



**Our
Sustainability
Plan**

2021-2025

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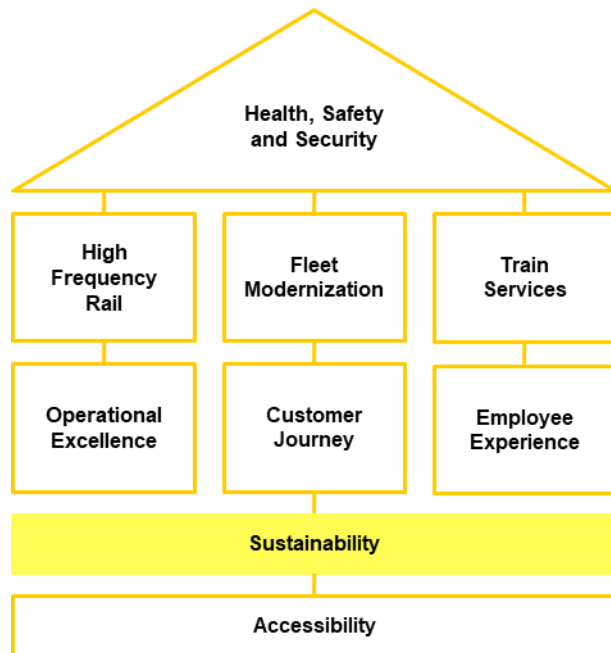
On board for good

Our purpose

A smarter way to move people

Sustainability is a foundation of VIA Rail’s strategic plan.

It is core to VIA Rail’s mandate, values and to its commitment of delivering a more modern, and sustainable transportation network that seamlessly connects our communities.



Keeping in mind VIA Rail’s operational boundaries and its nature, deploying a robust and future-oriented sustainability plan helps us embed sustainability into everything we do: from the way we operate our trains, stations and maintenance facilities to how we mobilize our employees and act as a responsible corporate citizen.

Our approach

Two important assessments have guided our sustainability plan (the Plan): an internal performance gap assessment and a materiality assessment.

These assessments were completed to ensure our Plan addresses the most important sustainability issues affecting VIA Rail’s capability to create value, as well as the ones influencing VIA Rail’s stakeholders on their perception of VIA Rail.

As a result, we believe that this new sustainability plan focuses on the most relevant priorities that reduce VIA Rail’s environmental footprint, enhance its role as a responsible mobility provider, and create lasting value for present and future generations.

Stakeholder engagement and materiality assessment

The stakeholder engagement survey was made in alignment with the recommendations from the international Global Reporting Initiative sustainability standards. The exercise was done through desktop review, interviews, and included a survey of internal and external stakeholders.

Seventeen stakeholder groups participated as part of the materiality assessment. They included, amongst others, VIA Rail Board members, senior management and employees, Union executives, customers, intermodal partners, suppliers and private organizations.

Important to our strategy development was confirming that for 81% of our stakeholders, VIA Rail's sustainability performance impacts their perspective of the brand.

Also, 73% of stakeholders perceive VIA Rail to be a sustainable company.

This exercise also revealed insights into:

- Perception of VIA Rail as a sustainable organization relative to its peers;
- Importance of sustainability as it relates to stakeholder decisions;
- Most material sustainability topics VIA Rail should consider as part of its sustainability strategy;
- Purpose and value of VIA Rail in society; and
- Relevant United Nations Sustainable Development Goals where VIA Rail could have the biggest impact.

Greening Government Strategy

As a Crown corporation, it was important for VIA Rail to ensure its sustainability plan was supporting Canada's sustainability ambitions. Our Plan was therefore elaborated to contribute to the unprecedented commitments from governments on sustainability and climate action and is aligned with the Federal Government's Greening Government Strategy.

Most important topics for our stakeholders

Environment

- Carbon Net Zero
- Waste and Circularity
- Air Emissions

Social

- Diversity, equity and inclusion
- Responsible mobility service
- Health & Safety
- Employee Engagement

Governance

- Ethics and Compliance
- Responsible Procurement
- Economic Prosperity

Supporting the United Nations Sustainable Development Goals

Our participation to the United Nations Global Compact will enable us to reinforce our commitment to sustainability by joining a global movement and by contributing to the advancement of broader societal goals – the United Nations Sustainable Development Goals (SDGs).

Our sustainability plan was designed to contribute to the SDGs on which we can have the greatest impact, as illustrated below.

We also aim to build partnerships for the goals (SDG 17).



Our objective

Our five-year sustainability plan is a first for VIA Rail and materializes our ambition to be part of the solution in helping Canada create a more sustainable future for all. Our plan drives us to embed environmental, social and governance performance in all our operations to be future-ready and to be more resilient.

The means to get us there are simple:

1. Improve performance, attesting to VIA Rail's commitment towards sustainable development.
2. Continuously and transparently consult communities and strategic partners on sustainability issues.
3. Establish an organizational culture focused on social responsibility and on actions that will answer challenges posed by climate change.

Our Priorities

We are deploying our sustainability plan based on six priorities spanning environmental, social and governance axes.

ENVIRONMENTAL: Reducing our environmental footprint

Climate Action

Mitigate impact on climate change and ensure readiness to adapt

Environmental Management

Minimize waste in our operations and drive circularity

SOCIAL: Enhancing our role as responsible transportation provider

Employee Mobilization

Support employees to become sustainability ambassadors

Community Engagement

Further engage with community partners to extend our reach

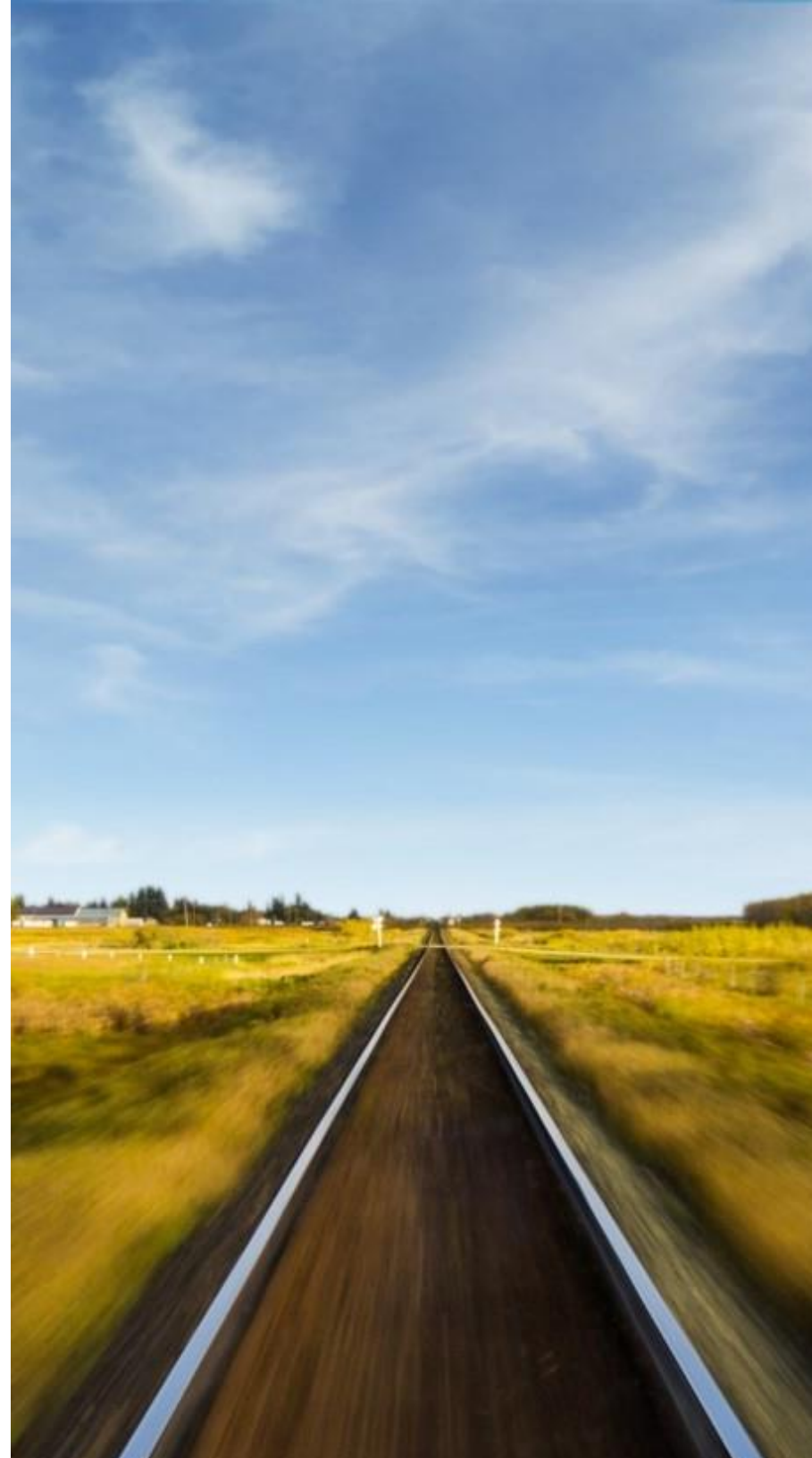
GOVERNANCE: Creating lasting value

Responsible Sourcing









Leverage sourcing as a key driver of sustainable practices

Credibility and Recognition

Demonstrate excellence in sustainability



VIA Rail's Sustainability Plan Summary

	Priorities	Strategies	2025 goals	Contribution to the SDGs ¹
ENVIRONMENTAL	Climate Action	Upgrade GHG reduction targets to support 2050 net-zero emissions ambition.	Reduce GHG emissions by 30% or more by 2030, compared to 2005.	 
		Improve fuel and energy efficiency in all operations. Complete review of climate change risks and implement action plan.	Integrate climate change risks in critical governance and decisional mechanisms.	
ENVIRONMENTAL	Environmental management	Reduce waste generated in our operations.	Offer a zero-waste train in the Québec City-Windsor Corridor.	 
		Increase reuse, recycling, and organic waste collection.	Increase recycling to 60% and introduce organic waste collection in prioritized sites.	
SOCIAL	Employee Mobilization	Mobilize employees through an inclusive and sustainability centered culture.	Train 100% of employees on sustainability. Majority of employees believe sustainability is a top priority for VIA Rail.	 
		Community engagement	Expand active stakeholder engagement and develop strategic community investments in communities in Canada. Align 80% of community investments with strategy. Have a national employee volunteering program in place.	
GOVERNANCE	Responsible sourcing	Implement responsible sourcing policy and program.	Reach 80% integration of Policy by suppliers.	 
		Credibility and recognition	Strengthen transparency through reporting and recognition in sustainability. Actively contribute to the United Nations Sustainable Development Goals.	

¹ United Nations Sustainable Development Goals

Climate Action

Passenger rail is one of the most environmentally friendly modes of transportation which helps reduce the transportation sector's contribution to climate change.

Moreover, with bold climate action being a priority for Canada, VIA Rail has an important role to play to drive the transition towards a low carbon economy. In 2019², VIA Rail emitted approximately 146 000 tonnes of CO₂e, of which approximately 90% were related to diesel use from train operations.

Our Climate Action priority will ensure that we set the most ambitious targets and actions to reduce our greenhouse gas emissions (GHG), further contributing to the Paris Agreement and to Canada's enhanced 2030 GHG reduction targets and net-zero commitment by 2050.

Our Climate Action priority also covers the way we will manage climate change risks and adapt to them moving forward.

Strategies

Upgrade GHG reduction targets to support 2050 net-zero emissions ambition.

Improve fuel and energy efficiency in all operations.

Complete review of climate change risks and implement action plan.

2025 Goals

Reduce GHG emissions by 30% or more by 2030, compared to 2005.

Integrate climate change risks in critical governance and decisional mechanisms.

² Most relevant reference year, as 2020 and 2021 presented significantly lower train operations due to the COVID-19 pandemic.

Environmental Management

Part of our commitment to delivering a more modern and sustainable transportation network to Canadians also involves reducing our environmental footprint every step of the journey.

Our focus is on minimizing the generation of waste and ensuring products and packaging are reused and recycled keeping them in the systems for as long as possible.

On board our trains and in our stations, it also means proactively responding to Canada's commitment to reducing the use of single-use plastics.

VIA Rail can make improvements on its waste diversion rate, and we aim to increase this rate in the coming years. Our Environmental Management priority aims at significantly reducing waste in all our operations, including trains, stations, maintenance centres and offices.

Strategies

Reduce waste generated in our operations.

Increase reuse, recycling, and organic waste collection.

2025 Goals

Offer a zero-waste train on the Quebec City-Windsor Corridor.

Increase recycling to 60% and introduce organic waste collection in prioritized facilities.

Employee Mobilization

Sustainability is a key driver of employee engagement, and our Employee Mobilization priority aims at providing the right support to employees, so they become sustainability ambassadors.

This priority also aims to contribute to VIA Rail's diversity and inclusion strategy, its employer brand strategy, as well as its training and enablement objectives.

As part of this priority, VIA Rail will create a formal network of ambassadors to extend our impact and further integrate sustainability in our day-to-day actions.

Strategies

Mobilize employees through an inclusive and sustainability centered culture.

2025 Goals

Train 100% of employees on sustainability.

Majority of employees believe sustainability is a top priority for VIA Rail.

Community Engagement

Because VIA Rail is a member of all the communities it operates in, connecting them from coast to coast to coast, maintaining an open dialogue with our key local stakeholders is critical to our ability to operate sustainably within these communities.

Our Community Engagement priority is twofold:

- continue to engage stakeholders on important topics, including environmental, social and governance (ESG) related topics; and
- reinforce our community investment strategy to further our sustainability actions with community partners.

In the near future, we want to better focus our in-kind donations to align them to our sustainability plan and leverage our employees' time and passion through volunteering.

Strategies

Expand active stakeholder engagement and develop strategic community investments in communities in Canada.

2025 Goals

Align 80% of community investments with strategy.

Have a national employee volunteering program in place.

Responsible Sourcing

Our Responsible Sourcing priority aims to use sourcing to further reduce adverse impacts from VIA Rail's operations on society and on the environment, as well as leverage opportunities to deploy our actions more sustainably upfront.

As a Crown corporation, VIA Rail already implements strict procurement processes, and all prospective suppliers must agree to abide to VIA Rail's policies and guidelines when responding to our Requests for Proposals.

More than 90% of our suppliers are Canadian-based companies and we are committed to working with them to further the use of environmentally and socially responsible products and services.

Through our Responsible Sourcing priority, we are implementing a Policy on Supplier Conduct and Responsible Sourcing in order to:

- reinforce the basic standards of conduct that VIA Rail expects from all suppliers doing business with us; and
- formalize the integration of sustainability considerations in our sourcing activities.

Strategies

Implement responsible sourcing policy and program.

2025 Goals

Reach 80% integration of Policy by suppliers.

Credibility and Recognition

Part of VIA Rail's commitment to sustainability also involves the reinforcement of our reporting and accountability in this area. This priority will ensure we adhere to recognized standards that our shareholder, the Government of Canada, as well as our stakeholders can use to adequately compare our performance to others.

VIA Rail has chosen the Global Reporting Initiative (GRI) as its core reporting standard. It is one of the most recognized sustainability reporting standards and is most relevant for VIA Rail.

We also joined the United Nations Global Compact (UNGC). Indeed, more than 50% of our stakeholders believe that VIA Rail should play a leadership role in advancing the United Nations Sustainable Development Goals. Our participation to the UNGC is the foundational action that will enable us to join a global movement and advance broader sustainable development and societal goals.

Strategies

Strengthen transparency through reporting and recognition in sustainability.

Actively contribute to the United Nations Sustainable Development Goals.

2025 Goals

Receive third-party recognition of sustainability performance.

