

Alto | Cadence Information Session

Notice:

Please treat all information shared in this presentation, as well as in any subsequent discussions, as confidential. All information presented in this dossier is conceptual and does not constitute a commitment to implement any parameter, program, process or procedure.





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Land Acknowledgement

An aerial photograph of a blue high-speed train traveling along a set of tracks through a dense green forest. The train is moving from the top-left towards the bottom-right. The tracks are flanked by gravel and are surrounded by lush green trees. The overall scene is captured from a high angle, showing the perspective of the train's path.

01

Introductions

Introductions



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Session Agenda

- 1 Introductions
- 2 Project Overview
- 3 Project Governance
- 4 Procurement Strategy
- 5 Contracts Award Process
- 6 Question Period and Closing Remarks

Session Objectives

01

Introduce the Project

Present Alto's development context and procurement strategy direction

02

Early Market Visibility

Outline key packages and indicative sequencing for the central segment

03

Build Market Readiness

Support team structuring and supply chain planning

04

Drive Competitive Participation

Encourage partnerships between local and international players

05

Set Procurement Expectations

Communicate the guiding principles that will shape future procurement processes and participation

An aerial photograph of a blue high-speed train traveling along a set of tracks through a dense green forest. The train is blurred, indicating motion. The tracks are flanked by gravel and bordered by a concrete wall. The surrounding area is filled with lush green trees.

02

Project Overview



Alto is a Government-led Transformative Project

If done right, the project presents exceptional opportunity for industry, including:

- **Long-term, predictable work**
- **Ability to develop new capabilities and enter new markets**
- **Provide investment certainty for new equipment, training and productivity**

ALTO



Challenges to Overcome



Workforce
Availability



Supply Chain
Resilience



Shifting
Geo-Political
Environments

As a responsible developer, we're already working to address these challenges through early engagement with unions and small and medium-sized businesses in Quebec and Ontario.

Project Benefits for all Canadians



Economic growth



Reduction of GHG emissions



Frequent service and reliable



More than 50 000 jobs created



Time savings



Safe and accessible travel



Strong support for Canadian goods and services



Improved links between major cities



Increased connectivity

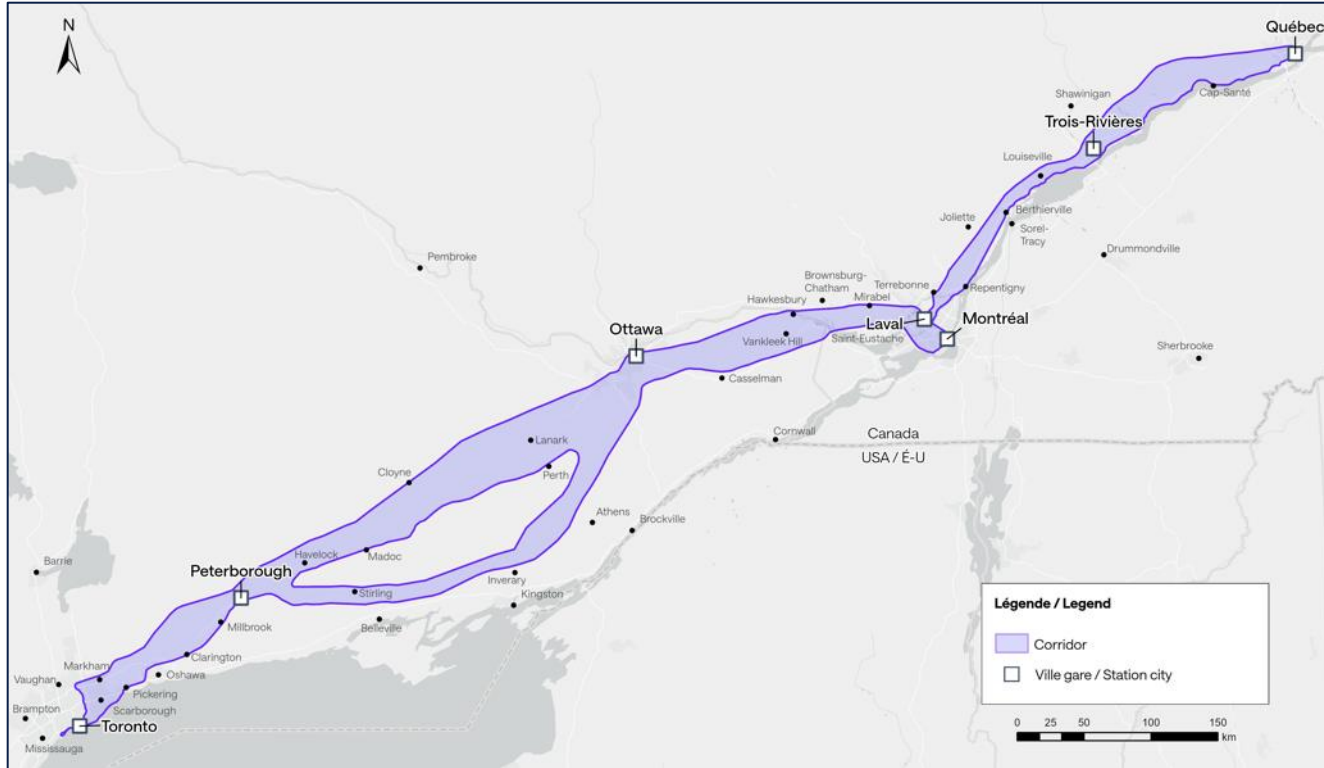
Long-term structural economic effects:

Increase of 1.1 % in Canadian GDP

OR

Increase of 24.5 B\$ in Canadian GDP

Corridor Map

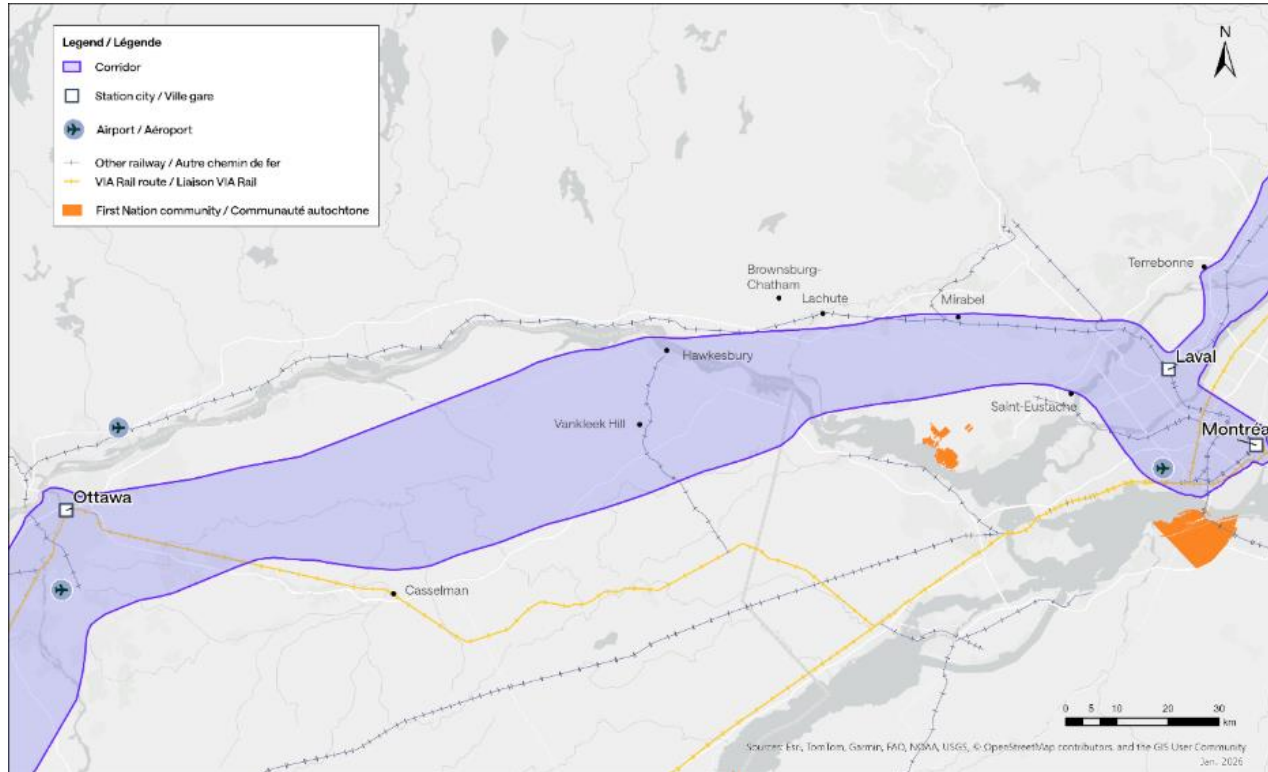


Toronto > Québec City

SCOPE

- 1000 km
- 7 confirmed stations + potential Kingston station
- Operations control centre
- Maintenance and storage facilities
- Bridges and viaducts
- Track and catenary
- Rolling stock & Systems

Central Segment

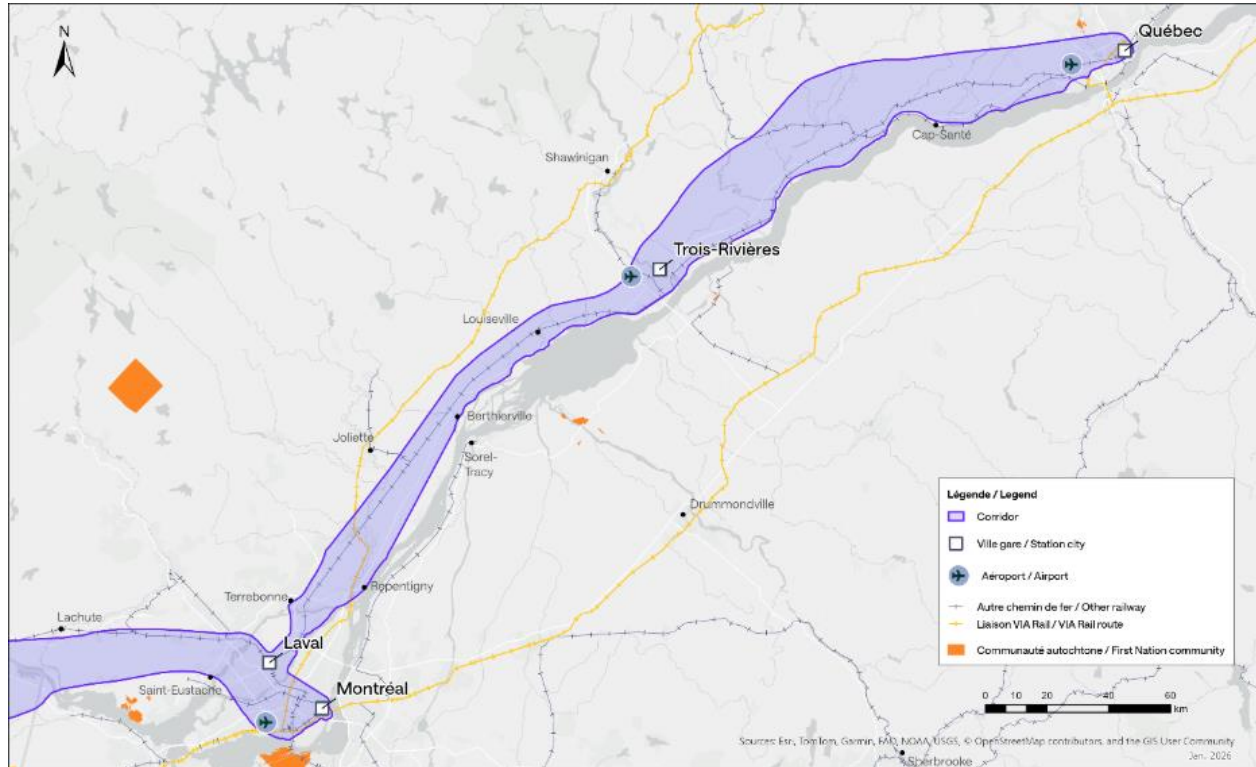


Ottawa > Montreal

SCOPE

- 200 km
- 3 stations
- Operations control centre
- Maintenance and storage facilities
- Bridges and viaducts
- Tunnel

Eastern Segment

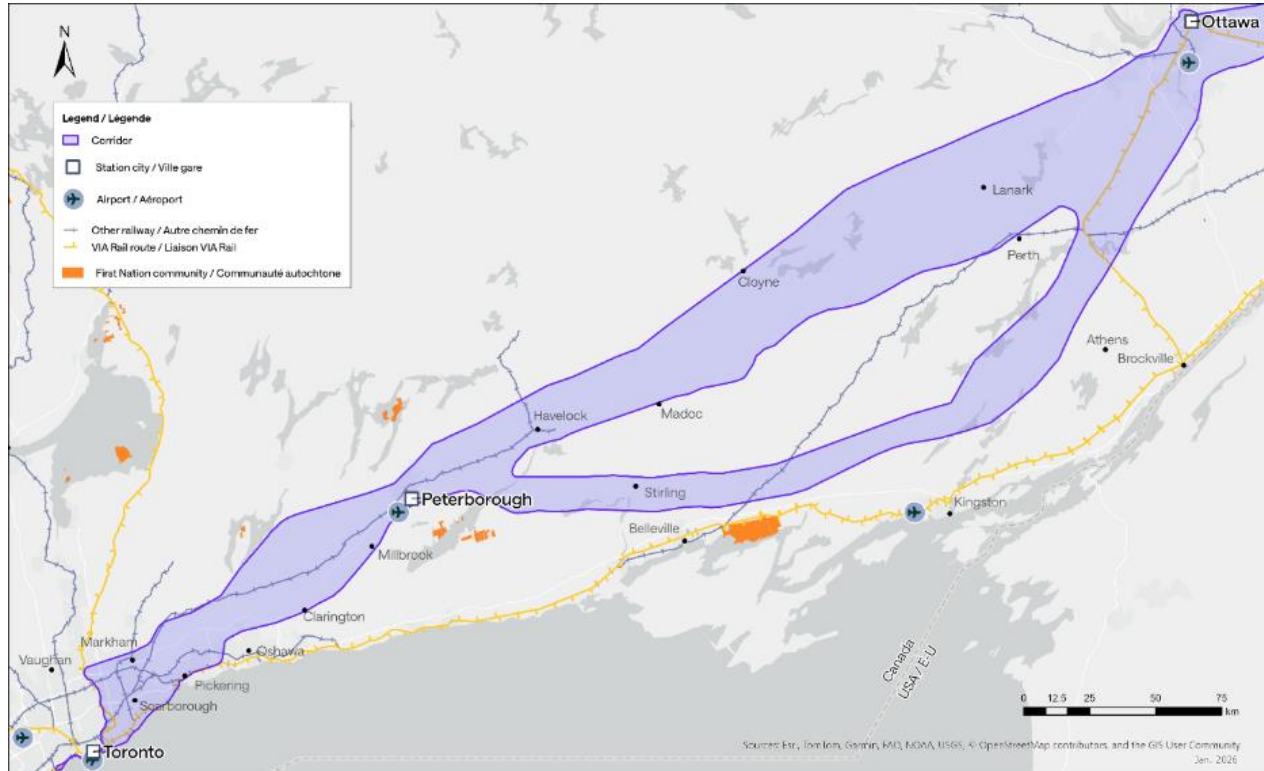


Montreal > Québec City

SCOPE

- 300 km
- 2 stations
- Storage facilities
- Bridges and viaducts

Western Segment



Ottawa > Toronto

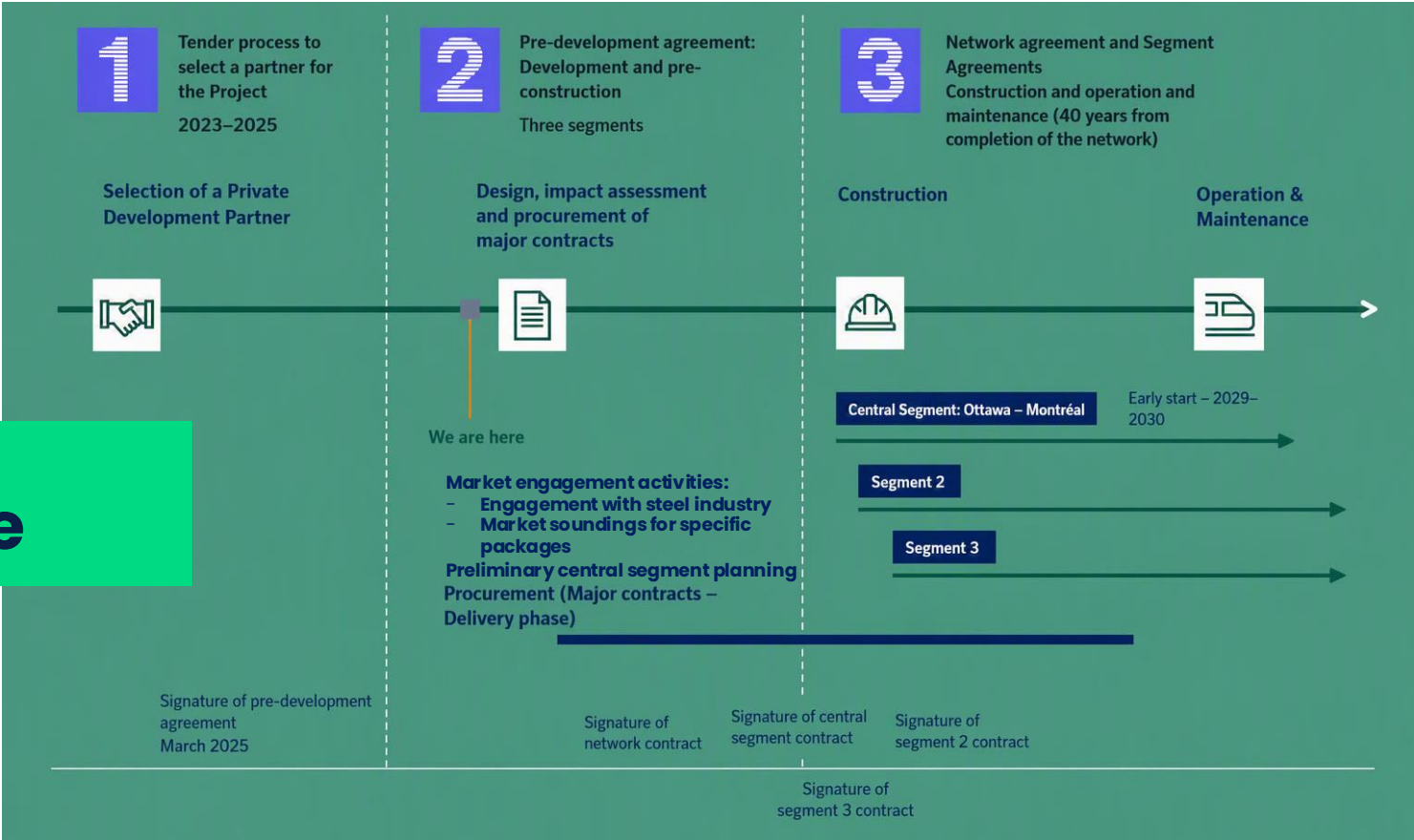
SCOPE

- 400 km
- 3 stations + potential Kingston station
- Maintenance and storage facilities
- Bridges and viaducts

Technical Parameters

- The train's maximum operating speed is 320 km/h, except in tunnels, where it would run at 150 km/h.
- Electric power supply of 25 kV, 60 Hz alternating-current catenary system.
- The system's primary maintenance centres to be located near Montréal, Toronto, and Ottawa.
- Infrastructure maintenance bases and satellite facilities along the corridor.
- Storage tracks will be required near terminal stations.
- The precise location of maintenance centres, including those located in the central segment, remains to be determined.
- No level crossings on the network. All road and railway crossings will be grade-separated.

Project Schedule



03

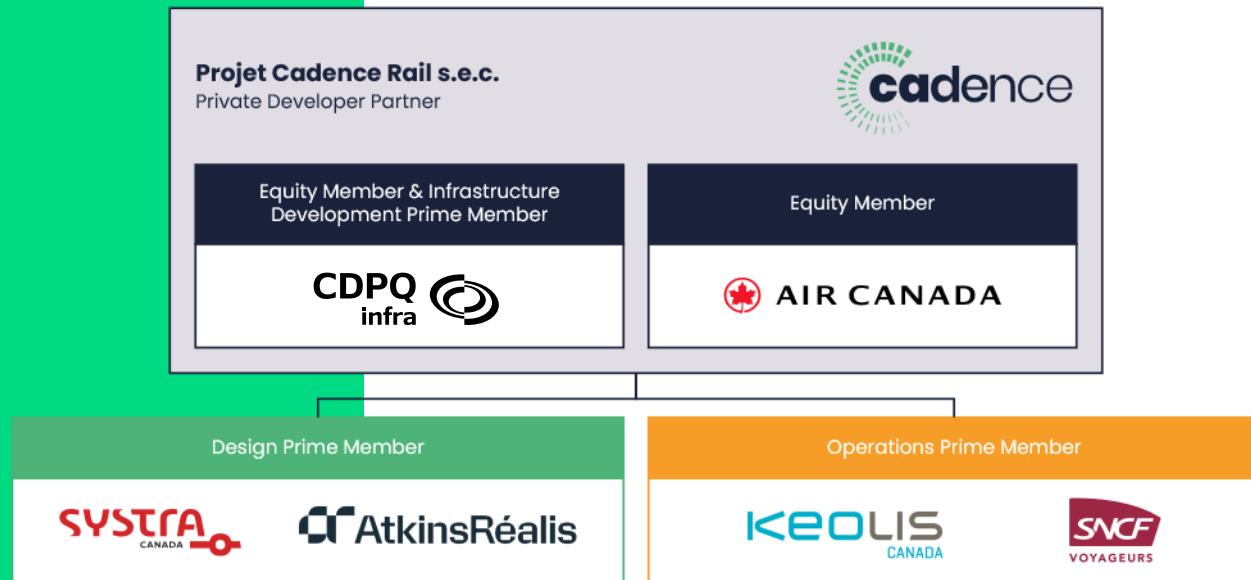
Project Governance



About Cadence

Cadence is a Canadian-led multinational group of companies that brings together world-class expertise in designing, financing, building, operating, and maintaining large-scale, complex rail infrastructure.

Cadence was selected through a competitive global procurement process to co-design, build, finance, operate, and maintain the project, ensuring the best value for Canadians.



Roles & Responsibilities



- **Ultimate Governance:** Holds overall accountability and high-level approval authority
- **Strategic Oversight:** Makes certain regulatory compliance and public interest alignment
- **Non-Operational:** No involvement in day-to-day execution activities



- **Procurement and Bidding:** Leads the procurement, including RFPs, bidder interactions and the development of the commercial/technical framework
- **Delivery:** Overall responsibility for project delivery (construction, testing and commissioning, sequencing, management and coordination of delivery and interface management)
- **Operation and maintenance of the system:** Operate and maintain the rail network system (incl. customer service)



04

Procurement Strategy

Procurement & Packaging Strategy: Guiding Principles



Foster Competition

Preserve broad and diversified market participation by avoiding excessive consortium consolidation and maintaining competitive tension across packages.



Attract the Right Expertise

Structure packages to secure the balance of local delivery, financial, technical and specialist capability.



Reflect Market Realities

Shape packaging, sequencing and delivery models through market consultation, capacity feedback and evolving supplier appetite.



Preserve Network Integration

Maintain strong coordination across packages, interfaces, operational requirements, rolling stock, systems integration and commissioning.



Optimize Risk Allocation

Tailor delivery models and commercial structures to each package's risk profile, maturity and ability of the market to manage risk.



Procurement for Economic Resilience

- Cadence is committed to ensuring that **Canadian businesses, workers, and communities, including Indigenous communities, benefit directly from this project.**
- The procurement strategy is guided by the requirements of the **Government of Canada's new Buy Canadian Policy.**

Cadence will work to ensure:

- Fair and competitive procurement
- A procurement strategy informed by industry engagement



Future Partner Evaluation Criteria

Evaluation factors will vary by package and delivery model. But may include elements such as:



Financial strength and delivery capacity



Relevant experience and depth of expertise, including experience on comparable projects



Ability to mobilize and availability of key resources



Taking into account the local context and ability to deliver projects in Québec and/or Ontario

Packaging Strategy

Scope is divided into Network-Wide and Segment-Specific packages, structured to manage interfaces, drive competition and align with market capacity.

NETWORK-WIDE PACKAGES

WP1 Rolling Stock

Competitive Dialogue & Supply Agreement

WP2 Railway Systems & Integration

incl. Signalling, Control, Telecoms

Only WP1 and WP2 are Network-Wide. Network-wide scope ensures system coherence, interoperability and integrated accountability across all three segments.

Segment-specific packaging allows geographic and local content nuances including Indigenous Relations and Community Benefits obligations to be considered and adapted at the package level.

SEGMENT-SPECIFIC PACKAGES (CENTRAL)

WP3 Montréal Maintenance Centre

WP4 Montréal Station and Access

WP5 Montréal Access Tunnel

WP6 Tunnel Fit-Out (tbc – may be incorporated in WP5 or WP2)

WP7 Laval Station and Access

WP8 Laval Structures

WP9–13 Intercity Civil Works (QC and ON lots)

WP14 Ottawa Station and Access

WP15 Early Works

WP16 Railworks and catenary

WP17 Third Party Works (QC and Ontario)

What will the Work Packages Include?

Package scopes, delivery models and sequencing are indicative only and remain subject to refinement as design progresses, market feedback is received and further analysis is completed.

Package group	Indicative scope
Network-wide packages (WP1 & WP2)	Rolling stock, systems, signalling, train control, telecommunications and network integration.
Stations and urban access (WP4/7/14)	Montréal, Laval and Ottawa station/access packages, including related civil, structural, architectural, MEP and interface works.
Major structures and tunnels (WP5/6/8/10)	Montréal tunnel, Laval structures, Ottawa River bridge and associated technical / constructability interfaces.
Linear corridor works (WP9/11/12/13)	Civil works, rail platform preparation, track, catenary, power supply and associated railway works.
Maintenance and depot facilities (WP3)	Maintenance centre / depot facilities, equipment and interfaces with rolling stock, systems and railway works.
Enabling and preparatory works (WP15/17)	Utilities, diversions, third-party works, test track and other early works to support construction sequencing.

Delivery Models Considered

A range of delivery models are being considered to reflect design maturity, risk profile and market capacity. All models are intended to balance risk, support delivery certainty and enable effective integration. Final models will be confirmed and refined through ongoing analysis and market feedback.

Route	Key Characteristics	When Appropriate
Competitive Dialogue	<ul style="list-style-type: none">• Secures supplier technical solutions and design input into the competition• Minimizes delivery risks• Co-designed solutions	Constrained markets requiring alignment between Authority requirements and supplier solutions
Design & Build (Single Stage)	<ul style="list-style-type: none">• Full competitive tender• Contractor takes design and construction risk• High price certainty at award• Requires mature information	Well-defined scope; lower-risk civils; limited interfaces
Early Contractor Involvement (ECI)	<ul style="list-style-type: none">• Early contractor involvement• Phased pricing as design matures• market-tested subcontract pricing• Transparent cost development	Complex works with incomplete design; need for early contractor input and sequencing optimization

Delivery Models Considered

Route	Key Characteristics	When Appropriate
Cost Plus	<ul style="list-style-type: none">• Open-book pricing• Flexibility during delivery• Lower price certainty• Risk retained largely by client• Incentivization can be added	Early-stage works; high uncertainty; need for flexibility or accelerated start
Bid Build	<ul style="list-style-type: none">• Full competitive tender• Single submission• Contractor takes full risk• High price certainty at award• Requires mature scope	Mature, well-defined scope enabling lump sum procurement with competitive pricing
Direct Award	<ul style="list-style-type: none">• No competition• Reliance on existing supplier capability• Requires strong governance and justification	Public utilities and other third parties works

DELIVERY & COMMERCIAL MODELS



Delivery models were selected through a structured Procurement Multi-Criteria Assessment (PMCA) process. Approaches are calibrated to design maturity, risk profile and market capacity avoiding premature commitment while enabling early progress on long-lead items.

Package	Delivery Model
Rolling Stock (WP1)	Competitive Dialogue and Supply Agreement
Systems and Integration (WP2)	Design-Build
Montréal Maintenance Centre (WP3)	Design-Build
Montréal and Laval Stations (WP4, 7)	Early Contractor Involvement (ECI)/Progressive Design-Build
Montréal Access Tunnel (WP5)	Design-Build with GBR
Tunnel Fit-Out (WP6, tbc)	Anticipated to be incorporated in WP5
Laval Structures (WP8)	Design-Build

Package	Delivery Model
Ottawa River Bridge (WP10)	Design-Build
Intercity Civil Works (WP9, 11-13)	Bid-Build
Ottawa City Access (WP14)	Early Contractor Involvement (ECI)/Progressive Design-Build
Test Track Early Works (WP15)	Cost Plus
Railworks and OCS (WP16)	Design-Build
Third Party Works (WP17)	Direct Award or Negotiated

Key Principles: Progressive commitment Proportionality to design maturity Non-prescriptiveness Maintain competitive tension



05

Contracts Award Process

Processes in line with industry best practice

The procurement processes will comply with the requirements of Alto and Cadence procurement policy.

They are based on the fundamental values of integrity, equity, and transparency.

→ Evaluation committees organized by domain, independent of each other, and composed of internal and external experts, trained for their roles and responsibilities

→ Ongoing monitoring of real, potential or apparent conflicts of interest. Any situations involving the assessors and bidders, submitted for review to a conflicts of interest review committee

→ The recommendations of the various committees will be forwarded to an internal review committee that will be responsible for quality control, compliance with rules and final recommendations.

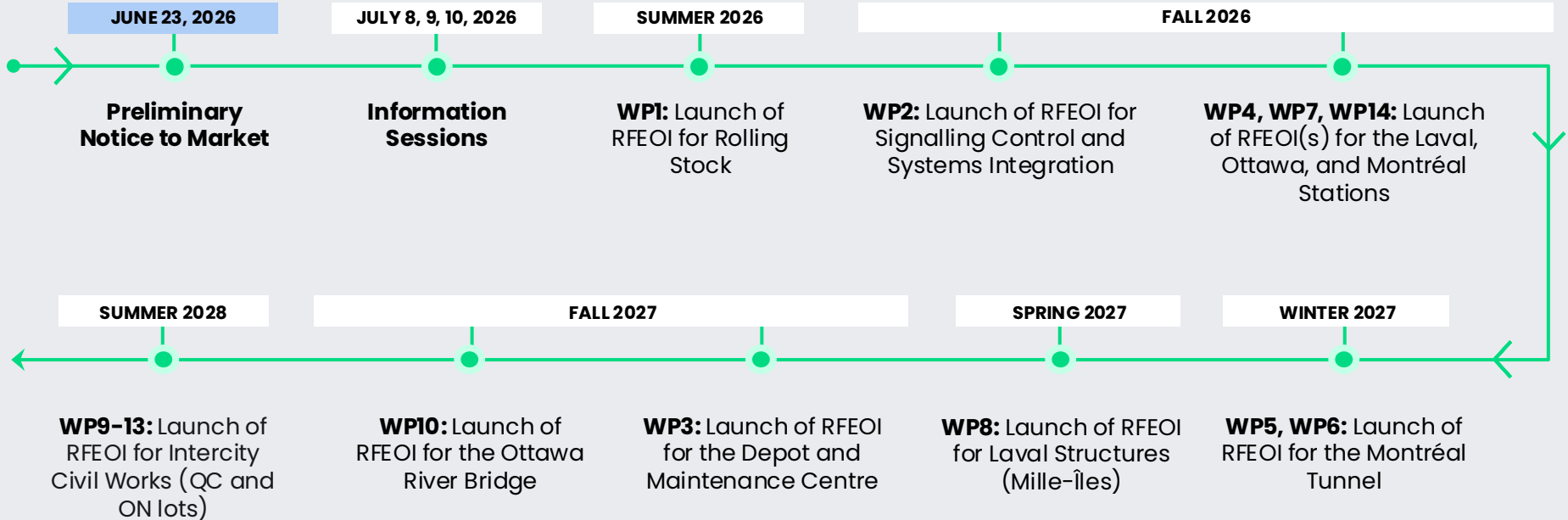
→ Several procurement process auditors have been identified to monitor the selection processes until the contracts are executed

→ An evaluation plan is established for each process: the reference framework for rigorous oversight of evaluation activities

→ Any information deemed useful in developing an optimal proposal will be made available to all bidders through the electronic documentation room

Target Procurement Timeline for the Central Segment

*Indicative timeline- subject to modification



Question Period and Closing Remarks

Stay informed

To receive key updates and information related to procurement for the Alto project, register for the Cadence supplier portal at:

<https://cadence.info/en/supplier-register>

