



2021 Market Update and Investment Outlook

CIB is an Outcomes-Focused Impact Investor

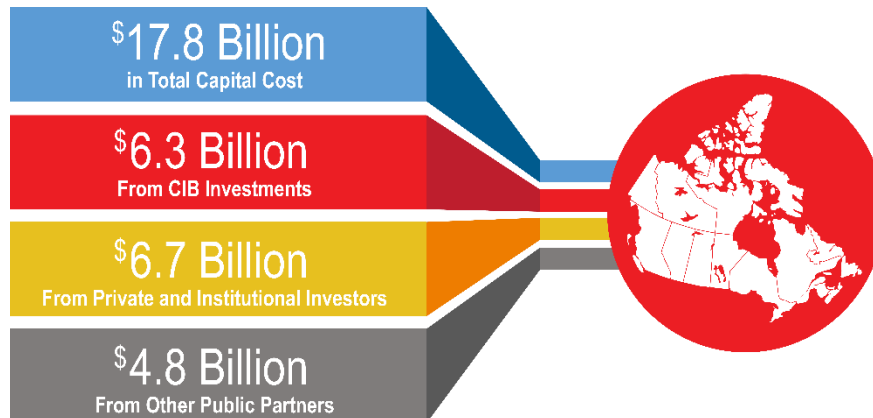
The Canada Infrastructure Bank (CIB) is an **impact investor** accelerating new infrastructure. We are focused on **investment outcomes** like reducing greenhouse gases, connecting Canadians and their communities, increasing economic growth and closing the Indigenous infrastructure gap.

We believe that investments in new infrastructure are important for Canada’s sustainable economic success. Our investments show significant commitment to infrastructure that supports the transition to the **net-zero economy**.

We know governments and businesses can do more working together than on their own. By **partnering** with provinces, territories, municipalities and Indigenous communities, we help **all levels of government** address their infrastructure priorities. We actively engage **private and institutional investors and project developers** who bring capital and know-how to projects. With our private sector partners, we are further strengthening confidence in the Canadian infrastructure market.

\$6.3 Billion in CIB Approved Investments

The speed, scale and regional breadth of our investments are accelerating. To date we have a total of **\$6.3 billion in CIB investment commitments**, \$5 billion of which has been approved in the last year. Our commitments are a major catalyst for projects with an estimated total capital cost of **\$17.8 billion**. The total of these projects includes \$6.7 billion from private and institutional investors. Additional CIB investments across various sectors are anticipated in 2021, particularly in transit, clean power and green infrastructure.



The current sectoral breakdown of the CIB’s \$6.3 billion total investments is as follows:

- \$2.6B transit
- \$1.4B clean power
- \$0.3B green infrastructure
- \$1.5B broadband
- \$0.5B trade and transportation

Call to Action – Funnel of Long-Term Opportunities

We have a strong funnel of project opportunities that will help us go far beyond current investments.

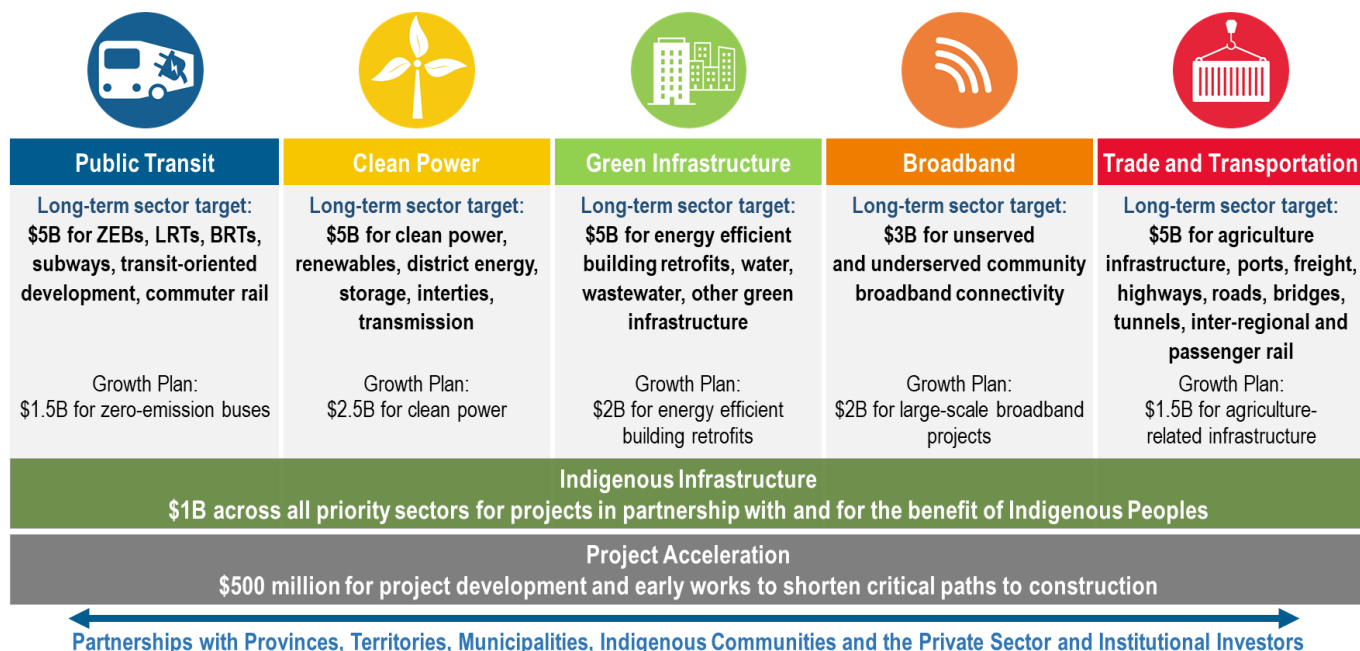
We estimate CIB investment commitments will grow beyond **\$3 billion per year near-term and increase to over \$5 billion per year** over the coming years to achieve our long-term investment goals.

At this time, our funnel of investment opportunities includes an estimated **35 projects in investment structuring** that could lead to investment commitments, subject to CIB due diligence and independent decision-making. Over **20** of these projects are in the green infrastructure and clean power sectors. We also continue to actively work with partners on large-scale projects of significance such as High Frequency Rail and the Atlantic Loop.

We are actively developing new projects in our funnel in every part of the country. Our team of investment professionals, located in **Toronto, Montreal and Calgary** work with public, private and institutional partners, including Indigenous communities and organizations, to develop investible projects. We invite all partners to bring forward project ideas and opportunities to partner with the CIB and deliver outcomes for Canadians.

Strategy to Deliver \$35 billion in Priority Sectors

Our strategy is focused on investing \$35 billion across Canada over the long-term in **five priority sectors** set by government: public transit, clean power, green infrastructure, broadband and trade and transportation.



Our investments are guided by an investment framework that balances investment levels, risks, outcomes and public benefits, and are set in the context of the *Canada Infrastructure Bank Act* and the Statement of Priorities and Accountabilities from the Minister of Infrastructure and Communities. We are a **results-focused** organization, disciplined and rigorous in our **independent investment decision-making**. With oversight from our Board of Directors, we are open about our priorities, have high performance standards, and are transparent about our results.

Investments to Close the Indigenous Infrastructure Gap

We are committed to increasing investment in infrastructure in participation with and for the benefit of **Indigenous communities**. Across our priority sectors, we will invest at least **\$1 billion** in projects that benefit First Nation, Métis and Inuit communities, and we currently have four approved investment commitments to projects creating Indigenous partnership opportunities:

- Oneida Energy Storage and Lake Erie Connector are large-scale clean power projects, and both are structured to include Indigenous partner investment, and will have sustainability and climate action benefits;
- Tshuettin Railway expansion project and Kahkewistahaw Landing urban reserve project are part of the Indigenous Community Infrastructure Initiative which provides flexible financing for smaller-scale and high impact projects, delivering important sustainable community economic development opportunities with and for Indigenous Peoples.

Additional advisory, project development, acceleration and investment opportunities with Indigenous communities and project developers are anticipated in 2021. For example, we are also developing new opportunities alongside Indigenous partners, including the Chippewas of Georgina Island First Nation project to accelerate project technical due diligence and business case development that could lead to future investment. These projects are an indication of how the CIB is adapting its investment approaches to better address the specific needs and priorities of Indigenous communities.

Portfolio of Projects Reducing Greenhouse Gases

Examples of approved projects and the **sustainability and climate change** outcomes that are part of the \$6.3 billion in CIB investments include:

- Delivering a 30-50% reduction in greenhouse gases from commercial building retrofits in Quebec in cooperation with SOFIAC;
- Lowering greenhouse gases by 67,000 tonnes annually through the district energy expansion in the Greater Toronto Area by partnering with Enwave;
- Strengthening Ontario's energy system and making it more sustainable for taxpayers and ratepayers, and greener for Canada, through projects such as Oneida Energy Storage and Lake Erie Connector;
- Modernizing production at Algoma Steel which will create greenhouse gas reductions of more than three million metric tonnes per year by 2030;
- Adding 1,300 zero-emission buses to various communities including the Ottawa and Brampton transit bus fleet transformations that will result in cleaner commutes for people.

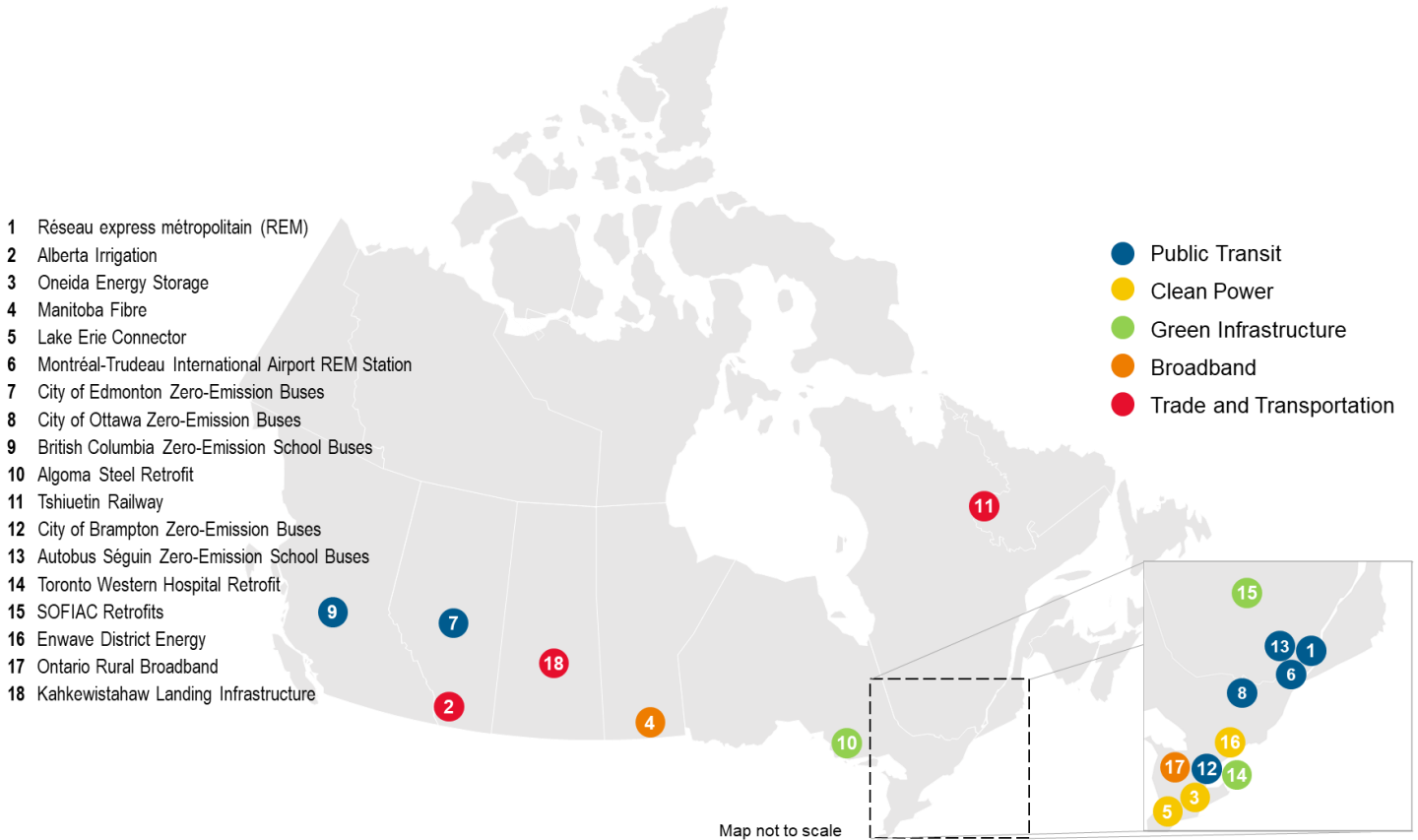
Partnerships to Connect People in Rural Communities with Broadband

We work to promote the development and funding of **large broadband projects**. We expect large Internet Service Providers (ISPs) to bring forward large broadband projects across Canada, and small to medium sized ISPs to do the same in regions where smaller projects could have a material impact on communities. Our commitments to date have the potential to connect close to 250,000 homes including:

- 190,000 Ontario homes with high speed internet in partnership with private sector ISPs in conjunction with the previously announced Canada/Ontario commitment with Innovation Science and Economic Development's Universal Broadband Fund;
- 48,500 underserved households in Manitoba will get fibre-to-the-home in many rural municipalities.

Appendix A: Portfolio of Investments Across Canada

The following map highlights the CIB's current approved and announced investment commitments, with seven of these projects already in construction and execution.



Appendix B – Summary of CIB Approved and Announced Investments

| Projects that Achieved Financial Close | | | | |
|--|--|----------------------------|-------------------|--|
| PROJECT | PRIORITY SECTOR | STATUS | CIB PARTICIPATION | PARTNERS |
| Réseau express métropolitain (REM) (Quebec) | Public Transit | In construction | \$1.28 billion | Government of Quebec, CDPQ Infra |
| Alberta Irrigation (Alberta) | Trade and Transportation | In construction | \$466 million | Government of Alberta, Ten Irrigation districts |
| Manitoba Fibre (Manitoba) | Broadband | In construction | \$164 million | Valley Fiber Limited, DIF Capital Partners |
| Toronto Western Hospital Retrofit (Ontario) | Green Infrastructure | In construction | \$19 million | VanCity Community Investment Bank, Noventa Energy Partners, Enbridge Gas, Environment and Climate Change Canada, University Health Network (UHN) |
| Autobus Séguin Zero Emission Buses (Quebec) | Public Transit | In construction | \$15 million | Government of Quebec Autobus Séguin |
| Tshiuëtin Rail (Quebec, Newfoundland, and Labrador) | Indigenous Community Infrastructure Initiative; Trade and Transportation | In construction | \$50 million | Transport Canada, Société du Plan Nord, Tshiuëtin Rail Transportation Inc., Tshiuëtin LP |
| Montréal-Trudeau International Airport REM Station (Quebec) | Public Transit | In construction | \$300 million | Government of Quebec, Transport Canada, Aéroports de Montréal |
| British Columbia Zero-Emission School Buses (British Columbia) | Public Transit | Financial close, June 2021 | \$30 million | Government of British Columbia, Association of School Transportation Services of British Columbia |
| City of Edmonton Zero Emission Buses (Alberta) | Public Transit | Financial close, Aug. 2021 | \$14 million | City of Edmonton, Edmonton Transit Service |
| SOFIAC Retrofits (Quebec) | Green Infrastructure | Financial close, Sept 2021 | \$100 million | SOFIAC, Fondation, Econoler and Fiera Private Debt |
| Enwave District Energy (Ontario) | Clean Power | Financial close, Sept 2021 | \$600 million | Enwave Energy Corporation, Ontario Teachers' Pension Plan, IFM |

| Projects Progressing towards Financial Close | | | | |
|---|--|---------------------------------|-------------------|---|
| PROJECT | PRIORITY SECTOR | STATUS | CIB PARTICIPATION | PARTNERS |
| Algoma Steel Retrofit (Ontario) | Green Infrastructure | Final due diligence in progress | \$220 million | Algoma Steel Inc., Innovation, Science and Economic Development Canada (Canada Strategic Infrastructure Fund) |
| Oneida Energy Storage (Ontario) | Clean Power | Final due diligence in progress | \$170 million | NRStor Inc. and Six Nations of the Grand River Development Corporation |
| Lake Erie Connector (Ontario) | Clean Power | Final due diligence in progress | \$655 million | Government of Ontario, ITC Holdings Corp., Fortis |
| City of Ottawa Zero Emission Buses (Ontario) | Public Transit | Final due diligence in progress | \$400 million | City of Ottawa, OC Transpo |
| Ontario Rural Broadband Projects (Ontario) | Broadband | Final due diligence in progress | \$1.3 billion | Innovation, Science and Economic Development Canada (Universal Broadband Fund) |
| City of Brampton Zero Emission Buses (Ontario) | Public Transit | Final due diligence in progress | \$400 million | City of Brampton |
| Kahkewistahaw Landing Infrastructure (Saskatchewan) | Indigenous Community Infrastructure Initiative; Trade and Transportation | Final due diligence in progress | \$13 million | Kahkewistahaw Economic Management Corporation, Indigenous Services Canada |

Appendix C – Summary of Announced Advisory, Project Development and Project Acceleration

| Advisory, Project Development and Project Acceleration | | | | |
|--|--|---|---|--|
| PROJECT | PRIORITY SECTOR | STATUS | CIB PARTICIPATION | PARTNERS |
| High Frequency Rail (Quebec, Ontario) | Trade and Transportation | Planning and pre-procurement work | Up to \$55 million | Transport Canada, VIA Rail |
| GO Rail Expansion (Ontario) | Public Transit | Project procurement structuring by partners | Up to \$2 billion (pending partner decisions) | Infrastructure Ontario, Metrolinx |
| Lulu Island District Energy (British Columbia) | Clean Power | Business case and financing structure | Memorandum of Understanding | City of Richmond, Lulu Island Energy Company |
| Contrecoeur Port Terminal (Quebec) | Trade and Transportation | Procurement by partner | Up to \$300 million (pending partner decisions) | Montreal Port Authority |
| Taltson Hydroelectricity (Northwest Territories) | Clean Power | Business case and financing structure | Advisory | Government of Northwest Territories |
| Pirate Harbour Wind Farm (Nova Scotia) | Clean Power | Project development | Memorandum of Understanding | Port Hawkesbury Paper |
| Kivalliq Hydro-Fibre Link (Nunavut) | Clean Power and Broadband | Project development | Memorandum of Understanding, Project Acceleration | Kivalliq Inuit Association, Sakku Investments Corporation |
| Calgary-Banff Rail (Alberta) | Trade and Transportation | Business case and financing structure | Memorandum of Understanding, Project Acceleration | Government of Alberta |
| New Westminster Rail Bridge (British Columbia) | Trade and Transportation | Transportation study | Memorandum of Understanding, Project Acceleration | Public Services and Procurement Canada, Transport Canada and Infrastructure Canada |
| Highway 697 Toll Bridge (Alberta) | Trade and Transportation | Project development | Memorandum of Understanding, Project Acceleration | Government of Alberta |
| MD of Acadia and Special Areas Irrigation (Alberta) | Trade and Transportation | Project development | Memorandum of Understanding, Project Acceleration | Government of Alberta, Municipal District of Acadia and Special Areas Board |
| City of Edmonton Building Retrofits (Alberta) | Green Infrastructure | Energy audits and business case | Memorandum of Understanding, Project Acceleration | City of Edmonton |
| Newfoundland and Labrador Fixed Link (Newfoundland and Labrador) | Trade and Transportation | Further capital and user assessment | Memorandum of Understanding | Government of Newfoundland and Labrador |
| Georgina Island Project (Ontario) | Indigenous Community Infrastructure Initiative; Trade and Transportation | Project development | Memorandum of Understanding, Project Acceleration | Chippewas of Georgina Island First Nation |