



**VIA RAIL'S 2021 ANNUAL PUBLIC MEETING
PARTICIPANT SPEECHES
ENGLISH VERSION**

Table of Contents

Opening Remarks, Philippe Cannon,
Director of Public Affairs and Governmental Relations **2**

A message from Françoise Bertrand,
Chairperson of the Board of Directors..... **3**

A message from Cynthia Garneau,
President and CEO..... **5**

A message from Marie-Claude Cardin,
Chief Financial Officer **9**

Closing Remarks, Philippe Cannon,
Director of Public Affairs and Governmental Relations **12**

Opening Remarks, Philippe Cannon, Director of Public Affairs and Governmental Relations

Ladies and gentlemen,

My name is Philippe Cannon, I am the Director of Public Affairs and Government Relations at VIA Rail Canada.

I would like to welcome you all to VIA Rail's Annual Public Meeting for the year ended December 31, 2020.

As you can see, the format of our Annual Public Meeting is identical to last year's in order to continue to follow the recommendations from public health authorities.

As part of this meeting, we had once again invited you to submit your questions and we thank you for taking the time to do so.

Answers to the most frequently asked questions are now available on our Annual Public Meeting page.

Over the course of this meeting, we will welcome VIA Rail's Chairperson of the Board of Directors, Françoise Bertrand, as well as Cynthia Garneau, President and Chief Executive Officer, and finally, Marie-Claude Cardin, VIA Rail's new Chief Financial Officer who joined the Corporation in March 2021.

But before hearing from our participants, let's take a sneak peek at VIA Rail's new Corridor fleet coming in 2022.

Enjoy the video...

A message from Françoise Bertrand, Chairperson of the Board of Directors

Ladies and Gentlemen,

It is a pleasure to welcome you to our Annual Public Meeting.

As was the case for the Canadian and global economy, 2020 was a very turbulent year for VIA Rail. Indeed, the year began with the suspension of most of our routes following a series of rail blockades and, having barely overcome this situation, VIA Rail saw the pandemic hit its entire operations!

It goes without saying that this year brought its share of challenges: we were forced to deprive Canadians of their regular service and a little over 1,000 employees of their jobs because the Corporation had to regrettably proceed with temporary layoffs. In addition, the important reduction of our operations for most of the year inevitably led to poor financial results and interrupted the momentum of continued growth achieved from 2015 to 2019.

But with its rich 43-year history, loyal employees, and a strong management team inspired by a dedicated President, VIA Rail was able to all year long carry out its mission to serve Canadians with determination and courage while rigorously managing its costs. We are also proud of all the efforts that we deployed to resume our operations when circumstances allowed it, while respecting guidelines based on best practices in health and safety, recommendations from public health authorities and notices from federal and provincial governments.

Although we faced unprecedented crises, we continued to prepare for the future by moving forward with our ambitious modernization program, which includes a new fleet for the Québec City-Windsor corridor, a new reservation system, and the renovation of cars part of the Heritage fleet.

The High Frequency Rail – HFR - project between Québec City and Toronto, our program's flagship project, remains at the heart of the ambitions essential to VIA Rail's future. In this respect, promising new steps were reached in 2020 with the submission of the Joint Project Office's report.



Questions and Answers

Published on May 27, 2021 as part of
VIA Rail Canada's 2021 Annual Public Meeting

This, in fact, led to the announcements made by the Government of Canada in the last federal budget and confirmed its support, as well as that of Minister Alghabra, for our HFR project - a project for which Minister Freeland even stated: "Our government fully supports the HFR project and we are ready to continue to invest."

These modernization projects are thus moving forward with a firm commitment to improving the travel experience of Canadians.

The year comes to a close with the conviction that VIA Rail is an efficient and resilient organization thanks to its passionate teams who are determined to provide the best travel experience to its passengers.

I would like to acknowledge the great dedication of all the members of the Board of Directors and thank them, they have supported the management team at every step of this exceptional year.

I would also like to thank the Honourable Marc Garneau, the former Minister of Transport, for having fervently defended VIA Rail throughout his mandate. I would like to assure his successor, the Honourable Omar Alghabra, of our full collaboration.

On behalf of the VIA Rail team, I want to reiterate to all of our current and future passengers that we remain committed to connecting Canadians from city to city, coast to coast, and to continuing to offer a safe, comfortable, accessible and sustainable travel experience.

We are determined to build the VIA Rail of tomorrow that will transform passenger rail service in Canada.

Once again, thank you all.

A message from Cynthia Garneau, President and CEO

Thank you, Françoise.

Ladies and Gentlemen,

dear employees and partners across Canada,

dear members of VIA Rail's Board of Directors, and colleagues of the Management Team,

thank you for being with us.

Bolstered by the impressive results from 2015 to 2019, VIA Rail started 2020 with optimism and confidence. Indeed, all signs pointed to continued growth, but we had to quickly adapt to new circumstances.

In February, the blockades led to the cancellation of more than 1,000 trains and affected more than 165,000 passengers. And then, in March, the pandemic hit the country - and the rest of the world - forcing us to reduce our operations and suspend some of our routes.

The health and safety of our passengers and employees remain our top priority. We have carefully followed the guidelines and recommendations from public health authorities and have put in place various measures so that our passengers can travel with us with confidence. This includes, amongst others, a strict protocol of sanitary measures on board our trains, in our stations, maintenance centres, call centres and offices, as well as pre-boarding health checks, a mask policy, and modified on-board services to meet the needs of our passengers while minimizing the spread of COVID-19.

From an operational standpoint, the impressive agility of our crisis cells and commercial teams allowed us to first maintain essential service levels and then to progressively introduce adjustments as the situation evolved.



Questions and Answers

Published on May 27, 2021 as part of
VIA Rail Canada's 2021 Annual Public Meeting

Indeed, during this exceptional situation, the goal remained to employ a balanced approach in order to fulfill our public service mandate while managing the financial impacts related to the drop in our ridership and revenues with rigour and caution.

Our front-line employees have continued to provide our passengers with an outstanding and professional service, and I would like to thank them for their dedication and commitment to VIA Rail. I would also like to take a moment to acknowledge our employees who are currently at home: we know that you are going through a difficult situation and we can't wait to have you back with us again, doing what we know best : serving our passengers throughout Canada!

In the face of adversity, we made the decision to continue investing in our future and to keep looking towards our future as a key player of sustainable mobility in Canada. From our Fleet Replacement Program in the Québec City – Windsor corridor, whose first train set is expected to be commissioned in 2022, to our Heritage program, and to the renewal of our electronic reservation system, my team and I, over the course of the year, have been moving the projects of our modernization program forward at a steady pace.

Our vision of sustainable transportation, however, would not be complete without our flagship, growth-generating and environmentally friendly project which consists of upgrading and building tracks dedicated to the transport of passengers between Québec City and Toronto: our High Frequency Rail project or HFR. It goes without saying that this large-scale project will allow us to better serve present and future generations by connecting more communities, offering more departures, improving on-time performance and reducing trip times. As such, in 2020 we moved closer to our ambitions when the Joint Project Office, between VIA Rail and the Canada Infrastructure Bank, submitted its report to the federal government at the end of the year, and we are committed to continuing to work closely with the government to carry out and deliver our HFR project.

In addition to our modernization, we pursued our efforts to offer a more accessible, inclusive and sustainable future to Canadians. With the objective of always going further together, we launched our first universal accessibility policy and completed 18 projects to continue improving the travel experience for passengers with disabilities. In 2020, we



Questions and Answers

Published on May 27, 2021 as part of
VIA Rail Canada's 2021 Annual Public Meeting

also developed a comprehensive sustainability plan that will be implemented in the coming years. This will enable the Corporation to further integrate environmental, social and governance considerations into all its activities.

All the work done, and the challenges overcome last year would not have been possible without the availability and wise advice of the Chairperson of our Board of Directors, Ms. Françoise Bertrand, and of all its members. Thank you all!

I also would also like to thank our colleagues at Transport Canada for their continued support and collaboration.

To those who retired, I want to say a heartfelt thank you for contributing to laying the foundations of VIA Rail's success.

To new employees and to new members of the Management Team, thank you for accepting to share your talents with us in order to help us build a modern and sustainable passenger rail service.

I would also like to commend our managers who, day in and day out, have demonstrated resilience, innovation, efficiency and professionalism, surmounting the many challenges we have faced.

Finally, I would like to thank our loyal passengers who have demonstrated unwavering confidence in VIA Rail by continuing to choose our service, despite the pandemic. I would also like to express my empathy to passengers who could not have access to our usual frequencies, particularly on our two long-distance routes, the Canadian and the Ocean.

In 2020, we thus overcame significant obstacles together while continuing to provide Canadians a safe way to travel and to pursue our efforts to become a preferred transportation solution for all.

While we still need to be vigilant, the COVID-19 vaccination campaign gives us cause for optimism, and we are all looking forward to seeing you again on board our trains. Rest



Questions and Answers

Published on May 27, 2021 as part of
VIA Rail Canada's 2021 Annual Public Meeting

assured that when circumstances will allow it, we will be ready to welcome you on board and offer you the same quality service you have come to know and love.

In closing, passenger rail is the way of the future, and with our various modernization projects, we are at a crucial turning point that will make VIA Rail one of the most important vehicles for change by providing a modern and more sustainable passenger rail service. As such, we are writing the next chapter of VIA Rail's history, one that will fundamentally transform the Canadian journey... and we look forward to continuing this journey with all of you.

Take care of yourselves and your loved ones.

A message from Marie-Claude Cardin, Chief Financial Officer

Ladies and Gentlemen,

Thank you for joining us for VIA Rail's 2021 Annual Public Meeting.

Before delving into our financial results for the year 2020, allow me to introduce myself: my name is Marie-Claude Cardin, and I am VIA Rail's Chief Financial Officer.

I joined the organization in March 2021, after having spent more than 30 years in the fields of finance and information technology in many industries including investment, financial services, consulting, mining, manufacturing and transportation.

Since my very recent arrival, I have had the opportunity to get to know the Corporation's various teams and I have been struck by their passion, dedication and determination to always wanting to go the extra mile to offer a safe, sustainable, accessible and comfortable travel experience to our passengers.

The year 2020 will be one that we will all remember for a very long time.

And the numbers I will be presenting reflect the difficulties we have faced last year.

Starting in early 2020, VIA Rail had to deal with two major unforeseen crises which have had negative impacts on our operations: the COVID-19 pandemic, of course, but also the rail blockades.

These difficulties led to an important decrease in demand, to a reduction of our services, and even to the suspension of some of our routes.

These impacts translated into:

- A decrease in revenues of 317.9 million dollars or 77.4% compared to 2019 and a decrease in ridership of 77.1%.
- In light of the decrease in ridership and in our operations, we ensured to responsibly manage the funds allocated by the Government of Canada. As such, we reduced our operating expenses by 174.2 million dollars or 21.2% compared

to 2019. This reduction is partly associated to the decrease in frequencies but also to cost saving measures including the temporary layoff of a little over 1,000 employees and the cancellation and postponement of initiatives not essential to rail operations.

In 2020, VIA Rail required more funding from the government and thus received 415.8 million dollars in operating funding from the government, which is 135.1 million dollars or 48.1 % more than in 2019.

Despite the impact of the pandemic on operations, we maintained our focus on major modernization projects, which resulted in a total investment of 252.9 million dollars. This includes:

- 164.4 million dollars for the Corridor Fleet Replacement Program;
- 35.1 million dollars for equipment projects, including the program to refurbish HEP cars, part of the Heritage Fleet;
- 17.7 million dollars for station and maintenance centre projects including London and Kingston stations and our Winnipeg maintenance centre; and
- 17.3 million dollars for information technology projects such as the new reservation system and accessibility projects.

We have always closely monitored the evolution of the pandemic in order to fulfill our mandate during these unique times while contributing to national efforts against COVID-19... and we will continue to do so for as long as necessary. It goes without saying that the resumption of our operations will take place with the objective of answering to growing demand, while minimizing any rise in the deficit that would have the effect of increasing VIA Rail's dependence on the Government.

In light of the annual results presented, I easily imagine that none of you will feel the temptation to celebrate.

We have indeed had to make many sacrifices and difficult decisions over the past year. This report, in a way, bears the marks of that.



Questions and Answers

Published on May 27, 2021 as part of
VIA Rail Canada's 2021 Annual Public Meeting

But I believe that we can still feel great pride and satisfaction in knowing that, thanks to the vigilance and solidarity demonstrated by the VIA Rail team during the storm that we are still facing, we are still on the way to great achievements.

Thank you.

Closing Remarks, Philippe Cannon, Director of Public Affairs and Governmental Relations

Ladies and Gentlemen,

As you will have gathered, crisis management will have occupied most of 2020. However, while showing resilience in the face of the obstacles encountered, we have not lost sight of the future through our modernization program, and of course, our HFR project, which will be crucial to the future of sustainable mobility in Canada.

This now concludes our 2021 Annual Public Meeting.

For more information on VIA Rail, we invite you to visit our corporate website and our 2020 Annual Report available online in the Media Centre.

In addition, please note that this broadcast complies with VIA Rail's Universal Accessibility Policy.

Finally, we invite you throughout the year to submit your questions and comments through our Customer Service team.

Thank you for joining us and we look forward to seeing you next year.