

Annual Public Meeting

January 23, 2020




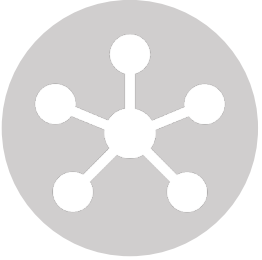
Agenda

1. **Moderator introduction**
2. **Remarks** by Chair, Board of Directors, Janice Fukakusa
3. **Remarks** by President and CEO, Pierre Lavallée
4. **Moderated Question and Answer session**

A centre of infrastructure investment expertise



\$35 Billion in four priority sectors

			
Green Infrastructure	Public Transit	Trade and Transport	Broadband
Green infrastructure projects support Canada's ongoing transition to a clean growth economy. Examples of potential projects include renewable power, water services and wastewater treatment, electricity transmission (interties) and district energy.	Transit infrastructure projects improve commute times, cut air pollution, strengthen communities and grow Canada's economy. Examples of potential projects include light rail transit, subways, tramways and bus rapid transit.	Trade and transport infrastructure projects help build stronger, more efficient corridors to domestic and international markets, and help Canadian businesses compete and grow. Examples of potential projects include ports, freight and passenger rail, highways, all-season and resource roads, bridges and tunnels.	Broadband infrastructure helps increase Canadians' high-speed connectivity in unserved and underserved communities.

CI B purpose

The purpose of the CI B is to invest, and seek to attract investment from private sector investors and institutional investors, in infrastructure projects in Canada or partly in Canada that will generate revenue and that will be in the public interest by, for example, supporting conditions that foster economic growth or by contributing to the sustainability of infrastructure in Canada.

The CIB is a new tool to invest in new infrastructure

The CIB functions are:

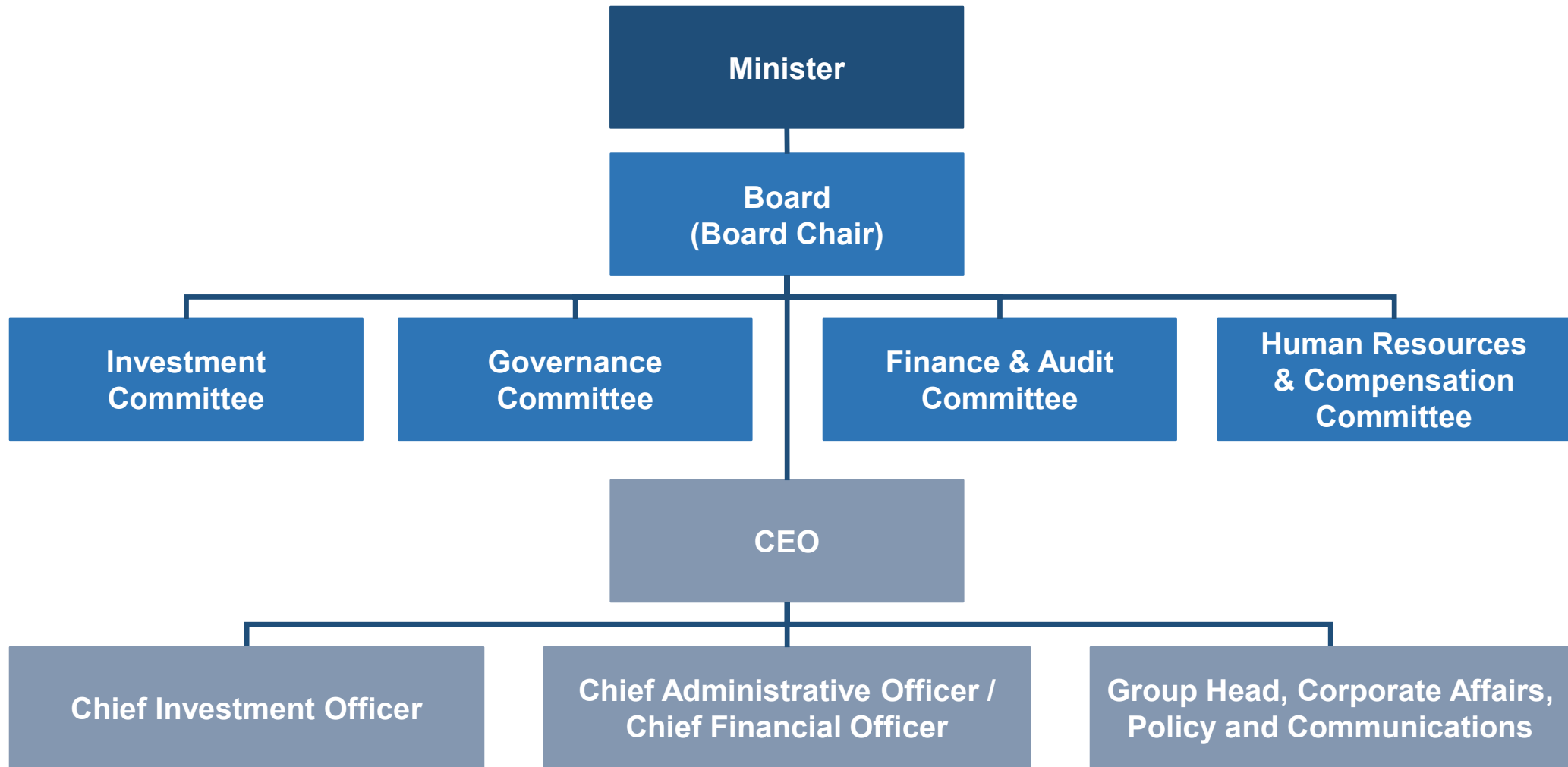
- Structure proposals and negotiate agreements
- Invest in infrastructure projects using innovative tools
- Receive unsolicited proposals
- Support infrastructure projects and evidence-based decision-making
- Act as a centre of expertise
- Provide advice to all levels of government
- Collect and disseminate data in collaboration with governments

CIB has strong governance

CIB has a professional Board of Directors:

- Distinguished leadership experience
- Six women and five men, with a diversity of backgrounds in terms of region and language
- Skills and relevant sector knowledge includes infrastructure, operations and investment, governance
- The Board meets at least six times a year
- Regular Board sub-committee meetings focus on Investment; Governance; Finance and Audit; and Human Resources and Compensation

CIB's leadership is experienced and professional



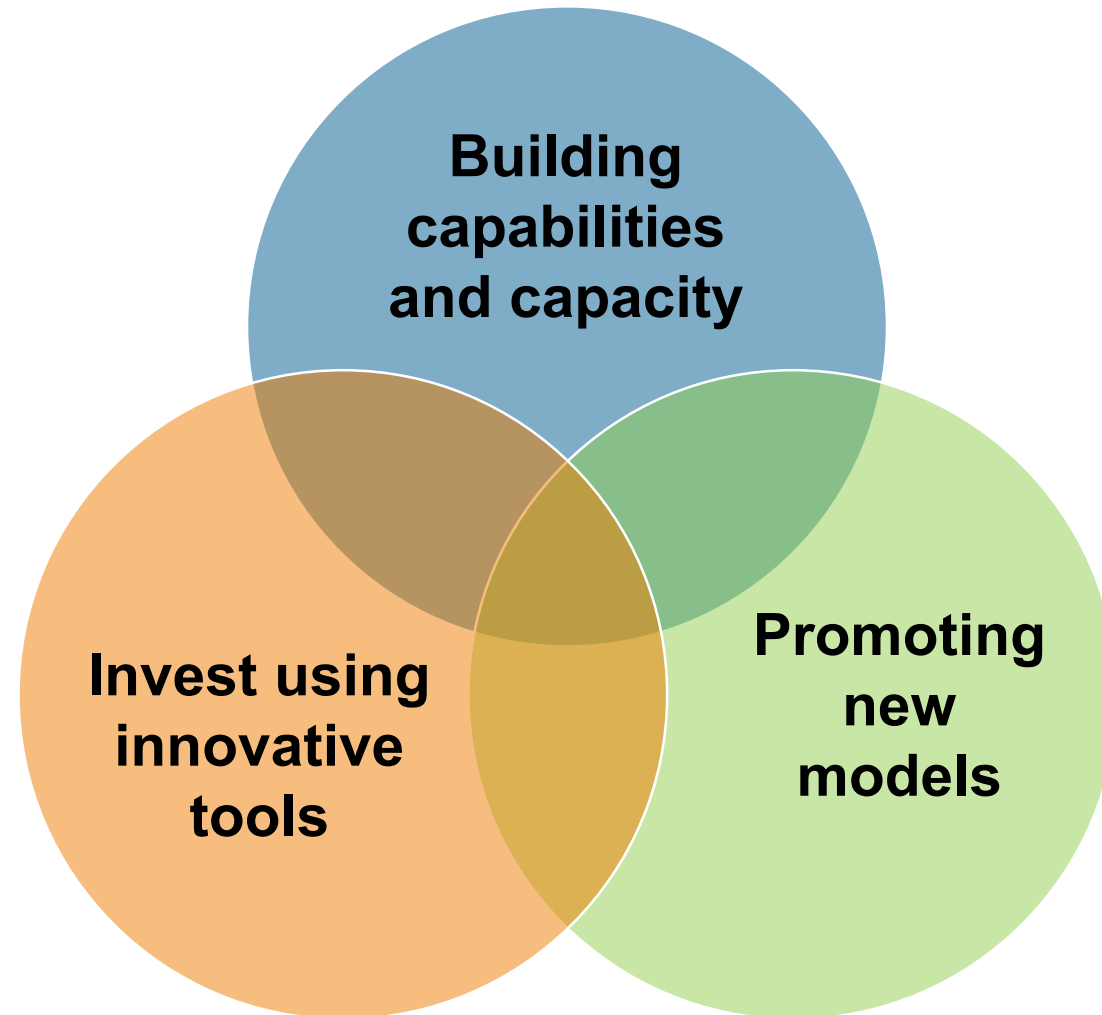
Advantages of the CIB approach

- Expertise allows the CIB to play an active **advisory role with public sector sponsors** to assist them bringing forward project proposals for potential CIB investments
- Focus is on **investing** and being a **catalyst** for new transformational infrastructure
- **Investment fills the gap** in capital structures for new projects
- CIB has **flexibility** to invest across the capital structure and brings a disciplined investing approach to projects, including appropriate risk transfer
- **Project investment decision-making and oversight** by the CIB Board of Directors
- Complementary to and **distinct from existing government departmental programs** that invest in infrastructure through grants and contributions

Advisory, project development and investment expertise

- We play an **active advisory role with public sector project sponsors**
 - Increase awareness regarding innovative investment and financing models
 - Assess, at no cost to project sponsors, revenue generating project proposals
 - Build relationships with the market through tools such as market soundings to determine private sector interest
 - Evaluate the public interest and bankability of projects
- We offer specialized commercial and **investment expertise**
 - Structuring debt, equity, loans and hybrids
 - Complex financial modeling
 - Financial advisory
 - Project structuring and procurement options

2018-19 strategic objectives



Results: Organizational foundations

- A team of 35 people by fiscal year end
- Commitment to deliver services in both official languages with an Action Plan
- Approved suite of policies and frameworks such as Code of Conduct and Conflict of Interest, Enterprise Risk Management, Internal Audit and Human Resources
- Established a Management Investment Committee, and related policies and project processes

Results: Engagement with project sponsors

- 310 meetings with governments, project sponsors and proponents
- 100+ projects reviewed
- 85 public outreach events
- Engagement with provincial-territorial Ministers and Deputy Ministers responsible for infrastructure
- Preliminary outreach to municipal leaders

Results: 2018-19 financial summary

- The CIB operated below the approved budget
- Financial statements jointly audited by the Auditor General of Canada and an external independent auditor
- Resources are aligned to responsibilities in order to fulfill mandate within budget

	2019
Revenue:	
Interest income	\$ 2,029
Expenses:	
Compensation	5,975
Professional fees (note 16)	3,254
Travel and communications	761
Premises and equipment	647
Administration	405
Information Technology	183
Depreciation	151
	11,376
Net loss before government funding	(9,347)
Government funding:	
Investment appropriations	549,000
Operating appropriations	11,225
Capital appropriations	151
	560,376
Net income and comprehensive income	\$ 551,029

Results: Réseau express métropolitain investment

August 22, 2018

Réseau
express
métropolitain



- CIB investment: \$1.283 billion
- 15-year structured loan
- Completes project financing with risk transfer
- Supports increased transit, reduced congestion, economic development and reduced greenhouse gas emissions



Announcements

August 22, 2018



\$1.283 billion
(Transit)

May 30, 2019



Up to \$2 billion
(GO Expansion)

June 25, 2019



Up to \$55 million
(High Frequency Rail)

July 15, 2019



Up to \$20 million
(Water and Wastewater)

August 1, 2019



Memorandum of Understanding
(District Energy)

August 28, 2019



Advisory Engagement
(Hydroelectricity Expansion)

December 4, 2019



Up to \$300 million
(Contrecoeur Port)

December 17, 2019



Memorandum of Understanding
(Pirate Harbour Wind Farm)

Conclusion and Q&A session

- Questions will be addressed to the best of our ability during the time of the webcast
 - Initial questions will focus on those received by email in advance of the Annual Public Meeting
 - Additional questions received by email will be addressed
- Summary of question and answer session will be posted to our web site along with the presentation material