



# ➔ **Canadian Air Transport Security Authority (CATSA)**

Summary of the  
2025/26 to 2029/30 Corporate Plan  
2025/26 to 2029/30 Operating Budget  
2025/26 to 2029/30 Capital Budget

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## Executive Summary

The Canadian Air Transport Security Authority (CATSA) is the federal authority responsible for aviation security screening at 89 designated airports across Canada.

CATSA expects to screen 74.4 million passengers in 2025/26, reflecting an approximate 5.5% increase from the 70.5 million passengers expected to be screened in 2024/25. It is anticipated that passenger traffic will increase further over the coming years, with 77.9 million passengers expected to be screened in 2026/27, and reaching 86.3 million by 2029/30.

In the first half of 2024/25, 97.4% of all passengers waited less than 15 minutes to be screened. Building on this performance and subject to available funding, CATSA will continue to provide the highest level of security screening, while innovating and elevating the client experience.

CATSA's operations are guided by its Strategic Plan, which serves as a roadmap to inform key activities through to 2029/30. As seen below, it will foster an environment that upholds its core values, its commitment to: *Protect, Innovate, and Elevate*, and its dedication to fulfilling the mandate and achieving the mission and vision.

### Invest in Our People for Tomorrow

CATSA will nurture an inclusive environment that fosters excellence and engagement, and be an employer of choice through:

- Addressing capacity limitations and organizational requirements considering an evolving labour and fiscal environment;
- Cultivating a flexible, diverse and inclusive workplace that supports the needs and well-being of employees; and
- Affirming our commitment to CATSA's workforce and to screening officers by prioritizing training, professional growth, and deliberate consultations.

### Drive Innovation

CATSA will enhance security effectiveness and screening efficiency, and champion forward-thinking solutions by:

- Implementing creative processes and next generation technologies to enhance efficacy and efficiency, oversight, and training programs;
- Developing a new screening technology roadmap for pre-board screening, hold baggage screening and non-passenger screening which will chart technology advancements, including accessible checkpoints and accommodations that enhance the client experience; and
- Promoting a culture of innovation and inspiring our workforce to solve emerging challenges.

### Promote an Integrated Aviation Ecosystem

CATSA will maximize opportunities for collective engagement and advance industry harmonization by:

- Collaborating with partners to optimize screening capacity and performance;
- Identifying opportunities for alignment, and advancing common objectives; and
- Supporting Transport Canada in the implementation of increased accountability, transportation security priorities, regulatory changes, data sharing and integration initiatives, and best practices.

## Elevate the Client Experience

CATSA will deliver continuous improvement for our clients and engage the community through:

- The development and execution of the Service Strategy to enhance the client experience while maintaining competitive wait-time service levels;
- The prioritization of regular, comprehensive training for third-party screening officers to support respectful and barrier-free security screening for all travellers; and
- The implementation of best practices that respect official languages, accessibility, and the diversity of the travelling public, in consideration of lived experiences and lessons learned.

As part of Budget 2023, CATSA received \$1.7 billion in supplemental funding over three years, ending in 2025/2026. Additional sustainable long-term funding is required for 2026/27 and beyond for CATSA to deliver its mandated activities and achieve its strategic objectives.

## Overview

### Mandate

CATSA is an agent Crown corporation accountable to Parliament through the Minister of Transport.

CATSA delivers the mandate of security screening at 89 designated airports across the country through a third-party screening contractor model. Playing a pivotal role in Canada's aviation system, CATSA is responsible for the delivery of the following four mandated activities:

- **Pre-board screening (PBS):** The screening of all passengers and their carry-on baggage and belongings prior to their entry to the secure area of an air terminal building.
- **Hold baggage screening (HBS):** The screening of all passengers checked ("hold") baggage for prohibited items such as explosives, prior to being loaded onto an aircraft.
- **Non-passenger screening (NPS):** The screening of non-passengers such as flight personnel, ground crew and service providers, and their belongings (including vehicles and their contents) entering restricted areas at the highest risk airports.
- **Restricted area identity card (RAIC):** The management of the system that uses iris and fingerprint biometric identifiers to allow authorized non-passengers access to the restricted areas of airports. The final authority that determines access to the restricted areas of an airport is the airport authority.

CATSA also has an agreement with Transport Canada to conduct screening of a limited amount of cargo at smaller airports where screening capacity exists, using existing resources, technology and procedures.

Additionally, CATSA may provide screening services on a cost-recovery basis to both designated and non-designated airports upon the approval of the Minister of Transport.

## Mission

CATSA protects the travelling public by providing the highest level of aviation security screening.

## Vision

The travelling public and our partners benefit from the most secure aviation security screening service and the best client experience through our leadership.

## Core Values

### Integrity

We are driven by a strong conviction in our mandate and mission. We are stewards of public funds, and we act ethically and transparently to foster accountability and public trust.

### Innovation

We are steadfast in our commitment to implementing forward-thinking, creative solutions to evolving and emerging challenges.

### Collaboration

We believe that collaboration is fundamental within the organization, across the aviation industry, and with our partners. We leverage our collective strengths and experience for the benefit of all.

### Inclusivity

In all aspects of our business, respect and inclusivity are central to our approach. We are leaders in the implementation of meaningful actions, dedicated to creating a barrier-free experience for our clients, screening officers, and workforce.

## CATSA Strategic Plan

CATSA's Strategic Plan was launched in October 2024 and is available on its website. The Strategic Plan sets the stage for a strong corporate culture based on core values, and provides the foundation for CATSA to achieve its mandated and strategic objectives.

## CATSA Annual Report

CATSA submitted the *Annual Report 2024* to the Minister of Transport on June 28, 2024. This report is available on CATSA's website.

## Operating Environment

CATSA analyzes its internal and external operating environment to plan strategically and innovate to deliver its mandate.

## Environmental Scan

CATSA's environmental scan details the key strengths, weaknesses, opportunities and challenges (SWOC) that the organization is facing now and is expected to encounter over the planning period.

| Summary  |  |
|--|--|
| <p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Highly qualified and dedicated employees</li> <li>• Credibility and unique world-class expertise in security screening</li> <li>• Planning, preparing, adjusting, and recovering in response to the evolving aviation industry</li> <li>• Culture of innovation</li> </ul>  | <p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Human resources capacity constraints</li> <li>• Dependence on the supply chain for key components of service delivery</li> <li>• Absence of sustainable long-term funding</li> </ul>   |
| <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Using innovative technology, processes, and artificial intelligence to enhance security effectiveness, maximize operational efficiencies and improve the client experience</li> <li>• Strengthened connection and collaboration within the aviation ecosystem in support of shared goals and Government of Canada priorities</li> <li>• Achieving service excellence</li> </ul> | <p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>• Influence over the domestic and international regulatory environment</li> <li>• Obtaining adequate physical space at airports to execute and support operations</li> <li>• Attracting and maintaining a skilled workforce</li> </ul> |

## Collaboration

CATSA works closely with screening contractors, maintenance service providers, airport authorities, air carriers, industry associations, and local law enforcement agencies. It also collaborates with a number of federal departments and agencies, most notably its regulator Transport Canada, the Canadian Transportation Agency, the Canada Border Services Agency, the Royal Canadian Mounted Police, and the Canadian Security Intelligence Service. CATSA achieves a high level of security effectiveness and client satisfaction, and meets common objectives through proactive partnerships.

CATSA also engages with several international partners to share trial results, lessons learned, and best practices to advance industry harmonization and innovation. These partners include but are not limited to the United States Transportation Security Administration (TSA) and other foreign airport screening agencies; the International Civil Aviation Organization (ICAO); the European Civil Aviation Conference (ECAC); and the International Air Transport Association (IATA).

CATSA's primary objectives in its collaboration with partners are improving performance, enhancing data sharing, and elevating the client experience.

## Human Resources Management

CATSA relies on a highly skilled and diverse workforce at its headquarters and regional offices. The organization's workforce declined between 2012/13 and 2014/15, and remained stagnant until 2023/24.

In recognition of growing demands and passenger volumes, the Government of Canada approved an augmentation of CATSA's workforce in 2023. The organization increased its workforce by 84 FTEs over three years, with all new resources set to be in place by 2025/26. These additional FTEs support new technology deployments, requirements for enhanced screening, accessibility initiatives, training of screening officers, oversight, improved wait-time service levels, cybersecurity, and increased expectations related to Government of Canada priorities. It is important to note that even with the addition of these new resources, CATSA will still have fewer FTEs than in 2010/11 (532 in 2025/26 vs 538 in 2010/11), despite an expanding mandate and a 38% increase in passenger volumes between 2010/11 and 2023/24.

The following table illustrates the planned distribution of CATSA's human resources. Regional employees are deployed at all Class 1 airports, where they execute the overall planning, delivery and oversight of screening operations.

| Year    | FTEs | Executives     | Headquarters | Regions |
|---------|------|----------------|--------------|---------|
| 2023/24 | 507  | 5              | 290          | 153     |
| 2024/25 | 522  | 5 <sup>1</sup> | 324          | 193     |
| 2025/26 | 532  | 5              | 334          | 193     |
| 2026/27 | 532  | 5              | 334          | 193     |
| 2027/28 | 532  | 5              | 334          | 193     |
| 2028/29 | 532  | 5              | 334          | 193     |
| 2029/30 | 532  | 5              | 334          | 193     |

CATSA began an organization design review in 2024/25 to ensure alignment between CATSA's organizational structure and its Strategic Plan. The findings from this review, along with workforce planning, may result in future requests for additional FTE resources.

## Screening Operations

CATSA's service delivery model for screening services entails the contracted engagement of third-party screening contractors to provide certified and dedicated screening officers to carry out screening at the 89 designated airports across Canada.

CATSA completed the transition to new airport screening services agreements, effective April 1, 2024. The organization established a Transition Steering Committee to facilitate the implementation of the new service agreements and subsequently ensured seamless operations throughout the transition.

<sup>1</sup> Excludes the Vice-President, People, Culture, and Experience which is a fixed-term resource See Appendix B: Corporate Governance for more information.

The following table illustrates the screening contractors engaged in each region.

| Region   | Screening contractor                   |
|----------|--|
| Pacific  | Paladin Airport Security Services Ltd. |
| Prairies | Paladin Airport Security Services Ltd. |
| Central  | GardaWorld Security Screening Inc.     |
| East     | GardaWorld Security Screening Inc.     |

CATSA implemented its enhanced wait-time service level target in 2024/25, where 95% of passengers wait less than 15 minutes to be screened (95/15). Assuming adequate funding, CATSA aims to maintain the annual wait-time service level target and will identify opportunities for technological and process innovations that support its wait-time objectives. The organization will re-examine processes and innovate in areas including training development and capacity, program delivery, and maximizing flexibility while respecting the broader regulatory framework and aviation security environment.

## Screening Technology

A modern, reliable, and flexible screening and information technology infrastructure is critical to the success of CATSA's mission from both a security and client experience perspective. CATSA will monitor the performance of its third-party maintenance providers to maximize screening equipment availability and mitigate impacts to overall wait times.

## Passenger Traffic

CATSA's passenger traffic forecasts predict increased growth over the planning period, as depicted in the following table.

| Year    | Screened passenger traffic (in millions) |
|---------|--|
| 2023/24 | 69.1 (actual)                            |
| 2024/25 | 70.5                                     |
| 2025/26 | 74.4                                     |
| 2026/27 | 77.9                                     |
| 2027/28 | 81.1                                     |
| 2028/29 | 83.9                                     |
| 2029/30 | 86.3                                     |

CATSA's projected passenger growth rate<sup>2</sup> is slightly below the global average, standing at approximately 7%, while the global average is 12% year-over-year. However, CATSA's projected passenger growth rate is consistent with the United States TSA. Asia Pacific has the highest projected growth rate, at 17% year-over-year<sup>3</sup>.

## Alignment with Government of Canada Priorities

CATSA actively supports the Government of Canada's broader social, economic, environmental and general governance agenda wherever applicable and possible. See Appendix H for more information.

<sup>2</sup> Comparing January to August 2023 and January to August 2024.

<sup>3</sup> Based on the International Air Transport Association's updated [June 2024 Global Outlook](#).

## Response to External Audits

Two significant audits have provided a focus for CATSA's efforts towards improvement:

- The *Office of the Auditor General (OAG) Special Examination* is in the reporting phase, with the final report to be tabled in Parliament in 2025.
- The *OAG's Accessible Transportation for Persons with Disabilities report (2023)* focused on whether CATSA identified and removed existing barriers and worked towards preventing transportation barriers for persons with disabilities. CATSA completed all action items identified in this report in 2024/25.

## Planning and Results

CATSA's strategic objectives are categorized within four overarching pillars:

- Invest in our people for tomorrow;
- Drive innovation;
- Promote an integrated aviation ecosystem; and
- Elevate the client experience.

## Objectives and Activities

### Strategic Pillar: Invest in our people for tomorrow

Investment in CATSA's workforce and in the third-party screening officer workforce is invaluable to its ability to achieve its objectives. CATSA utilizes various strategies and programs to recruit and retain a group of engaged, skilled and specialized employees, and to create an inclusive, diverse, and engaged work environment.

### Priority 1: Nurture an inclusive environment that fosters excellence and engagement

CATSA is committed to providing and promoting a positive work environment and pursuing a well-balanced workforce that reflects the diversity of Canada and meets CATSA's organizational needs, and will:

- Foster a flexible, inclusive, and respectful workplace that supports employee needs, and upholds CATSA's commitment to diversity, equity, and inclusion;
- Prioritize and supporting the overall health and well-being of the organization's workforce;
- Ensure the development and support of screening officers through new and innovative training content and delivery, as well as communications materials;
- Integrate Gender-based Analysis Plus (GBA Plus) principles within its decision-making processes and the delivery of services through the implementation of the initiatives of the GBA Plus Action Plan;
- Implement CATSA's Official Languages Action Plan, which includes promoting and supporting the use of both official languages in the workplace and at security screening checkpoints in airports designated bilingual, including the delivery of second language training to CATSA employees;

- Implement the organization’s Human Resources Strategic Plan, including a refreshed wellness program and revised Employee Recognition Program, to promote employee engagement and to create an environment that celebrates success; and
- Revisit strategies and measures outlined in the various action plans at their renewal (official languages, employment equity, GBA Plus and accessibility), with a particular focus on groups or areas where under-representation exists.

## **Priority 2: Be an employer of choice**

To attract and retain a dedicated and passionate workforce, CATSA will focus on the following efforts during the planning period:

- Complete a comprehensive capacity and resource planning exercise, with the objective of aligning CATSA’s organizational structure with its strategic priorities;
- Implement the five-year workforce plan centered on attracting and retaining a talented and diverse workforce, reducing the risk of extended vacancies in critical positions through robust succession management, enhancing employee engagement, as well as meeting the learning and professional development needs of employees;
- Adopt human resources practices that support fairness and diversity in hiring, compensation, and advancement through the implementation of the Employment Equity Plan and Pay Equity Plan; and
- Expand CATSA’s robust leadership development program, including a focus on leadership principles and performance management initiatives focused on leadership behaviours.

### **Diversity and Inclusion Network**

CATSA’s Diversity and Inclusion Network (DIN) promotes and supports positive workplace practices and organizational priorities reflecting the principles of employment equity, diversity and inclusion. The advisory group is comprised of employees from various branches who strive to foster a fair, respectful, equitable and inclusive working environment.

## **Strategic Pillar: Drive innovation**

CATSA embraces innovation through a problem-solving mindset, agility, new processes, and technology. With a renewed commitment to sharing our success both internally and externally, the organization will create an environment where innovation, curiosity, and outside-the-box thinking is not only valued, but celebrated.

## **Priority 1: Enhance security effectiveness and screening efficiency**

Due to the dynamic nature of the aviation industry, including evolving threats and regulatory changes, it is necessary for CATSA to prioritize investments in a number of key areas to deliver effective and efficient security screening services. Over the planning period, CATSA will:

- Execute the screening technology roadmap to guide customer experience and technological innovation over the next ten years;
- Deploy pre-board screening enhancements including the new full body scanners (FBS), the replacement of X-ray equipment with computed tomography (CT) X-ray technology at major airports, and the launch of Modular CATSA Plus;

- Explore the application of advanced analytic techniques, artificial intelligence, and biometrics to enhance oversight, screening operations and training programs;
- Enhance security effectiveness of existing screening equipment with latest software upgrades and improved detection algorithms;
- Ensure the development and support of screening officers through new and innovative training content and delivery, as well as communications materials; and
- Collaborate with the maintenance service provider and equipment manufacturers to ensure all screening equipment is well maintained and that repairs are performed as efficiently as possible.

### **CT X-ray Technology**

During the planning period, CATSA will replace X-ray equipment at PBS checkpoints at major airports with CT technology. This initiative is the next phase of CATSA's plan to transform the passenger experience while increasing security effectiveness. CT technology is the most significant enhancement to the passenger screening experience since CATSA Plus, allowing for permitted liquids, gels, and aerosols (below 100ml), medical devices, and large electronics to remain in carry-on baggage throughout the screening process. This project is the biggest public-facing screening equipment deployment to-date in terms of scope and resource requirements.

### **Priority 2: Champion forward-thinking solutions**

CATSA fosters a culture of innovation that promotes and celebrates new ideas, novel processes, and the adoption of new technologies to solve emerging challenges. The organization will:

- Execute remote oversight and modelling related to changes to non-passenger screening as well as additional remote screening opportunities; Implement next generation technologies and procedures to enhance processing efficiency, including the use of artificial intelligence, advanced analytics, and biometrics;
- Support the responsible use of artificial intelligence to streamline internal business processes; and
- Promote a culture of innovation, utilizing the Innovation Exchange to increase employee awareness and share in CATSA's success in developing solutions to new and emerging challenges.

### **Strategic Pillar: Promote an integrated aviation ecosystem**

Through collaboration and information sharing, CATSA will implement process improvements and realize opportunities for alignment across the aviation ecosystem. The organization will work with its partners to provide the best possible experience to its clients, support ecosystem efficiency, and improve security effectiveness.

### **Priority 1: Maximize opportunities for collective engagement**

CATSA will expand engagement and collaboration with its partners in the pursuit of common goals and objectives, and to ensure the aviation industry continues to thrive. The organization will also leverage its relationships with partners in the international community, proactively sharing information and plans for future innovations. As part of this important work, CATSA will:

- Work with airport authorities to optimize checkpoints and increase screening capacity, where operationally feasible;
- Collaborate with industry partners to identify opportunities for efficiency, including maximizing the use of physical space at airports and prioritizing the responsible use of public funds;
- Undertake initiatives with members of the broader community, including Indigenous Elders, accessibility and diversity special interest groups, the 2SLGBTQI+ community, and official language minority communities; and
- Demonstrate climate leadership by reporting on progress towards climate targets through annual Task Force on Climate-related Financial Disclosures.

#### **Task Force on Climate-related Financial Disclosures**

In support of the Government of Canada's objectives outlined in Budget 2021, CATSA has adopted the Task Force on Climate-Related Financial Disclosures (TCFD). TCFD disclosures include four topics: governance, strategy, risk management, as well as metrics and targets. Progress towards climate priorities and greenhouse gas emissions reduction targets will be reported annually. In addition, in 2025/26, the next Climate-related Risk and Opportunity Assessment will be undertaken.

#### **Priority 2: Advance industry harmonization and share best practices**

To maintain strong and positive working relationships with its partners and the Government of Canada, and to advance common goals and interests, CATSA will:

- Work with the Government of Canada to secure sustainable long-term funding for CATSA's operations and capital investments beyond 2025/26;
- Actively engage partners to find efficiencies and facilitate a better overall client experience;
- Provide security screening services on a cost-recovery basis to interested designated and non-designated airports or other industry partners such as air carriers, subject to the approval of the Minister of Transport;
- Work collaboratively with airport authorities to evaluate and standardize approaches to queue offerings; and
- Expand upon automated data collection and reporting programs.

#### **Montreal Metropolitan Airport (MET)**

CATSA continues to work with MET in supporting the launch of commercial operations as part of the cost recovery framework established in the *CATSA Act*, subject to the approval of Transport Canada.

#### **Strategic Pillar: Elevate the client experience**

CATSA will create a reliable, consistent, respectful, and barrier-free screening experience for all of our clients at designated airports across the country, and is wholly committed to learning from our clients to elevate the end-to-end experience.

## Priority 1: Deliver continuous improvement for our clients

CATSA is dedicated to securing critical elements of the air transportation system while enhancing the client experience. The organization will:

- Maintain annual wait-time service levels where 95% of passengers wait less than 15 minutes to be screened (95/15);
- Implement CATSA's Service Strategy;
- Explore options that enable CATSA's goal to become global leaders in screening checkpoint accessibility; and
- Improve screening capacity through additional screening equipment deployments, checkpoint optimizations, and lifecycle management.

## Priority 2: Engage the community

Engagement allows us to conduct operations with a deeper understanding of the needs of the clients we serve. To foster positive relationships and deliver a security screening experience built on a foundation of public trust, CATSA will:

- Outline improvements to air travel accessibility in accordance with CATSA's 2025/26 Accessibility Plan;
- Undertake initiatives with members of the broader community, including Indigenous Elders, accessibility and diversity special interest groups, the 2SLGBTQI+ community, and official language minority communities; and
- Communicate important information to enhance the end-to-end passenger journey.

### CATSA's commitment to enhancing accessibility

Driven by CATSA's strategic pillars, the organization will improve the screening experience by identifying and removing barriers in checkpoint design. In 2025/26, CATSA will lead or support engagements with community members, industry partners, its workforce, facilitators and screening technology manufacturers creating a prime opportunity for participants to provide feedback on the organization's concepts for a best-in-class accessible screening line. These engagements will also increase awareness and communication among aviation partners in support of the enhancement of the end-to-end journey.

## Financial Overview

### Funding

As an appropriated Crown corporation, CATSA delivers its aviation security screening mandate in accordance with the resources it is assigned by the Government of Canada.

Since 2015, CATSA's A-Base funding has been supplemented with incremental funding in order to maintain its operations. As part of Budget 2023, CATSA received multi-year funding for 2023/24, 2024/25 and 2025/26. Additional sustainable long-term funding will be necessary in 2026/27 and beyond in order for CATSA to deliver its mandated activities.<sup>4</sup> Budget 2024 did not include any changes to CATSA's budget.

<sup>4</sup> The current funding shortfall for the planning period is estimated at \$3.3 billion: \$737.0 million for 2026/27; \$790.4 million for 2027/28; \$861.7 million for 2028/29; and \$906.6 million for 2029/30.

## Financial Plan

The operating and capital budgets are presented on a modified accrual basis. The narrative that follows reflects the strategic objectives, subject to available funding.

Key priorities having a significant financial impact include, but are not limited to, the following:

- Delivering CATSA's mandated activities, which include targeting a wait-time service level where 95% of all passengers wait less than 15 minutes to be screened at Class 1 airports on an annual basis;
- Ongoing replacement of current X-ray technology at PBS checkpoints at major airports with CT technology, and the introduction of new technologies and trials as part of CATSA's lifecycle management plan;
- Implementation of enhanced non-passenger screening to address amendments to security measures set by Transport Canada;
- Deployment of supplemental FBS units in a primary screening position at Class 1 and 2 airports to enhance security effectiveness;
- Lifecycle management of other explosives detection systems (EDS) and non-EDS capital assets based on their estimated useful lives; and
- Modernization of CATSA's IT service delivery through strategic investments and partnerships in key areas including cybersecurity, AI and cloud computing.

The following summarizes the financial results for 2023/24, the forecasted financial results and original budget for 2024/25, as well as the operating and capital budgets for 2025/26 to 2029/30 by program activity based on CATSA's approved funding<sup>5</sup>.

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<sup>5</sup> CATSA's capital funding includes funds that have been submitted for reprofile, but are not yet approved. The annual amounts are as follows: 2024/25 - \$16.5 million; 2025/26 - \$3.5 million; 2026/27 - \$7.2 million; 2027/28 - \$9.9 million; 2028/29 - \$8.9 million.

| Financial Plan by Program<br>(in thousands of dollars)                   | Actual 2023/24    | Forecast 2024/25    | Budget 2024/25      | Plan 2025/26        | Plan 2026/27      | Plan 2027/28      | Plan 2028/29      | Plan 2029/30      |
|--|-------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Operating Expenditures</b>  |                   |                     |                     |                     |                   |                   |                   |                   |
| PBS  | \$ 594,134        | \$ 687,002          | \$ 710,902          | \$ 714,475          | \$ 265,203        | \$ 265,749        | \$ 266,568        | \$ 266,841        |
| HBS  | 135,750           | 141,599             | 146,683             | 139,848             | 67,534            | 67,534            | 67,261            | 67,261            |
| NPS  | 154,129           | 158,635             | 187,252             | 190,795             | 64,548            | 64,002            | 63,456            | 63,183            |
| RAIC   | 3,516             | 4,278               | 3,119               | 2,052               | 3,049             | 3,049             | 3,049             | 3,049             |
| Corporate Services   | 51,347            | 53,156              | 49,518              | 54,754              | 55,160            | 55,160            | 55,160            | 55,160            |
| <b>Subtotal</b>  | <b>\$ 938,876</b> | <b>\$ 1,044,670</b> | <b>\$ 1,097,474</b> | <b>\$ 1,101,924</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> |
| Revenue and Other Income   | (3,069)           | (3,304)             | -                   | -                   | -                 | -                 | -                 | -                 |
| <b>Net Operating Expenditures funded by Parliamentary Appropriations</b> | <b>\$ 935,807</b> | <b>\$ 1,041,366</b> | <b>\$ 1,097,474</b> | <b>\$ 1,101,924</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> |
| <b>Capital Expenditures</b>  |                   |                     |                     |                     |                   |                   |                   |                   |
| PBS  | \$ 15,660         | \$ 47,325           | \$ 57,120           | \$ 63,346           | \$ 52,481         | \$ 49,700         | \$ 67,421         | \$ 64,280         |
| HBS  | 11,821            | 43,203              | 44,908              | 27,688              | 38,402            | 43,059            | 28,493            | 23,023            |
| NPS  | 1,730             | 3,787               | 3,853               | 63                  | 175               | 59                | 52                | 63                |
| RAIC   | 2,380             | 1,310               | 898                 | 388                 | 497               | 539               | 463               | 554               |
| Corporate Services   | 3,265             | 6,026               | 6,582               | 8,515               | 9,678             | 10,518            | 6,447             | 6,080             |
| <b>Subtotal</b>  | <b>\$ 34,856</b>  | <b>\$ 101,651</b>   | <b>\$ 113,361</b>   | <b>\$ 100,000</b>   | <b>\$ 101,233</b> | <b>\$ 103,875</b> | <b>\$ 102,876</b> | <b>\$ 94,000</b>  |
| <b>Total Expenditures funded by Parliamentary Appropriations</b>         | <b>\$ 970,663</b> | <b>\$ 1,143,017</b> | <b>\$ 1,210,835</b> | <b>\$ 1,201,924</b> | <b>\$ 556,727</b> | <b>\$ 559,369</b> | <b>\$ 558,370</b> | <b>\$ 549,494</b> |

The following section provides highlights of CATSA's financial plan. For the period 2026/27 to 2029/30, CATSA will require supplemental funding to continue to deliver its mandated activities.

## 2025/26 – 2029/30

### Screening Operations

Screening services to carry out CATSA's mandated PBS, HBS and NPS programs account for a significant majority of its operating budget. These costs consist mainly of payments to third parties for the delivery of security screening performed by screening officers.

The financial plan reflects an increase in screening services costs, which is mainly attributable to additional screening hours to accommodate increasing passenger traffic, the introduction of enhanced non-passenger screening in late 2024/25, and inflationary increases in screening contractor billing rates.

In 2024/25, CATSA introduced the Facilitator role at PBS checkpoints which emphasizes the organization's strategic commitment to elevating the client experience. This role will further CATSA's ability to ensure that screening procedures respect and uphold the dignity and diversity of all travellers, including those with various accessibility-related needs.

### New/Ongoing Initiatives

CATSA's financial plan emphasizes investment over the planning period in the accelerated adoption of new and advanced technology to enhance operations and improve the client experience, including the ongoing upgrade of existing screening equipment with the latest detection algorithms. In addition to these investments, CATSA will continue to collaborate with

Transport Canada to explore opportunities for risk-based screening including enhancements to the verified traveller program.

In support of CATSA's strategic pillar to drive innovation, CATSA will continue to make investments in corporate initiatives that have a profound impact on the organization's operations. These investments include exploring the application of advanced analytic techniques and artificial intelligence to enhance oversight, screening operations and training programs, the modernization of CATSA's IT service delivery through strategic investments and partnerships, and the introduction of additional cyber controls to strengthen cyber security defenses.

### **Capital Lifecycle Management/New Technology**

A priority for CATSA's capital plans over the planning period is the introduction of next-generation screening equipment to enhance security effectiveness and improve the client experience. In support of this priority, CATSA's lifecycle management plans include the replacement of current X-ray technology with CT X-rays at PBS checkpoints in major airports over the planning period. This technology will reduce passenger divesting requirements as experienced or committed to in other jurisdictions. As part of this program, CATSA will also replace single-view X-ray machines with multi-view versions at NPS checkpoints and Class 3 airports.

In addition, CATSA's capital plan includes the deployment of additional FBS units in a primary screening position at Class 1 and 2 airports to enhance security effectiveness, as well as upgrades to FBS software and hardware to keep pace with anticipated detection algorithm and hardware improvements in the coming years. CATSA's capital plan also provides for the deployment of additional screening equipment to accommodate the 95/15 wait-time service level and the expansion of screening capacity for existing HBS systems at Canada's largest airports, as well as the replacement of non-EDS equipment and systems as the existing assets reach the end of their useful lives.

When making capital acquisitions of screening equipment, CATSA follows its procurement and contracting policy, which ensures transparency and consistency in establishing operational requirements and procurement strategies for screening equipment. With respect to specific requirements for screening equipment, the equipment must meet Transport Canada detection performance standards, which are typically aligned with the TSA and/or ECAC. Key factors considered as part of a capital acquisition include technical, company and financial evaluations, which ensure the equipment meets CATSA's functional requirements and provides good value for money.

It is important to note that unforeseen impacts, including uncertainty surrounding supply chain disruptions and potential delays on the part of industry partners, may affect the timing of capital projects and result in various delays beyond CATSA's control. Consequently, the organization may require a re-profile of funds to account for any unexpected delays in capital projects.

### **Key Assumptions and Financial Risks**

**Passenger Traffic Projections** — In 2024/25, CATSA expects to screen 70.5 million passengers, representing a 5.5% increase from 2023/24 levels. CATSA's current passenger volume projections are based on a range of passenger forecast scenarios and reflect ongoing increases in passenger traffic levels over the planning period. Any significant deviation from

CATSA's passenger forecasts will have a material impact on the organization's financial requirements.

**Screening Officer Staffing** — The financial plan assumes screening contractors will be able to hire and retain the necessary number of screening officers to address the increasing volumes of passengers and non-passengers over the planning period. In the event that labour market conditions make it challenging for screening contractors to hire the necessary number of screening officers, passenger wait times would be negatively impacted.

**95/15 Wait-Time Service Level** — CATSA's ability to deliver any given wait-time service level target is significantly impacted by the physical space allocated by, or available within, airports for screening lines. The financial plan assumes physical space at the airports will be available for additional lines that may be required, a key factor to the successful delivery of any targeted wait-time service level. In addition, the financial plan is based on current operations and does not consider unknown changes in CATSA's regulatory or operating environment, including possible future advancements in screening technologies, which may increase or decrease the efficiency with which screening is performed.

**Inflation and Billing Rates** — While CATSA continues to experience inflationary pressure across all areas of the organization, labour rates are the greatest source of inflation in CATSA's ongoing operations. The contractual rates used in the financial plan are based on the terms of CATSA's new and existing contracts, including the latest contract rates in the ASSAs and maintenance service provider contract, and anticipated contractual rate increases in contracts to be signed or renewed over the planning period. Any significant change to inflationary assumptions may have a material impact on CATSA's financial requirements going forward.

**Foreign Exchange Rates** — Financial projections reflect a projected USD exchange rate of 1.37 for the planning period, except for maintenance costs that have been hedged at approximately 1.36 for 2025/26. CATSA will continue to monitor its future commitments and will enter new hedging contracts as per its approved hedging strategy. Significant fluctuations in the exchange rate for any unhedged amounts may have a material impact on CATSA's financial requirements.

**Re-Profiles** — Re-profile requests have become a necessary part of CATSA's annual financial management process. The financial plan assumes CATSA will continue to receive approval of capital re-profiles, including the possible transfer of capital funding to a future financial period based on a revised spending profile for major projects.

**Refocusing Government Spending** — CATSA continues to seek opportunities to maintain or reduce spending levels whenever possible. In addition to the reductions of \$10 million per annum identified in Budget 2023 for 2023/24 to 2025/26, CATSA's financial plans reflect the implementation of several cost saving initiatives, including the associated reductions in spending.

**Internal transfer** — The financial plan assumes that CATSA will receive approval for internal budget transfers if required, from capital to operating in order to align the organization's reference levels to its budget. Approval of internal transfers in any given year are critical for CATSA to offset incremental operating requirements with available capital funding where the organization's capital requirements are lower than the approved funding for that fiscal year.

### Cost Recovery

In 2024/25, CATSA will enter into a Cost Recovery Agreement with the Montreal Metropolitan Airport (MET) in Saint-Hubert, Québec, subject to the approval of Transport Canada. The costs and revenues associated with this arrangement are not included in CATSA's financial plans and no amount is included in CATSA's capital budget for MET equipment as it has been reflected as cost recovery. In the event that MET becomes a designated airport under the *CATSA Aerodrome Designation Regulations*, CATSA will face operating and capital budget shortfalls as the organization has not budgeted for this to occur.

The table below summarizes the anticipated cost recovery details using flight and passenger volume assumptions and equipment requirements provided by the Saint-Hubert Airport Authority. The amounts identified as a "Net Operating Cost (Revenue)" and "Total" reflect funds available for CATSA to cover administrative costs, as well as staff additional positions to support CATSA operations related to this arrangement.

| Montreal Metropolitan Airport Operating and Capital Plan<br>(Figures are in thousands, Pre-tax) | Forecast<br>2024/25 | Plan<br>2025/26 | Plan<br>2026/27   | Plan<br>2027/28   | Plan<br>2028/29   | Plan<br>2029/30   |
|---|---------------------|-----------------|-------------------|-------------------|-------------------|-------------------|
| <b>OPERATING EXPENDITURES</b>   |                     |                 |                   |                   |                   |                   |
| Screening Services and Other Related Costs  | \$ -                | \$ 8,333        | \$ 12,398         | \$ 12,816         | \$ 13,188         | \$ 13,599         |
| Equipment Operating and Maintenance   | -                   | 156             | 373               | 640               | 692               | 697               |
| Program Support and Corporate Services  | -                   | -               | -                 | -                 | -                 | -                 |
| <b>SUBTOTAL</b>   | <b>\$ -</b>         | <b>\$ 8,489</b> | <b>\$ 12,771</b>  | <b>\$ 13,456</b>  | <b>\$ 13,880</b>  | <b>\$ 14,296</b>  |
| Revenue   | -                   | (9,389)         | (14,125)          | (14,883)          | (15,352)          | (15,812)          |
| <b>Net Operating Cost (Revenue)</b>   | <b>\$ -</b>         | <b>\$ (900)</b> | <b>\$ (1,354)</b> | <b>\$ (1,427)</b> | <b>\$ (1,472)</b> | <b>\$ (1,516)</b> |
| <b>CAPITAL EXPENDITURES</b>   |                     |                 |                   |                   |                   |                   |
| EDS   | \$ 4,418            | \$ 3,283        | \$ -              | \$ -              | \$ -              | \$ -              |
| Non-EDS   | -                   | 180             | -                 | -                 | -                 | -                 |
| <b>SUBTOTAL</b>   | <b>\$ 4,418</b>     | <b>\$ 3,463</b> | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       |
| Recovery  | (4,418)             | (3,463)         | -                 | -                 | -                 | -                 |
| <b>Net Capital Cost (Revenue)</b>   | <b>\$ -</b>         | <b>\$ -</b>     | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       |
| <b>TOTAL</b>  | <b>\$ -</b>         | <b>\$ (900)</b> | <b>\$ (1,354)</b> | <b>\$ (1,427)</b> | <b>\$ (1,472)</b> | <b>\$ (1,516)</b> |

## Appendix A: Ministerial Expectation Letter

March 24, 2023  
Thao Pham  
Chairperson of the Board of Directors  
Canadian Air Transport Security Authority

Dear Thao Pham:

Please allow me to begin by congratulating you on your appointment as Chair of the Canadian Air Transport Security Authority (CATSA). I am grateful that you have accepted to serve as Chair of this Crown corporation given the important role it plays in the effective delivery of screening services for Canadians.

I would also like to thank the CATSA Board, as well as the organization's senior management and staff for the efforts made over Spring and Summer 2022 to address congestion in Canadian airports, and for their collaboration with key industry stakeholders to improve service for passengers.

As you know, the rapid return of passenger demand, along with a tight labour market, have placed pressure on all aspects of the air travel system. While other industries faced similar situations, air transport was particularly challenged given the complexity and interconnectedness of the system, and the enormous numbers of people moved daily. Challenges during the summer travel season further convinced me of the need to look at the air transport system as a whole, including the delivery of screening services.

As you are aware, Transport Canada considered the commercialization of CATSA as a solution to best serve the interests of industry and the Government; however, due to recent discussions with the Designated Screening Authority and consultations with the industry, I am advising you that the commercialization process is on hold for the time being. Nevertheless, I do believe that we must move forward with some reforms to passenger screening services, and I ask that you work with Transport Canada officials to come up with measures to improve the passenger experience while maintaining the security of air transport in Canada. I encourage you to collaborate with Transport Canada and other stakeholders in the air transport system as appropriate in the following areas.

### *Improved Service Delivery*

Over Summer 2022, CATSA's wait-time service level did not consistently meet the needs of the air industry or passengers during peak periods. Moving forward, I expect that CATSA will explore improvements to its operations to ensure that passengers are screened at service levels comparable to other jurisdictions, specifically with a view to improving passenger throughput particularly during peak periods. I expect that CATSA will also work with Transport Canada to advance the implementation of digital solutions and technologies before Summer 2023, and to explore the use of innovative solutions, including pilot projects in selected airports, to achieve these service levels.

As you know, the Air Travel Right-Touch Solution is a priority initiative in my mandate letter and, as one of the major operators at airports, CATSA's active participation in this initiative is essential to its success. In addition, I encourage the ongoing collaboration between CATSA and

my officials on defining a new risk-based screening procedure for Trusted Traveler lines as a means of improving service delivery and customer experience at top airports by Summer 2023. I would also encourage CATSA to develop aggressive capital investment and deployment plans for technologies such as CT, so the passenger screening experience can be improved.

The recent launch of CATSA's Request for Proposals for Airport Screening Services Agreements is also an opportunity to seek improvements and greater accountability in the delivery of screening services while pursuing value for money. CATSA should endeavor to integrate lessons learned from the past summer into its new screening agreements. It will be important for CATSA to have clear operating hours and well-trained screening officers for a consistent application of the aforementioned higher service levels at Canada's top airports. I also expect that the new screening agreements will advance Government's priorities related to official languages, diversity and inclusion, and accessibility. Given recent and enduring labour shortages and the increased reliance on advanced screening technologies, I also expect the Agency to increase its training capabilities so that it can continue to meet screening demands in a timely manner.

*Better Accountability and Integration with Other Air Sector Operators*

The pandemic brought to light the lack of operational coordination between the various air sector stakeholders (e.g., CATSA, air carriers, designated airports, and NAV Canada) operating within the airport ecosystem. I encourage CATSA to actively engage, along with Transport Canada, in enhancing collaboration with airport authorities and other stakeholders, to find efficiencies that facilitate passengers' journey. I invite you to propose creative ways to meet this objective, and work with my officials.

*Screening that respects Canada's diversity and inclusion values*

Canadian society is diverse and constantly changing. We must promote multiculturalism and do more to ensure respect for religious values and beliefs. In this sense, I expect CATSA to redouble its efforts in this area. It is important to listen to our citizens and engage them regularly so that our screening officers treat religious objects as well as Indigenous sacred and ceremonial objects with the utmost respect and care. CATSA also needs to pay more attention to issues related to the LGBTQ+ community by introducing better technologies and more respectful alarm resolution procedures. I would like CATSA to remain at the forefront of these issues and become the best example of the importance the Government of Canada places on diversity and inclusion.

CATSA's next Corporate Plan should reflect how you propose to fulfill the above expectations, and you should keep me abreast of your progress on a quarterly basis in advancing these reforms. I look forward to collaborating with you and your team to address the ongoing challenges facing the air transportation industry.

I would like to again extend my gratitude to you, the CATSA Board, as well as CATSA senior management and staff for your service to Canadians during these uncertain times.

Sincerely,



The Honourable Omar Alghabra, P.C., M.P.  
Minister of Transport

## Appendix B: Corporate Governance

### Board of Directors

CATSA is governed by an eleven-member Board of Directors appointed by the Governor in Council on the recommendation of the Minister of Transport, independent from CATSA's senior management team. The airline industry and the airport industry nominate two directors each.

The Board of Directors and its committees meet on a quarterly basis and as required to effectively oversee the corporation's business and strategic direction. The Board of Directors has a number of ongoing responsibilities, including:

- Establishing and approving CATSA's strategic direction through various means, including its strategic plan and annual corporate plan;
- Safeguarding the resources of the corporation by approving annual reports, quarterly financial reports as well as capital and operating budgets;
- Ensuring the fulfillment of the corporation's mandate;
- Monitoring corporate performance;
- Ensuring the principal organizational risks are identified and that appropriate systems/mitigations to manage these risks have been implemented;
- Approving the President and Chief Executive Officer's (CEO) objectives for the year and evaluating their performance;
- Drafting, amending or repealing corporate by-laws; and
- Reviewing and approving the succession plan for senior management.

### Board Committees

The Audit Committee assists the Board in fulfilling its oversight responsibilities with respect to financial reporting, financial risk management, climate disclosure, cybersecurity, internal controls, internal and external audits, budgets and any other matter assigned by the Board.

The Governance, Human Resources and Pension Committee (GHRP) assists the Board in fulfilling its oversight responsibilities with respect to governance matters, human resources and compensation, management succession plans, ethics and business conduct policies, annual objectives for the President and CEO, management and administration of the employee pension plans and any other matter assigned to it by the Board.

As of October 1, 2024, CATSA's Board of Directors included:

| Board Members  | Audit GHRP |   | Total Remuneration (YTD 2024/25) | Appointment Date  | Mandate Expiry Date                       |
|--|------------|---|----------------------------------|---|---|
| <b>Thao Pham, Board Chairperson</b>  | X          | X | \$17,160                         | 2023/03/14  | 2028/03/13                                |
| <b>Sharon Duggan, GHRP Chair</b>   | X          | X | \$9,525                          | <i>Original: 2018/02/21<br/>Reappointment: 2024/06/05</i>                                       | 2028/06/05                                |
| <b>Diane Trenn, Audit Chair</b><br><i>Appointed as a nominee of the Canadian Airports Council</i>        | X          | X | \$9,720                          | <i>Original: 2018/06/14<br/>Reappointment: 2022/10/28</i>                                       | 2026/10/28                                |
| <b>Patricia Anne Kennedy</b><br><i>Appointed as a nominee of the Air Transport Association of Canada</i> | X          | X | \$8,550                          | <i>Original: 2015/03/26<br/>Reappointment: 2018/06/25</i>                                       | 2021/06/24*                               |
| <b>Rosemary Capparelli</b><br><i>Appointed as a nominee of the National Airlines Council of Canada</i>   | X          |   | \$6,405                          | 2022/10/28  | 2026/10/28                                |
| <b>Jennifer Sullivan</b><br><i>Appointed as a nominee of the Canadian Airports Council</i>               |            | X | \$6,210                          | 2022/10/28  | 2026/10/28                                |
| <b>Vacant (formerly Melissa Coulson)</b>   | X          |   | \$4,080                          | <i>Original: 2014/01/30<br/>Reappointment: 2018/02/21<br/>Reappointment amended: 2022/12/16</i> | 2023/02/21<br><i>(resigned June 2024)</i> |
| <b>Jean-Philippe Brunet</b>  |            | X | \$6,210                          | 2018/02/21  | 2022/02/21*                               |
| <b>Gilles Lalonde</b>  | X          |   | \$7,380                          | <i>Original: 2018/02/21<br/>Reappointment: 2021/05/21</i>                                       | 2025/05/21                                |
| <b>Penny Westman</b>   |            | X | \$2,910                          | 2019/03/22  | 2023/03/22*                               |
| <b>Vacant</b>  |            |   |                                  |   |   |

\*Per the Financial Administration Act, any Director (other than the Chairperson) whose term has expired, may continue in office until a successor is appointed.

In December 2024, three new directors were appointed to CATSA's Board of Directors. These appointments address the two vacancies noted above, and the conclusion of Jean-Philippe Brunet's term. The Board of Directors would like to thank Mr. Brunet for his service and dedication as a member of the Board. CATSA will continue to proactively engage Transport Canada on the need for sufficient, timely and staggered appointments to its Board of Directors.

## CATSA's Senior Management Team

On April 3, 2023, Nada Semaan<sup>6</sup> was appointed as President and CEO for a five-year term by Order in Council. The President and CEO is supported by a senior management team, including:

|                   |   |
|-------------------|---|
| Neil Parry        | Senior Vice-President, Operations   |
| Nancy Fitchett    | Vice-President, Corporate Affairs and Chief Financial Officer               |
| Philippe Johnston | Vice-President and Chief Technology Officer                                 |
| Lisa Hamilton     | Vice-President, Corporate Services, General Counsel and Corporate Secretary |
| Donna Achimov     | Vice-President, People, Culture and Experience <sup>7</sup>                 |

## CATSA's Executive Compensation Structure

Maintaining a competitive total compensation package is key to CATSA's ability to attract and retain a diverse and qualified workforce. The total compensation program consists of a base salary as well as performance incentives, group benefits and pension plan.

CATSA's Board of Directors, through the GHRP Committee, reviews the compensation package regularly to ensure that it is reasonable and is competitive with similar public sector organizations.

Pursuant to subsection 20(2) of the *Canadian Air Transport Security Authority Act*, the rate of any remuneration paid to the President and CEO is fixed by the Governor in Council by Order in Council (2023-875), wherein the base salary is within the range of \$265,700 - \$312,500 per annum.

In 2024/25, the base salary range for Vice-Presidents is \$212,968 to \$383,344. CATSA's Senior/Vice-Presidents are also eligible to receive incentive pay in the range of 0 - 26%, depending on their performance.

## Annual Public Meeting

CATSA held its 2024 Annual Public Meeting by means of an audio-visual presentation that was posted on its website on August 15, 2024.

<sup>6</sup> On January 8, 2025, Nada Semaan announced that she will retire from her position as President and CEO on June 16, 2025. Effective April 1, 2025, Neil Parry, Senior Vice-President of Operations, will serve in the role in an acting capacity until a new President and CEO is appointed.

<sup>7</sup> Donna Achimov, Vice-President, People, Culture, and Experience, joined CATSA on September 30, 2024. This new 18 month fixed-term position reflects our organizational commitment to supporting and enhancing the employee and client experience.

## Appendix C: Planned Results

### Expected Results and Performance Indicators

CATSA uses a number of key indicators to set operational performance targets and to monitor, assess and report on progress and achievements in areas of critical importance to the fulfillment of its mandate, mission, and strategic objectives.

Set out over the following pages are CATSA's short (immediate), medium (intermediate) and long-term (ultimate) outcomes, key measured targets and the criteria and indicators used to measure progress in their achievement. The expected results and risks mitigated by the achievement of the strategic objectives are also included.

All recent results are from Q2 2024/25, unless otherwise noted.

**Note:** Recent results for new or revised key performance indicators are not currently available, and will be reported in CATSA's upcoming Annual Reports and Corporate Plans. Affected performance indicators are identified with an asterisk (\*) throughout this section.

### Objective 1: Invest in Our People for Tomorrow

**Output:** The achievement of a well-balanced workforce that benefits from the tools, resources, and support required to achieve our collective success.

**Risk Mitigated:** Capacity risk: Resource availability

**Government of Canada Priorities:** Diversity and employment equity, Protecting both official languages

**Immediate/intermediate/ultimate outcome:** Nurture an inclusive environment that fosters excellence and engagement.

|  |  |
|--|--|
| <b>Performance measures and key statistics</b> | <ul style="list-style-type: none"> <li>• Employee satisfaction</li> <li>• Employees who meet the language requirements of their positions</li> <li>• Workforce demographics, including women (W), Indigenous Peoples (IP), visible minorities (VM) and persons with disabilities (PWD)</li> <li>• Screening officer demographics*</li> </ul>   |
| <b>Target(s)</b>                               | <ul style="list-style-type: none"> <li>• Employee satisfaction: 85%</li> <li>• Employees who meet the language requirements of their positions:             <ul style="list-style-type: none"> <li>○ Short term: 75%</li> <li>○ Long term: 85%</li> </ul> </li> <li>• Workforce demographics:             <ul style="list-style-type: none"> <li>○ W: 48.2%</li> <li>○ PWD: 9.1%</li> <li>○ IP: 4.0%</li> <li>○ VM: 21.3%</li> </ul> </li> </ul> |

|                                |  |
|--------------------------------|--|
|                                | <ul style="list-style-type: none"> <li>Screening officer demographics*: This is a new measure. Target information will be available in CATSA's upcoming Annual Reports and Corporate Plans.</li> </ul>   |
| <b>Expected results</b>        | <ul style="list-style-type: none"> <li>At or above target employee satisfaction</li> <li>The percentage of employees that meet the language requirement for their position is at or above target.</li> <li>Favourable feedback from employees relating to the use of both official languages in CATSA workplaces.</li> <li>Increased representation among designated groups across all levels of employees by adopting strategies grounded in best practices to ensure accountability and raise awareness of barriers faced by equity deserving groups.</li> <li>At or above target workforce demographics within CATSA.</li> <li>At or above target workforce demographics within the screening officer workforce.</li> </ul> |
| <b>Recent results</b>          | <ul style="list-style-type: none"> <li>Employee satisfaction: 83%</li> <li>Employees who meet the language requirements of their positions: 66.4%, as at Q4 2023/24</li> <li>Workforce demographics results <ul style="list-style-type: none"> <li>W: 39.6%</li> <li>PWD: 5.3%</li> <li>IP: 2.0%</li> <li>VM: 44.5%</li> </ul> </li> <li>Screening officer demographics*: This is a new measure. Results will be available in CATSA's upcoming Annual Reports and Corporate Plans.</li> </ul>  |
| <b>Data sources/influences</b> | <ul style="list-style-type: none"> <li>Annual employee survey</li> <li>Annual Official Languages Report</li> <li>Employee language test results (HR database)</li> <li>Workforce demographics</li> <li>Annual Employment Equity Report</li> </ul>  |

**Immediate/intermediate/ultimate outcome:** Be an employer of choice.

|  |  |
|--|--|
| <b>Performance measures and key statistics</b> | <ul style="list-style-type: none"> <li>Employee satisfaction</li> <li>Attrition</li> <li>Employees who would recommend CATSA as an employer</li> <li>National screening officer attrition rate</li> <li>National Training and Certification Program success rate</li> </ul>                                      |
| <b>Target(s)</b>                               | <ul style="list-style-type: none"> <li>Employee satisfaction: 85%</li> <li>Annual attrition rate: 8%</li> <li>Employees who would recommend CATSA as an employer*: 85%</li> <li>National screening officer attrition rate: N/A</li> <li>National Training and Certification Program success rate: 90%</li> </ul> |

|                                |   |
|--------------------------------|---|
| <b>Expected results</b>        | <ul style="list-style-type: none"> <li>• Meet or exceed targets</li> <li>• Implement resources for employees relating to mental health and well-being</li> <li>• Adequate certified screening officer staffing levels through collaboration with screening contractors and Transport Canada</li> </ul>  |
| <b>Recent results</b>          | <ul style="list-style-type: none"> <li>• Employee satisfaction: 83%</li> <li>• Annual attrition rate: 4.7% (Q2 2023/24 to Q2 2024/25)</li> <li>• Employees who would recommend CATSA as an employer*: This is a new measure. Results will be available in CATSA's upcoming Annual Reports and Corporate Plans.</li> <li>• National screening officer attrition rate: 5.0%</li> <li>• National Training and Certification Program success rate: 92.2%</li> </ul> |
| <b>Data sources/influences</b> | <ul style="list-style-type: none"> <li>• Annual employee survey</li> <li>• Attrition (HR database)</li> <li>• Data from screening contractors</li> <li>• Learning Management System</li> </ul>  |

## Objective 2: Drive Innovation

**Output:** Inspiring CATSA's workforce to solve emerging challenges, by creating opportunities for security screening innovation, embracing continuous improvement, agility, and curiosity.

**Risk Mitigated:** Mandated Services Risk – Detection capabilities and maintaining care and control of screening checkpoints

**Government of Canada Priority:** Improving services to Canadians

**Immediate/intermediate/ultimate outcome:** Enhance security effectiveness and screening efficiency

|  |  |
|--|--|
| <b>Performance measures and key statistics</b> | <ul style="list-style-type: none"> <li>• Overall security effectiveness</li> <li>• Wait-time service level</li> <li>• Wait-time service level at peak</li> <li>• Consistency of security screening procedures, overall</li> </ul>  |
| <b>Target(s)</b>                               | <ul style="list-style-type: none"> <li>• Overall security effectiveness: Cannot be shared in a public document due to security classification</li> <li>• Wait-time service level: 95/15</li> <li>• Wait-time service level at peak: 85/15</li> <li>• Consistency of security screening procedures, overall: 95%</li> </ul> |
| <b>Expected results</b>                        | <ul style="list-style-type: none"> <li>• Security effectiveness remains at or above target</li> <li>• Annual wait-time service level of 95/15 or above</li> <li>• Annual wait-time service level at peak of 85/15 or above</li> <li>• Meet target for consistency of security screening procedures</li> </ul>              |

|                                |   |
|--------------------------------|---|
| <b>Recent results</b>          | <ul style="list-style-type: none"> <li>• Overall security effectiveness: Cannot be shared in a public document due to security classification</li> <li>• Wait-time service level: 97.2/15</li> <li>• Wait-time service level at peak: 93.6/15</li> <li>• Consistency of security screening procedures, overall: 94.6%</li> </ul>  |
| <b>Data sources/influences</b> | <ul style="list-style-type: none"> <li>• Service monitoring and Recording Tool (SMART)</li> <li>• PBS, NPS, and HBS testing performance</li> <li>• Breach score</li> <li>• PBS, NPS, and HBS Threat Image Protection System (TIPS) performance</li> <li>• Boarding Pass Security System (BPSS) screened passenger data</li> <li>• Passenger wait times, averaged on an annual basis for all Class 1 airports</li> <li>• Flight schedules</li> </ul> |

**Immediate/intermediate/ultimate outcome:** Champion forward-thinking solutions

|  |   |
|--|---|
| <b>Performance measures and key statistics</b> | Innovation culture*   |
| <b>Target(s)</b>                               | This is a new measure. Target information will be available in CATSA's upcoming Annual Reports and Corporate Plans. |
| <b>Expected results</b>                        | Employees indicate that CATSA fosters and encourages innovation.  |
| <b>Recent results</b>                          | This is a new measure. Results will be available in CATSA's upcoming Annual Reports and Corporate Plans.            |
| <b>Data sources/influences</b>                 | Employee survey   |

### **Objective 3: Promote an Integrated Aviation Ecosystem**

**Output:** Achieving a more integrated and efficient aviation ecosystem through information sharing and ongoing engagement, and collaboration.

**Risk Mitigated:** Partner Relations Risk – CATSA's reputation

**Government of Canada Priority:** Improving services to Canadians, Better accountability and integration with other air sector operators

**Immediate/intermediate/ultimate outcome:** Maximize opportunities for collective engagement and advance industry harmonization and share best practices

|  |   |
|--|---|
| <b>Performance measures and key statistics</b> | Partner satisfaction*   |
| <b>Target(s)</b>                               | This is a new measure. Target information will be available in CATSA's upcoming Annual Reports and Corporate Plans.   |
| <b>Expected results</b>                        | CATSA's partners indicate that the organization engages in meaningful and proactive collaboration, for the benefit of the travelling public and the aviation industry as a whole. |
| <b>Recent results</b>                          | This is a new measure. Results will be available in CATSA's upcoming Annual Reports and Corporate Plans.  |
| <b>Data sources/influences</b>                 | Partner survey  |

## Objective 4: Elevate the Client Experience

**Output:** The achievement of high levels of passenger satisfaction with, and confidence in, their interactions with CATSA.

**Risk Mitigated:** Partner Relations Risk – CATSA's reputation

### Government of Canada Priorities:

- Improving services to Canadians;
- Screening that respects Canada's diversity and inclusion values (accessibility, official languages and GBA Plus); and
- Indigenous relations and reconciliation.

**Immediate/intermediate/ultimate outcome:** Deliver continuous improvement for CATSA's clients and engage the community

|  |  |
|--|--|
| <b>Performance measures and key statistics</b> | <ul style="list-style-type: none"> <li>• Overall passenger experience</li> <li>• Customer satisfaction index</li> <li>• Overall experience for each Class 1 airport</li> <li>• Confidence in security screening</li> <li>• Satisfaction with speed of screening</li> <li>• Satisfaction specific to passengers who used the family and special needs line</li> <li>• Satisfaction with service in the Official Language of Choice</li> </ul> |
| <b>Target(s)</b>                               | <ul style="list-style-type: none"> <li>• Overall passenger experience: 90%</li> <li>• Customer satisfaction index: 90%</li> <li>• Overall experience for each Class 1 airport: 90%</li> <li>• Confidence in security screening: 85%</li> <li>• Satisfaction with speed of screening: 90%</li> <li>• Satisfaction specific to passengers who used the family and special needs line: 90%</li> </ul>   |

|                                |   |
|--------------------------------|---|
|                                | <ul style="list-style-type: none"> <li>• Satisfaction with service in the Official Language of Choice: 90%</li> </ul>   |
| <b>Expected results</b>        | <ul style="list-style-type: none"> <li>• Updated and delivered Customer Service Strategy including Customer Service Commitment to Passengers</li> <li>• Increased passenger satisfaction with their screening experience</li> <li>• Consistently at or above target for all measures</li> </ul>   |
| <b>Recent results</b>          | <ul style="list-style-type: none"> <li>• Overall passenger experience: 92.7%</li> <li>• Customer satisfaction index: 93%</li> <li>• Overall experience for each Class 1 airport: <ul style="list-style-type: none"> <li>○ YYC: 88%</li> <li>○ YEG: 94%</li> <li>○ YHZ: 93%</li> <li>○ YUL: 94%</li> <li>○ YOW: 93%</li> <li>○ YYZ: 95%</li> <li>○ YWG: 95%</li> <li>○ YVR: 88%</li> </ul> </li> <li>• Confidence in security screening: 91%</li> <li>• Satisfaction with speed of screening: 92%</li> <li>• Satisfaction specific to passengers who used the family and special needs line: 93%</li> <li>• Satisfaction with service in the Official Language of choice: 95%</li> </ul> |
| <b>Data sources/influences</b> | <ul style="list-style-type: none"> <li>• Passenger intercept surveys at Class 1 airports</li> <li>• Complaints data</li> <li>• Equipment Availability</li> </ul>  |

### ***President and Chief Executive Officer Commitment***

As President and Chief Executive Officer of the Canadian Air Transport Security Authority, I am accountable to the Board of Directors for the implementation of the objectives and initiatives described in this Corporate Plan and outlined in this Appendix. I confirm that this commitment is supported by the balanced use of all available and relevant performance measurement and evaluation information.



Neil Parry in care of

Nada Semaan  
President and Chief Executive Officer  
Canadian Air Transport Security Authority

2025-10-27

Date

## Appendix D: Chief Financial Officer Attestation

In my capacity as Chief Financial Officer of the Canadian Air Transport Security Authority (CATSA), accountable to the Board of Directors of CATSA through the Chief Executive Officer, I have reviewed the 2025/26 – 2029/30 Corporate Plan and budgets, and the supporting information that I considered necessary, as of the date indicated below. Based on this due diligence review, I make the following conclusions:

1. The nature and extent of the financial and related information is reasonably described, and assumptions having a significant bearing on the associated financial requirements have been identified and are supported.
2. Significant risks having a bearing on the financial requirements, the sensitivity of the financial requirements to changes in key assumptions, and the related risk-mitigation strategies have been disclosed.
3. Financial resource requirements have been disclosed and are consistent with the stated assumptions, and options to contain costs have been considered.
4. Funding is not sufficient to address the financial requirements for the expected duration of the Corporate Plan, with the following observation: CATSA's Base funding for 2026/27 - 2029/30 will cover the costs to continue to deliver its mandated activities for a portion of these fiscal years only.
5. The Corporate Plan and budgets are compliant with relevant financial management legislation and policies, and the proper financial management authorities are in place.
6. Key financial controls are in place to support the implementation of proposed activities and ongoing operations of CATSA.
7. In my opinion, the Corporate Plan and budgets are sufficient to support decision-making, except for funding as noted in number 4 above.



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Nancy Fitchett  
Vice-President, Corporate Affairs and Chief Financial Officer  
Canadian Air Transport Security Authority

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2025-10-28

Date

## Appendix E: Financial Statements and Budgets

### Financial Statement Highlights

CATSA's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved by the Accounting Standards Board of Canada (AcSB).

Note that the financial statements below do not include cost recovery (refer to page 16 for more information).

### Disposals

CATSA manages its assets, including asset disposal, as part of a lifecycle management regimen or as part of new technology requirements. The disposal of assets is governed by corporate policy and procedures that ensure compliance with applicable legislation and regulations concerning the disposal of Crown assets.

### Statement of Financial Position

| Statement of Financial Position                             | Actual            | Forecast          | Plan              | Plan              | Plan              | Plan              | Plan              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| (in thousands of dollars)                                   | 2023/24           | 2024/25           | 2025/26           | 2026/27           | 2027/28           | 2028/29           | 2029/30           |
| <b>ASSETS</b>   |                   |                   |                   |                   |                   |                   |                   |
| <b>Current assets</b>                                       |                   |                   |                   |                   |                   |                   |                   |
| Cash  | \$ 9,955          | \$ 10,000         | \$ 10,000         | \$ 10,000         | \$ 10,000         | \$ 10,000         | \$ 10,000         |
| Trade and other receivables                                 | 130,036           | 181,028           | 190,390           | 87,903            | 88,318            | 88,047            | 86,635            |
| Inventories   | 14,462            | 18,011            | 13,415            | 9,907             | 9,290             | 7,685             | 7,051             |
| Prepays   | 8,506             | 5,985             | 4,674             | 6,303             | 6,490             | 6,683             | 6,882             |
|   | <b>\$ 162,959</b> | <b>\$ 215,024</b> | <b>\$ 218,479</b> | <b>\$ 114,113</b> | <b>\$ 114,098</b> | <b>\$ 112,415</b> | <b>\$ 110,568</b> |
| <b>Non-current assets</b>                                   |                   |                   |                   |                   |                   |                   |                   |
| Property and equipment and intangible assets                |                   |                   |                   |                   |                   |                   |                   |
| EDS   | \$ 347,302        | \$ 396,703        | \$ 436,647        | \$ 472,360        | \$ 504,208        | \$ 534,564        | \$ 557,531        |
| Non-EDS   | 22,584            | 26,321            | 29,610            | 33,150            | 35,590            | 31,652            | 28,970            |
|   | <b>\$ 369,886</b> | <b>\$ 423,024</b> | <b>\$ 466,257</b> | <b>\$ 505,510</b> | <b>\$ 539,798</b> | <b>\$ 566,216</b> | <b>\$ 586,501</b> |
| Right-of-use assets   |                   |                   |                   |                   |                   |                   |                   |
| Employee benefits asset                                     | \$ 17,059         | \$ 16,105         | \$ 12,582         | \$ 10,560         | \$ 10,796         | \$ 8,757          | \$ 8,957          |
|   | 57,088            | 59,856            | 56,933            | 54,009            | 51,086            | 48,162            | 45,238            |
|   | <b>\$ 606,992</b> | <b>\$ 714,009</b> | <b>\$ 754,251</b> | <b>\$ 684,192</b> | <b>\$ 715,778</b> | <b>\$ 735,550</b> | <b>\$ 751,264</b> |
| <b>LIABILITIES AND EQUITY</b>                               |                   |                   |                   |                   |                   |                   |                   |
| <b>Current liabilities</b>                                  |                   |                   |                   |                   |                   |                   |                   |
| Trade and other payables                                    | \$ 140,214        | \$ 191,393        | \$ 200,755        | \$ 98,268         | \$ 98,683         | \$ 98,412         | \$ 97,000         |
| Holdbacks   | 142               | -                 | -                 | -                 | -                 | -                 | -                 |
| Lease liabilities   | 2,389             | 3,527             | 2,007             | 2,440             | 2,566             | 2,700             | 2,207             |
| Deferred government funding related to operating expenses   | 22,968            | 23,996            | 18,089            | 16,210            | 15,780            | 14,368            | 13,933            |
| Derivative financial liabilities                            | 82                | -                 | -                 | -                 | -                 | -                 | -                 |
|   | <b>\$ 165,795</b> | <b>\$ 218,916</b> | <b>\$ 220,851</b> | <b>\$ 116,918</b> | <b>\$ 117,029</b> | <b>\$ 115,480</b> | <b>\$ 113,140</b> |
| <b>Non-current liabilities</b>                              |                   |                   |                   |                   |                   |                   |                   |
| Lease liabilities   | \$ 16,808         | \$ 14,810         | \$ 12,368         | \$ 9,929          | \$ 9,948          | \$ 7,671          | \$ 8,044          |
| Deferred government funding related to capital expenditures | 368,994           | 422,244           | 465,571           | 504,918           | 539,300           | 565,807           | 586,172           |
| Employee benefits liability                                 | 18,484            | 20,246            | 21,310            | 22,375            | 23,439            | 24,503            | 25,568            |
| Derivative financial liabilities                            | 10                | -                 | -                 | -                 | -                 | -                 | -                 |
|   | <b>\$ 404,296</b> | <b>\$ 457,300</b> | <b>\$ 499,249</b> | <b>\$ 537,222</b> | <b>\$ 572,687</b> | <b>\$ 597,981</b> | <b>\$ 619,784</b> |
| <b>Equity</b>   |                   |                   |                   |                   |                   |                   |                   |
| Accumulated surplus   | \$ 36,901         | \$ 37,793         | \$ 34,151         | \$ 30,052         | \$ 26,062         | \$ 22,089         | \$ 18,340         |
|   | <b>\$ 606,992</b> | <b>\$ 714,009</b> | <b>\$ 754,251</b> | <b>\$ 684,192</b> | <b>\$ 715,778</b> | <b>\$ 735,550</b> | <b>\$ 751,264</b> |

## Statement of Comprehensive Income (Loss) and Equity

| Statement of Comprehensive Income and Equity                                | Actual            | Forecast            | Plan                | Plan              | Plan              | Plan              | Plan              |
|---|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| (in thousands of dollars)   | 2023/24           | 2024/25             | 2025/26             | 2026/27           | 2027/28           | 2028/29           | 2029/30           |
| <b>Expenses</b>   |                   |                     |                     |                   |                   |                   |                   |
| Pre-Board Screening   | \$ 598,298        | \$ 695,580          | \$ 732,244          | \$ 287,428        | \$ 288,910        | \$ 294,035        | \$ 292,179        |
| Hold Baggage Screening  | 166,242           | 173,225             | 175,032             | 104,134           | 106,738           | 108,773           | 108,091           |
| Non-Passenger Screening   | 155,190           | 160,190             | 193,744             | 66,468            | 65,792            | 65,208            | 64,619            |
| Restricted Area Identity Card Program                                       | 4,670             | 4,656               | 4,491               | 4,653             | 4,681             | 4,715             | 4,294             |
| Corporate services  | 55,847            | 60,866              | 62,016              | 60,168            | 62,823            | 64,098            | 63,763            |
| <b>Total expenses</b>   | <b>\$ 980,247</b> | <b>\$ 1,094,517</b> | <b>\$ 1,167,527</b> | <b>\$ 522,851</b> | <b>\$ 528,944</b> | <b>\$ 536,829</b> | <b>\$ 532,946</b> |
| <b>Other expenses (income)</b>  |                   |                     |                     |                   |                   |                   |                   |
| Finance costs   | \$ 515            | \$ 692              | \$ 619              | \$ 507            | \$ 463            | \$ 419            | \$ 367            |
| Write-off of property and equipment and intangible assets                   | 510               | -                   | -                   | -                 | -                 | -                 | -                 |
| Net (gain) loss on fair value of derivative financial instruments           | 104               | (92)                | -                   | -                 | -                 | -                 | -                 |
| Gain on disposal of property and equipment                                  | 65                | -                   | -                   | -                 | -                 | -                 | -                 |
| Foreign exchange loss (gain)  | (44)              | (59)                | -                   | -                 | -                 | -                 | -                 |
| <b>Total other expenses (income)</b>  | <b>\$ 1,150</b>   | <b>\$ 541</b>       | <b>\$ 619</b>       | <b>\$ 507</b>     | <b>\$ 463</b>     | <b>\$ 419</b>     | <b>\$ 367</b>     |
| <b>Revenue</b>  |                   |                     |                     |                   |                   |                   |                   |
| Finance income  | \$ 3,061          | \$ 3,297            | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              |
| Other income  | 18                | 3                   | -                   | -                 | -                 | -                 | -                 |
| <b>Total revenue</b>  | <b>\$ 3,079</b>   | <b>\$ 3,300</b>     | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       |
| <b>Financial performance before government funding</b>                      | <b>\$ 978,318</b> | <b>\$ 1,091,758</b> | <b>\$ 1,168,146</b> | <b>\$ 523,358</b> | <b>\$ 529,407</b> | <b>\$ 537,248</b> | <b>\$ 533,313</b> |
| <b>Government funding</b>   |                   |                     |                     |                   |                   |                   |                   |
| Parliamentary appropriations for operating expenses                         | \$ 932,092        | \$ 1,040,338        | \$ 1,107,831        | \$ 457,373        | \$ 455,924        | \$ 456,906        | \$ 455,929        |
| Parliamentary appropriations for lease payments                             | 2,058             | 3,431               | 4,147               | 2,826             | 2,904             | 2,984             | 3,066             |
| Amortization of deferred government funding related to capital expenditures | 42,984            | 44,970              | 52,526              | 59,060            | 66,589            | 73,385            | 70,569            |
| <b>Total government funding</b>   | <b>\$ 977,134</b> | <b>\$ 1,088,739</b> | <b>\$ 1,164,504</b> | <b>\$ 519,259</b> | <b>\$ 525,417</b> | <b>\$ 533,275</b> | <b>\$ 529,564</b> |
| <b>Financial performance</b>  | <b>\$ (1,184)</b> | <b>\$ (3,019)</b>   | <b>\$ (3,642)</b>   | <b>\$ (4,099)</b> | <b>\$ (3,990)</b> | <b>\$ (3,973)</b> | <b>\$ (3,749)</b> |
| <b>Other comprehensive income</b>   |                   |                     |                     |                   |                   |                   |                   |
| Item that will not be reclassified to financial performance                 |                   |                     |                     |                   |                   |                   |                   |
| Remeasurement of defined benefit plans                                      | \$ 2,956          | \$ 3,911            | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              |
| <b>Total comprehensive income</b>   | <b>\$ 1,772</b>   | <b>\$ 892</b>       | <b>\$ (3,642)</b>   | <b>\$ (4,099)</b> | <b>\$ (3,990)</b> | <b>\$ (3,973)</b> | <b>\$ (3,749)</b> |
| <b>Equity</b>   |                   |                     |                     |                   |                   |                   |                   |
| Accumulated surplus, beginning of year                                      | \$ 35,129         | \$ 36,901           | \$ 37,793           | \$ 34,151         | \$ 30,052         | \$ 26,062         | \$ 22,089         |
| Total comprehensive income  | 1,772             | 892                 | (3,642)             | (4,099)           | (3,990)           | (3,973)           | (3,749)           |
| <b>Accumulated surplus, end of year</b>                                     | <b>\$ 36,901</b>  | <b>\$ 37,793</b>    | <b>\$ 34,151</b>    | <b>\$ 30,052</b>  | <b>\$ 26,062</b>  | <b>\$ 22,089</b>  | <b>\$ 18,340</b>  |

## Statement of Cash Flows

| Statement of Cash Flows   | Actual     | Forecast   | Plan       | Plan       | Plan       | Plan       | Plan       |
|---|------------|------------|------------|------------|------------|------------|------------|
| (in thousands of dollars)   | 2023/24    | 2024/25    | 2025/26    | 2026/27    | 2027/28    | 2028/29    | 2029/30    |
| <b>Cash flows provided by (used in)</b>   |            |            |            |            |            |            |            |
| <b>Operating activities</b>   |            |            |            |            |            |            |            |
| Financial performance   | \$ (1,184) | \$ (3,019) | \$ (3,642) | \$ (4,099) | \$ (3,990) | \$ (3,973) | \$ (3,749) |
| Items not involving cash  |            |            |            |            |            |            |            |
| Depreciation and amortization   | 45,285     | 47,902     | 55,709     | 61,489     | 69,033     | 75,935     | 73,028     |
| Write-off of property and equipment and intangible assets                           | 510        | -          | -          | -          | -          | -          | -          |
| Change in fair value of financial instruments at fair value through profit and loss | 104        | (92)       | -          | -          | -          | -          | -          |
| Gain on disposal of property and equipment  | 65         | -          | -          | -          | -          | -          | -          |
| Amortization of deferred government funding related to capital expenditures         | (42,984)   | (44,970)   | (52,526)   | (59,060)   | (66,589)   | (73,385)   | (70,569)   |
| Other non-cash transactions   | (308)      | -          | -          | -          | -          | -          | -          |
| Change in net employee benefits asset/liability                                     | (88)       | 2,905      | 3,987      | 3,989      | 3,987      | 3,988      | 3,989      |
| Net change in working capital balances  | (5,482)    | 187        | -          | -          | -          | -          | -          |
|   | \$ (4,082) | \$ 2,913   | \$ 3,528   | \$ 2,319   | \$ 2,441   | \$ 2,565   | \$ 2,699   |
| <b>Investing activities</b>   |            |            |            |            |            |            |            |
| Parliamentary appropriations received for capital funding                           | \$ 25,593  | \$ 98,220  | \$ 95,853  | \$ 98,407  | \$ 100,971 | \$ 99,892  | \$ 90,934  |
| Purchase of property and equipment and intangible assets:                           |            |            |            |            |            |            |            |
| EDS   | (15,984)   | (88,932)   | (85,533)   | (86,921)   | (88,882)   | (92,584)   | (83,632)   |
| Non-EDS   | (7,805)    | (9,412)    | (10,320)   | (11,486)   | (12,089)   | (7,308)    | (7,302)    |
|   | \$ 1,804   | \$ (124)   | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       |
| <b>Financing activities</b>   |            |            |            |            |            |            |            |
| Lease principal payments  | \$ (1,552) | \$ (2,744) | \$ (3,528) | \$ (2,319) | \$ (2,441) | \$ (2,565) | \$ (2,699) |
|   | \$ (1,552) | \$ (2,744) | \$ (3,528) | \$ (2,319) | \$ (2,441) | \$ (2,565) | \$ (2,699) |
| <b>Decrease in cash</b>   | \$ (3,830) | \$ 45      | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       |
| <b>Cash, beginning of year</b>  | \$ 13,785  | \$ 9,955   | \$ 10,000  | \$ 10,000  | \$ 10,000  | \$ 10,000  | \$ 10,000  |
| <b>Cash, end of year</b>  | \$ 9,955   | \$ 10,000  | \$ 10,000  | \$ 10,000  | \$ 10,000  | \$ 10,000  | \$ 10,000  |

## Reconciliation of Financial Performance (IFRS) to Operating Appropriations Used

| Reconciliation of Financial Performance to Operating Appropriations Used            | Actual      | Forecast     | Plan         | Plan        | Plan        | Plan        | Plan        |
|---|-------------|--------------|--------------|-------------|-------------|-------------|-------------|
| (in thousands of dollars)   | 2023/24     | 2024/25      | 2025/26      | 2026/27     | 2027/28     | 2028/29     | 2029/30     |
| <b>Financial performance before government funding</b>                              | \$ 978,318  | \$ 1,091,758 | \$ 1,168,146 | \$ 523,358  | \$ 529,407  | \$ 537,248  | \$ 533,313  |
| <b>Non-cash expenses</b>  |             |              |              |             |             |             |             |
| Depreciation and amortization   | \$ (45,285) | \$ (47,902)  | \$ (55,709)  | \$ (61,489) | \$ (69,033) | \$ (75,935) | \$ (73,028) |
| Write-off of property and equipment and intangible assets                           | (510)       | -            | -            | -           | -           | -           | -           |
| Non-cash finance costs related to leases  | (505)       | (687)        | (619)        | (507)       | (463)       | (419)       | (367)       |
| Change in fair value of financial instruments at fair value through profit and loss | (104)       | 92           | -            | -           | -           | -           | -           |
| Gain on disposal of property and equipment  | (65)        | -            | -            | -           | -           | -           | -           |
| Non-cash loss on foreign exchange recognized in financial performance               | 155         | (18)         | -            | -           | -           | -           | -           |
| Employee benefits expense   | 88          | (2,905)      | (3,987)      | (3,989)     | (3,987)     | (3,988)     | (3,989)     |
| <b>Parliamentary appropriations for operating expenses</b>                          | \$ 932,092  | \$ 1,040,338 | \$ 1,107,831 | \$ 457,373  | \$ 455,924  | \$ 456,906  | \$ 455,929  |
| <b>Other items affecting funding</b>  |             |              |              |             |             |             |             |
| Net change in prepaids and inventories  | \$ 3,715    | \$ 1,028     | \$ (5,907)   | \$ (1,879)  | \$ (430)    | \$ (1,412)  | \$ (435)    |
| <b>Total operating appropriations used</b>  | \$ 935,807  | \$ 1,041,366 | \$ 1,101,924 | \$ 455,494  | \$ 455,494  | \$ 455,494  | \$ 455,494  |

## Operating and Capital Plans

The five-year operating and capital budgets reflect CATSA's approved funding levels with the budget for 2026/27 and beyond reverting to CATSA's reference level funding. CATSA continues to support Transport Canada in the development of an operationally effective long-term funding strategy. Incremental funding will be required for 2026/27 and beyond to allow the organization

to maintain operations. The narrative that follows reflects the priorities set out CATSA's Strategic Plan, subject to available funding.

## Operating

| Operating Plan by Major Expenditure Category | Actual            | Forecast           | Budget             | Plan               | Plan              | Plan              | Plan              | Plan              |
|--|-------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| (Figures are in thousands)                   | 2023/24           | 2024/25            | 2024/25            | 2025/26            | 2026/27           | 2027/28           | 2028/29           | 2029/30           |
| <b>OPERATING EXPENDITURES</b>                |                   |                    |                    |                    |                   |                   |                   |                   |
| Screening Services and Other Related Costs   | 783,274           | 878,748            | 938,739            | 938,194            | 289,619           | 289,619           | 289,619           | 289,619           |
| Equipment Operating and Maintenance          | 52,394            | 59,640             | 56,780             | 55,147             | 56,500            | 56,500            | 56,500            | 56,500            |
| Program Support and Corporate Services       | 103,208           | 106,282            | 101,955            | 108,583            | 109,375           | 109,375           | 109,375           | 109,375           |
| <b>SUBTOTAL</b>                              | <b>\$ 938,876</b> | <b>\$1,044,670</b> | <b>\$1,097,474</b> | <b>\$1,101,924</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> |
| Revenue and Other Income                     | (3,069)           | (3,304)            | -                  | -                  | -                 | -                 | -                 | -                 |
| <b>TOTAL</b>                                 | <b>\$ 935,807</b> | <b>\$1,041,366</b> | <b>\$1,097,474</b> | <b>\$1,101,924</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> | <b>\$ 455,494</b> |

### 2024/25 Financial Results

Net operating expenditures are estimated to be \$1,041.4 million, which is \$56.1 million lower than the Corporate Plan budget of \$1,097.5 million. The major factor contributing to the variance is lower spending due to a delay in the introduction of Transport Canada regulations for enhanced NPS.

### 2025/26 – 2029/30 Financial Plan Highlights

Funding requirements for Screening Services and Other Related Costs will increase over the planning period mainly to reflect additional screening hours to support the 95/15 wait-time service level in the face of increasing passenger volumes, the implementation of enhanced non-passenger screening in late 2024/25, and screening contractor billing rate increases.

Equipment Operating and Maintenance spending includes the costs to support CATSA's EDS and non-EDS equipment. These costs increase over the planning period primarily due to new deployments of more advanced technology, in addition to anticipated contractual rate increases on several of CATSA's extended warranty agreements with equipment vendors. In addition, deployments of new and more advanced technology will require training for CATSA's maintenance service provider.

Program Support and Corporate Services includes salaries and benefits to support CATSA's workforce, as well as other business-related costs. Over the five-year planning period, funding requirements increase due to inflationary increases, as well as other support costs for various corporate initiatives including IT modernization and cybersecurity.

## Capital

| Capital Plan by Major Initiative          | Actual           | Forecast          | Budget            | Plan              | Plan              | Plan              | Plan              | Plan             |
|---|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| (Figures are in thousands)                | 2023/24          | 2024/25           | 2024/25           | 2025/26           | 2026/27           | 2027/28           | 2028/29           | 2029/30          |
| <b>CAPITAL EXPENDITURES</b>               |                  |                   |                   |                   |                   |                   |                   |                  |
| <b>Explosives Detection Systems (EDS)</b> |                  |                   |                   |                   |                   |                   |                   |                  |
| PBS                                       | \$ 11,966        | \$ 42,691         | \$ 51,046         | \$ 58,539         | \$ 48,631         | \$ 45,947         | \$ 64,199         | \$ 60,741        |
| HBS                                       | 11,556           | 42,460            | 44,438            | 26,994            | 38,290            | 42,935            | 28,385            | 22,891           |
| NPS                                       | 1,471            | 3,657             | 3,657             | -                 | -                 | -                 | -                 | -                |
| <b>Total EDS</b>                          | <b>\$ 24,993</b> | <b>\$ 88,808</b>  | <b>\$ 99,141</b>  | <b>\$ 85,533</b>  | <b>\$ 86,921</b>  | <b>\$ 88,882</b>  | <b>\$ 92,584</b>  | <b>\$ 83,632</b> |
| <b>Non-EDS</b>                            |                  |                   |                   |                   |                   |                   |                   |                  |
| PBS                                       | \$ 3,694         | \$ 4,634          | \$ 6,074          | \$ 4,807          | \$ 3,850          | \$ 3,753          | \$ 3,222          | \$ 3,539         |
| HBS                                       | 265              | 743               | 470               | 694               | 112               | 124               | 108               | 132              |
| NPS                                       | 259              | 130               | 196               | 63                | 175               | 59                | 52                | 63               |
| RAIC                                      | 2,380            | 1,310             | 898               | 388               | 497               | 539               | 463               | 554              |
| Corporate Services                        | 3,265            | 6,026             | 6,582             | 8,515             | 9,678             | 10,518            | 6,447             | 6,080            |
| <b>Total Non-EDS</b>                      | <b>\$ 9,863</b>  | <b>\$ 12,843</b>  | <b>\$ 14,220</b>  | <b>\$ 14,467</b>  | <b>\$ 14,312</b>  | <b>\$ 14,993</b>  | <b>\$ 10,292</b>  | <b>\$ 10,368</b> |
| <b>TOTAL</b>                              | <b>\$ 34,856</b> | <b>\$ 101,651</b> | <b>\$ 113,361</b> | <b>\$ 100,000</b> | <b>\$ 101,233</b> | <b>\$ 103,875</b> | <b>\$ 102,876</b> | <b>\$ 94,000</b> |

### 2024/25 Financial Results

Capital expenditures are estimated to be \$101.7 million, which is \$11.7 million lower than the Corporate Plan budget of \$113.4M. The major factors contributing to the variance are lower spending on project support for the deployment of computed tomography (CT) at PBS checkpoints, and revised 2024/25 plans, including delays, for several projects. Consequently, CATSA may seek Finance Canada approval for a capital re-profile from 2024/25 to 2025/26. The potential re-profile has not been reflected in the capital budget for 2025/26.

Key priorities in 2024/25 capital spending include the deployment of CT technology at PBS, which will improve the passenger screening experience by permitting laptops and liquids, gels, and aerosols (within the 100ml limit) to remain in carry-on bags, and the replacement of the oversized HBS X-ray units with CT technology, which is to be completed in 2025/26.

### 2025/26 – 2029/30 Financial Plan Highlights

The lifecycle management of CATSA's EDS equipment and systems is a key corporate priority and annually represents a significant portion of the capital spending. From 2025/26 - 2029/30, significant capital investments for PBS include the replacement of existing X-ray equipment with CT technology which began in 2024/25, as well as the replacement of ETD units and bottle liquid scanners. In HBS, the capital plan reflects an acceleration of the replacement of High-Speed CT units which began in 2024/25, along with completing the replacement of the existing oversized X-Ray units in Class 1 airports with CT technology. CATSA's capital plan also provides for the lifecycle management of non-EDS equipment and systems including IT network infrastructure, BPSS equipment and CCTV cameras.

As part of the lifecycle management plan, CATSA will explore options for new technologies with the aim of optimizing screening operations as well as ensuring alignment with its international partners. In each deployment scenario, work will be coordinated with airport authorities to minimize disruption to screening operations.

The five-year plan also includes funds to deploy supplemental FBS units in a primary position. This deployment is planned in parallel with the introduction of CT technology. The plan also includes investments in innovation, as well as funding to accommodate capacity expansion at

both PBS and HBS screening operations. The budget also includes funds for improvements to regional offices and screening officer training space, and annual lease payments.

The capital plan does not include any additional funding to address requirements for the Toronto Pearson International Airport LIFT initiative which is aimed at transforming the airport into one of the most advanced, sustainable and passenger-friendly airports in the world. While CATSA has had preliminary discussions with the airport authority, sufficient information is not currently available to identify specific budgetary requirements. CATSA will return to government for supplemental funding if the project requirements exceed the organization's available funding.

As capital project delays may arise, CATSA will work with airport authorities and vendors to accommodate revised project plans. As a result, the organization may require a re-profile of funds to account for delays in capital projects.

## Appendix F: Risks and Risk Responses

Risk management is embedded into strategic decision-making and resource allocation within CATSA, thereby allowing the organization to make informed decisions at the corporate and operational levels.

CATSA manages its corporate risks through an Enterprise Risk Management (ERM) framework, and maintains a comprehensive overview of its risk profile, including descriptions of key operational and financial risks, risk ratings as measured by likelihood and impact of risk occurrence, and risk mitigation strategies.

CATSA's overall risk attitude is conservative and flexible.

**Conservative:** The organization generally focuses effort more heavily on the active management of medium, medium-high and high risk and the acceptance of low risk.

**Flexible:** As a public sector organization, fully dependent on public funds to deliver a security mandate, CATSA's environment is significantly influenced by two key partners, namely Transport Canada and the Government of Canada. From a risk management perspective, the nature of CATSA's environment requires flexibility and discretion in the application of risk attitude.

### CATSA's Risk Profile as at September 2024

#### Mandated services risk

##### **Detection capabilities and maintaining care and control of screening checkpoints**

Due to the evolving nature of the aviation security threat environment, there is a risk that CATSA may not have the technology, threat and risk information, processes or human factor capability to detect all high-risk threat items or new and emerging threats and prevent screening circumventions at screening checkpoints. This may result in substantial consequences to the public and the aviation system.

##### **Risk mitigation**

CATSA monitors the effectiveness of operational programs through testing, oversight programs and performance measurement. Trials are conducted to determine if results demonstrate improved detection capability. The organization also ensures that it remains aligned with Transport Canada regulations, and any aviation security equivalency requirements stemming from national and international counterparts.

#### Capacity risk

##### **Adequacy of government funding**

There is a risk that the organization's funding envelope may be insufficient due to cost increases, new requirements and/or government cost cutting initiatives.

##### **Risk mitigation**

CATSA works closely with Transport Canada and Central Agencies to ensure adequate funding throughout the planning period. CATSA also conducts ongoing financial risk management, budgeting and forecasting activities, and requests supplemental funding as required.

**Resource availability**

There is a risk that resources may be insufficient or unavailable to achieve organizational goals while supporting a healthy work environment.

**Risk mitigation**

The organization is focused on activities and programs related to employee attraction, retention, engagement as well as succession planning. CATSA monitors employee satisfaction through regular touchpoint surveys as well as exit surveys, vacancy levels, and attrition rates.

**Service delivery through third-party risk****Legal and illegal labour disruption**

Given CATSA's third party service provider model, there is a risk that CATSA may have limited influence to prevent a legal labour disruption event or to maintain service levels during an illegal labour disruption event initiated by the unionized screening officer workforce. Labour disruptions may result in longer wait times, increased passenger complaints and harm to CATSA's reputation.

**Dependence on outsourced screening services, equipment maintenance services or major suppliers**

Due to a contractor no longer being able or willing to provide the agreed upon contracted services or goods, there is a risk that CATSA's dependence on outsourced screening services, equipment maintenance services, or major suppliers may result in negative service delivery impacts.

**Risk mitigation**

CATSA monitors labour market conditions in all its regions to identify potential labour disruption events. The organization also monitors and addresses any impacts to its supply chain and has contractual terms and conditions that provide recourse should a contractor become unable to provide the agreed-upon services.

**Partner relations risk****Reputational risk**

There is a risk that CATSA may encounter events that it is not able to manage effectively, which may cause damage to its reputation with travellers and/or partners, resulting in loss of public trust in CATSA and/or confidence in air transportation security.

**Risk mitigation**

CATSA provides proactive and timely communications with passengers and partners to address potential wait-time service level and other operational issues. Regular passenger surveys are conducted to gauge and improve the passenger experience. Regular engagements with Transport Canada and aviation industry partners occur to discuss various issues that may impact the aviation industry.

**Information technology risk****Cyber attacks on IT infrastructure**

Due to the evolving nature of the cyber threat environment, there is a risk that cyber threats and/or attacks may negatively impact CATSA's IT infrastructure and/or compromise

organizationally sensitive or secret information resulting in a loss of public confidence and potential damage to CATSA's reputation.

**Risk mitigation**

CATSA continues to strengthen its cyber security posture with ongoing improvements to IT infrastructure and processes.

## Appendix G: Compliance with Legislative and Policy Requirements

### Legislative and Regulatory Frameworks

Under provisions of the *Canadian Air Transport Security Authority Act* (the CATSA Act), and within the framework of the *Aeronautics Act*, CATSA is responsible for the screening of persons who access aircraft or restricted airport areas, the property in their possession or control, and the belongings that they give to an air carrier for transportation at designated airports across the country. CATSA's screening operations are also guided by the *Canadian Aviation Security Regulations, 2012*, and the *Screening Security Measures*.

Other legislation and Treasury Board of Canada directives address financial accountability, official languages, impact assessments, privacy, access to information, and multiculturalism, including:

- *Financial Administration Act (FAA), Part X;*
- *Crown Corporation General Regulations, 1995;*
- *Crown Corporation Corporate Plan, Budget and Summaries Regulations;*
- *Treasury Board of Canada Directives;*
- *Canada Transportation Act;*
- *Transportation Information Regulations;*
- *Official Languages Act;*
- *Access to Information Act and the Privacy Act;*
- *Accessible Canada Act and associated regulations;* and
- *Employment Equity Act and associated regulations.*

### Government of Canada Directives

#### Public sector pension reform

In June 2019, CATSA was issued a directive (Order in Council P.C. 2019-783) pursuant to Section 89 of the FAA, which outlines certain principles with regards to CATSA's pension plans. CATSA is compliant with the directive.

#### Travel and hospitality

As part of CATSA's commitment to open and accountable governance, CATSA confirms that its Travel, Hospitality, Conferences and Event Expenditures Policy is in compliance with directive P.C. 2015-1114, pursuant to Section 89 of the FAA, which requires CATSA's policies, guidelines and practices to be aligned with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations. This policy is available on CATSA's website.

CATSA reports travel and hospitality expenses through proactive disclosure. This disclosure is aligned with the Treasury Board standards for expenditures that are currently in effect.

#### Proactive publication under the *Access to Information Act*

In June 2023, the Government of Canada issued a new Directive on Proactive Publication under the *Access to Information Act*. CATSA continues to be committed to open and accountable

governance through proactive publication. All proactive publication requirements were completed during 2024/25 and within legislative timelines.

### **Greening Government Strategy: A Government of Canada Directive**

CATSA recognizes its role in supporting the Government of Canada's Greening Government Strategy, and will align to the strategy, including achieving net-zero emissions by 2050.

### ***Employment Equity Act***

The objective of the CATSA's Employment Equity Plan, pursuant to the *Employment Equity Act*, is to achieve a well-balanced workforce that reflects Canada's diversity and fosters a positive and supportive working environment. CATSA endeavours to reduce and eliminate gaps in representation among the four designated groups (women, Indigenous Peoples, members of visible minorities, and persons with disabilities). The plan addresses previously identified barriers and sustains positive practices to increase the representation of the four designated groups while encompassing broader principles of diversity and inclusion.

### ***Official Languages Act***

Under Part IV of the *Official Languages Act*, CATSA is required to provide screening services to the travelling public in both official languages at airports with one million or more passengers, and at airports where there is a significant demand for services in the minority language. A measurement of demand exercise is currently underway and will be completed in 2026.

CATSA surveys passengers across the country on a quarterly basis to verify if they were served in their preferred language, and to identify opportunities for improvement. Survey results, along with compliance measurement reports and complaints, are analyzed and used to improve front-line performance.

CATSA remains committed to its official languages obligations, including those that relate to its workforce. The organization works closely with its internal Advisory Committee on Official Languages, as well as the Office of the Commissioner of Official Languages and the Treasury Board Secretariat Official Languages Centre of Excellence, to make further progress on official languages goals.

CATSA also continues to monitor the regulatory changes introduced by Bill C-13, *An Act for the Substantive Equality of Canada's Official Languages*, to ensure the organization makes the necessary changes to its business operations.

### ***Access to Information Act and Privacy Act***

CATSA is subject to the Access to Information Act and the Privacy Act and strives to meet both the spirit and the legal requirements of both.

As part of the organization's commitment to its Privacy Act obligations, CATSA has training requirements for all employees, covering privacy essentials including the collection and use of personal information and implementing privacy protection measures.

## ***Pay Equity Act***

CATSA posted its revised Pay Equity Plan in September 2024, in accordance with the Pay Equity Act. The organization is committed to closing the gender wage gap and ensure that workers receive equal pay for work of equal value. CATSA's Pay Equity Plan introduces long-term, sustainable changes that will ensure that work that is considered predominantly done by women is valued and compensated fairly.

## **Protection of Federal Assets**

CATSA is committed to ensuring the responsible acquisition, maintenance and ultimate replacement of its screening equipment and related technologies and systems. CATSA's lifecycle management plans ensure a comprehensive approach to the proper protection of federal assets to ensure optimal value for money for the duration of the planned economic life of the equipment.

## Appendix H: Government Priorities and Direction

CATSA is committed to supporting Government of Canada priorities, as set out in the Speech from the Throne, the government's budget plans, the mandate letter from the Prime Minister to the Minister of Transport, and the letter of expectations from the Minister of Transport to the Chairperson of CATSA's Board of Directors (see Appendix A).

### Improved Service Delivery

CATSA strives to improve its mandated delivery of security screening services through meeting or exceeding its security effectiveness and wait-time service level targets, investing in ongoing professional development for its workforce and screening officers, driving innovation with the implementation of new technologies, advanced analytics and artificial intelligence, implementing life-cycle management plans and collaborating with partners to promote an integrated aviation ecosystem and elevate the client experience.

### Diversity, Equity and Inclusion

CATSA shares the Government of Canada's commitment to respecting Canada's diversity and inclusion values as it relates to its workforce and in delivering respectful and inclusive security screening. As part of its efforts, the organization has collaborated with various special interest groups as well as third party service providers to enhance training for CATSA staff and screening officers, on topics such as Indigenous cultural awareness, unconscious bias and accessibility.

In addition to the efforts contained in CATSA's Employment Equity Plan described in Appendix G, the organization's Code of Ethics, Conduct and Conflict of Interest, is designed to foster and reinforce a safe, respectful and inclusive work environment for all.

CATSA's commitments to diversity, equality, inclusion and employment equity are also supported by the adoption of workplace policies and practices that ensure employees from diverse backgrounds have access to reasonable accommodation of their values and traditions. Progress towards meeting diversity and employment equity goals is actively measured, monitored and evaluated. CATSA submits an annual report on its fulfillment of the *Employment Equity Act* and the *Canadian Multiculturalism Act*.

See the Planning and Results section for more information on diversity and inclusion at CATSA.

### Indigenous Relations and Reconciliation

CATSA is fully committed to reconciliation with Indigenous Peoples, which includes striving towards a workforce that is representative of Indigenous populations and ensuring that sacred and spiritual items are treated respectfully during the screening process.

In 2023, CATSA collaborated with Indigenous leaders to develop the course material for the Indigenous Cultural Awareness learning program provided to screening contractors, screening officers and CATSA staff. The goal of the training is to enhance the service offered to Indigenous travellers and incorporate diverse Indigenous backgrounds, experiences, cultural values and traditions into CATSA's operations. The course material was presented to CATSA employees in 2023/24.

CATSA collaborates with screening contractors to underscore the importance of the procedures for screening sacred and spiritual items. These procedures outline best practices for screening items with sensitivity and respect.

## Gender-based Analysis Plus

CATSA enables the implementation of Gender-based Analysis Plus (GBA Plus) principles in its decision-making processes, employment and recruitment practices, and operational procedures. Progress on efforts towards creating a barrier-free, inclusive, and sensitive environment is measured against the CATSA's GBA Plus Action Plan, and supports the organization's objectives related to improving the client experience and creating an inclusive environment for its own workforce. The action plan has been successful in championing new initiatives, strengthening current processes and identifying gaps. CATSA has implemented successful initiatives including integrating GBA Plus principles into the project planning process and mandatory GBA Plus training for decision makers.

CATSA will be implementing its new Service Strategy with GBA Plus principles at the forefront. This strategy reflects the importance of respectful, sensitive and barrier-free interactions with passengers.

Lastly, the organization's Diversity and Inclusion Network undertakes strong internal engagement work, educating employees and management on GBA Plus principles and resources.

## Ensuring Accessibility for all Canadians

CATSA's commitment to a barrier-free workplace and security screening experience for all Canadians is paramount in the planning and analysis of programs, practices, policies and services. This focus frames CATSA's future through an accessible lens.

CATSA published its first Accessibility Plan by December 31, 2022, followed by its Accessibility Plan Progress Report by December 31, 2023 and 2024. The organization continues to progress towards the *Accessible Canada Act* commitment to a barrier-free Canada by 2040.

Ongoing engagement with the accessibility community remains a priority through engagement events and consultation with associations representing the interests of persons with disabilities, including a forum, which will be hosted by CATSA in spring 2025.

## Sustainable Development

In September 2015, United Nations Member States, including Canada, adopted the 2030 Agenda for Sustainable Development at the UN General Assembly.

The UN Department of Economic and Social Affairs outlined 17 goals for sustainable development. Many of CATSA's programs and services are maintained and developed in line with the following sustainable development goals:

- Achieve gender equality and empower all women and girls;
- Promote inclusive and sustainable economic growth, employment and decent work for all;
- Build resilient infrastructure, promote sustainable industrialization and foster innovation;
- Make cities inclusive, safe, resilient and sustainable;

- Ensure sustainable consumption and production patterns;
- Take urgent action to combat climate change and its impacts; and
- Promote just, peaceful and inclusive societies.

CATSA incorporates UN sustainable development principles into practice, using the goals as a guideline to build a sustainability framework to progress government priorities throughout the organization. CATSA's existing initiatives including the Accessibility Plan, GBA Plus Action Plan, and Employment Equity Plan highlight the organization's strong foundation of sustainability and equity.

## **Climate Change**

CATSA will make annual disclosures in accordance with the TCFD, beginning in its 2024/25 Annual Report. Please see page 10 for more information.