter (kilotonnes)	0.05	0.07	0.043
305-7	Hydrocarbons (kilotonnes)	0.10	0.12	0.82
305-7	Carbon monoxide (kilotonnes)	0.33	0.33	0.30
VIA Rail	CAC intensity (tonnes per million passenger-kilometre)	0.0024	0.0024	0.0021

GRI / VIA RAIL INDICATOR		2019	2018	2017
Employees				
102-7	Number of active employees at the end of the calendar year	3,234	3,115	2,899
405-1	Number of active male employees	2,149	2,371	1,913
405-1	% of active male employees	66%	64%	66%
405-1	Number of active female employees	1,085	1,308	986
405-1	% of active female employees	34%	36%	34%
102-40/41	Unionized employees (%)	77%	78%	81%
401-1	New hires	587	543	545
VIA Rail	New hires from Canadian Armed Forces	21	26	22
401-1	Employee turnover rate (%)	11%	12%	11%
VIA Rail	Attendance rate (%)	94%	95%	94%
405-1	Number of active Indigenous employees	53	71	54
405-1	% of active Indigenous employee	2%	2%	2%
405-1	Number of active visible minority employees	466	467	350
405-1	% of active visible minority employees	13%	13%	11%
405-1	Number of active people with disabilities employees	61	81	67
405-1	% of active people with disabilities employees	2%	2%	2%
405-1	Number of active veteran employees	90	86	50
405-1	% of active veteran employees	3%	2%	2%
405-1	Age group over 50 (%)	30%	32%	35%
405-1	Age group between 30-50 (%)	54%	53%	50%
405-1	Age group below 30 (%)	16%	16%	15%
404-1	Total hours of training	128,718	104,001	129,003
404-1	Transportation and safety training hours	21,857	15,702	42,865
404-1	Commercial training hours	73,785	59,183	42,072
404-1	Mechanical training hours	29,135	25,287	n/a
404-1	Corporate training hours	3,941	3,830	n/a
404-1	Number of employees who received training	3,647	3,102	2,800
404-1	Average hours of training per employee	35.3	33.5	46.0
Governance				
102-22	Board directors	13	10	12
102-22	Non-executive directors	12	9	10
102-22	Female board directors (%)	58%	55%	50%

a) Includes rail yard collisions, mainline collisions, derailments with at least one wheel off the track, exceeding limits of authority violations, speeding infractions; excludes crossing accidents and trespassing.

b) GHG emissions relates to scope 1 emissions from rail locomotives, road vehicles, and natural gas consumption from maintenance centres and stations and scope 2 emissions from electricity and steam consumption from maintenance centres and stations. It includes CO₂, CH₄ and N₂O. We applied a base year of 2009 when measuring our progress towards the International Union of Railways objective. We applied a base year of 2005 when measuring progress towards VIA Rail's GHG reduction target. We use the GHG protocol for our reporting standard, and apply the emission factors from Environment Canada's National Inventory 2015. GHG emissions for 2016 have been restated since the last report to include most up to date GHG calculation.

c) Based on the study "Comparison of Passenger Rail Energy Consumption with Competing Modes" (2015) for door-to-door direct activity.

d) Does not include emissions from road vehicles, maintenance centres or stations. Data from 2016 has been restated since last report to include most up-to-date GHG calculation.

e) Emission factors for criteria air contaminants (CAC) are based on the "2016 Locomotive Emissions Monitoring Report", page 25, table 8, total passenger for diesel locomotives (g/L).

Global Reporting Initiative Index

The following GRI index presents the GRI standard disclosures covered in our report and other resources available on our website.

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103	Management approach	Social Inclusion	32-35
403-1	Formal joint management – worker health and safety committees	Social Inclusion	32-33
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Data Summary Table	46
403-3	Workers with high incidence or high risk of diseases related to their occupation	Social Inclusion	32-35
Training and Education			
103	Management approach	Social Inclusion	28-29
404-1	Average hours of training per year per employee	Social Inclusion, Data Summary Table	28, 47
404-2	Programs for upgrading employee skills and transition assistance programs	Social Inclusion	28-29
Diversity and Equal Opportunity			
103	Management approach	Social Inclusion	30-31
405-1	Diversity of governance bodies and employees	Social Inclusion, Data Summary Table	30-31, 47
Local Communities			
103	Management approach	Economic Prosperity	22, 24
413-2	Operations with significant actual and potential negative impacts on local communities	Creating Shared Value, Economic Prosperity	8-9, 22-25

Sustainable Accounting Board Standards (SASB) Index

The following tables contain topics and issues identified by the Sustainability Accounting Standards Board (SASB) Rail Transportation Standards.

Table 1 – Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	PAGE / SOURCE
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Quantitative	Metric tons (t) CO ₂ -e	TR0401-01a.1	46
	Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	TR0401-02a.2	38-39
	Total fuel consumed, percentage renewable	Quantitative	Gigajoules, Percentage (%)	TR0401-03a.3	46
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N ₂ O) and (2) particulate matter (PM ₁₀)	Quantitative	Metric tons	TR-RA-120a.1	46
Employee Health and Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMIFR)	Quantitative	Rate	TR-RA-320a.1	46
Competitive behaviour	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Reporting currency	TR-RA-520a.1	N/A. VIA Rail is a Crown Corporation, mandated by the Government of Canada to provide coast to coast passenger rail service across Canada.
Accidents & Safety Management	Number of accidents and incidents	Quantitative	Number	TR-RA-540a.1	46

Table 2 – Activity Metrics

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	PAGE / SOURCE
Number of carloads transported	Quantitative	Number	TR-RA-000.A	5
Number of intermodal units transported	Quantitative	Number	TR-RA-000.B	6
Track miles	Quantitative	Miles	TR-RA-000.C	4. Represented in kilometres.
Revenue ton miles (RTM)	Quantitative	RTM	TR-RA-000.D	46. Represented in passenger-miles.
Number of employees	Quantitative	Number	TR-RA-000.E	47

United Nations Global Compact Index

The following table demonstrates our report's alignment with the ten principles of the United Nations Global Compact (UNGC) including areas of human rights, labour, environment and anti-corruption.

FOCUS AREA	PRINCIPLE	SECTION / LOCATION	PAGE / SOURCE
Human Rights	1 Businesses should support and respect the protection of internationally proclaimed human rights	What Sustainability Means for VIA Rail, Code of Ethics	11, Code of Ethics
	2 Businesses should make sure that they are not complicit in human rights abuses	What Sustainability Means for VIA Rail, Code of Ethics	11, Code of Ethics
Labour	3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	What Sustainability Means for VIA Rail, Code of Ethics	11, Code of Ethics
	4 Business should uphold the elimination of all forms of forced and compulsory labour	What Sustainability Means for VIA Rail, Code of Ethics	11, Code of Ethics
	5 Businesses should uphold the effective abolition of child labour	What Sustainability Means for VIA Rail, Code of Ethics	11, Code of Ethics
	6 Businesses should uphold the elimination of discrimination in respect of employment and occupation	What Sustainability Means for VIA Rail, Social Inclusion	11, 30-31
Environment	7 Businesses should support a precautionary approach to environmental challenges	What Sustainability Means for VIA Rail, Environmental Reliance	11, 13, 37-43
	8 Businesses should undertake initiatives to promote greater environmental responsibility	Environmental Reliance	37-43
	9 Businesses should encourage the development and diffusion of environmentally friendly technologies	Environmental Reliance	37-43
Anti-corruption	10 Businesses should work against corruption in all its forms, including extortion and bribery	What Sustainability Means for VIA Rail, Code of Ethics	11, Code of Ethics

About this Report

We are committed to ensuring our communication on sustainability is transparent, credible and engaging for all our stakeholders. Aligning our approach to reporting with international reporting standards is an important part of how we ensure the information we provide is relevant to a broad audience.

Reporting scope

The 2019 Sustainability Report is our fifth formal standalone report where we communicate our commitment, programs and performance related to sustainability. The report covers quantitative data from our operations across Canada for the 2019 calendar year, unless otherwise stated. The report reflects VIA Rail's vision, objectives and performance with respect to three sustainability pillars that we believe are important to our business and our stakeholders: economic prosperity, social inclusion and environmental resilience.

Alignment with International Reporting Standards

We have aligned the contents of this report with the Global Reporting Initiative (GRI) Standards and its Transportation and Logistics Sector Supplement as well as the Sustainable Accounting Standards Board (SASB) Rail Transportation Sustainability Accounting Standard. This document also aims to communicate our progress with regards to the United Nations Global Compact (UN GC) principles. Our GRI Index, SASB Index and UN Global Compact Index demonstrate how our corporate disclosures align to the requirements of GRI, SASB and UN GC and can be found on our corporate webpage.

While we did not conduct an extensive materiality assessment, an internal stakeholder engagement exercise was undertaken to identify the priorities with the greatest impact to our business and to society at large. As we mature in our reporting, we expect to further strengthen our materiality assessment process to focus our reporting priorities and identify areas of improvement.

Also, as a member of the International Union of Railways, we are committed to ensuring that we use our Sustainability Report to actively communicate VIA Rail's climate-friendly initiatives to raise awareness, acceptance and recognition of the role of passenger rail as part of the solution to climate change and report data on our energy consumption and carbon emissions.

Third Party Assurance

The data provided in this report has not been third party-verified. Over the next few years, we will be focusing on strengthening our data management systems. We will be considering third party assurance in future years to add to the credibility of our communication.

Your Feedback is Important to us

We want you to be part of our sustainability journey as we strive to improve our performance and reporting process. Engaging with our stakeholders is an important part of how we can determine if the information we are communicating is relevant. We invite you to send your comments, suggestions or questions on this report to:

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