



Capital  
Markets

# 2025 Municipal and Agency Roundtable

DECEMBER 2025

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## CANADIAN MUNICIPAL ISSUERS



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## Canadian Municipal Issuers

### City of Toronto



**Stephen Conforti**  
Chief Financial Officer and  
Treasurer, City of Toronto

#### Financial Overview of 2025

The City of Toronto is Canada's largest city and the fourth largest in North America, with a population of more than 3.2 million and a diversified economy that accounts for roughly 25% of Ontario's GDP and 9% of Canada's GDP.

In 2025, City Council adopted a balanced operating budget of approximately C\$18.8 billion, an increase of about 10% from the prior year, as Toronto continues to respond to population growth, higher service demands, and inflationary pressures.

The 2025 budget continues to prioritize core services such as transit, emergency services, affordable housing, and shelters, while also supporting investments in climate resilience and state-of-good-repair (SOGR) for critical infrastructure. The budget is funded through a mix of property taxes (including the Municipal Land Transfer Tax), government transfers, user fees and charges, TTC fares, rate-supported revenues, and modest contributions from interest and investment income. Property taxes (including MLTT) account for about 35% of operating revenues, with a further 25% from federal and provincial transfers.

The City's 2025–2034 Capital Plan totals approximately C\$59.6 billion, the largest in Toronto's history. Key capital priorities include water and wastewater systems, transit, housing, transportation, and parks and recreation infrastructure. About 54% of the plan, roughly C\$32.4 billion, is dedicated to SOGR to address the infrastructure backlog and maintain assets in a state of good repair.

Toronto maintains strong access to capital markets and continues to hold high, stable credit ratings: Aa1 from Moody's, AA+ from S&P Global Ratings, and AA from Morningstar DBRS. All three agencies cite the City's large and diversified economic base, relatively low debt burden, healthy liquidity, and strong financial management as key supports for the ratings. The City's long-term financial plan and balanced-budget requirement provide an important framework for managing ongoing operating pressures and significant capital needs.

#### What are the main sources of revenue for the City to pay its debt obligations?

Debt repayment is funded primarily through the property tax levy and other recoverable sources. Property taxes, including the Municipal Land Transfer Tax, account for roughly 35% of the City's operating revenues. Based on the 2025 operating budget of C\$18.8 billion, this represents approximately C\$6.6 billion in annual tax revenue. Continued growth in taxable assessment and the strength of Toronto's large and diversified economy support the stability of this revenue base.

Other dedicated capital financing resources also support debt repayment. The City Building Fund levy is projected to generate C\$384 million in 2025 and plays a significant role in advancing major transit and housing priorities. Over the 2025 to 2034 capital plan, the City Building Fund is expected to contribute about C\$8.5 billion in capital funding, reducing reliance on debt.

Rate-supported revenues, such as water and wastewater rates, provide additional funding for growth-related and rate-supported capital needs.

Rating agencies consistently highlight Toronto's strong liquidity, estimated at between C\$14 billion and C\$15 billion in consolidated cash and investments, including sinking funds, and its moderate tax-supported debt burden of about 1.1% of taxable assessment as important strengths underpinning the City's capacity to service its debt.

#### What kind of support from higher level of governments do you expect in 2026?

Support from the Province of Ontario and the Government of Canada remains essential to Toronto's ability to deliver high-quality services and advance major infrastructure initiatives that strengthen both the regional and national economy. Rating agencies consistently highlight the value of predictable and timely support from senior governments as an important contributor to the City's strong and stable credit profile.

Under the Ontario-Toronto "New Deal," the City is receiving approximately C\$1.2 billion in operating support over 2024-2026 and about C\$3.0 billion in capital support over a ten-year period. These investments are helping to stabilize transit and subway operations, enhance the shelter and homelessness system, and support other priority service areas that are critical to the well-being of residents. A key component of the agreement is the provincial upload of the Gardiner Expressway and Don Valley Parkway, which will substantially reduce long-term state-of-good-repair requirements and allow the City to direct more capital resources toward transformational infrastructure projects.

As the current New Deal term concludes in 2026, Toronto will continue to work collaboratively with the Province to establish a renewed financial framework. The City will also seek sustained federal and provincial partnership to advance shared priorities in affordable housing, transit operations and capital expansion, and climate-resilient infrastructure.

**Can you provide an overview of your borrowing program in 2025 and your plans for 2026?**

Toronto’s borrowing program is driven by its Council-approved 10-year capital plan and a commitment to maintaining debt and debt-servicing costs at prudent levels. In recent years, the City has typically borrowed around C\$1.0-C\$1.2 billion annually in the public markets, complemented by recoverable debt and other capital funding sources.

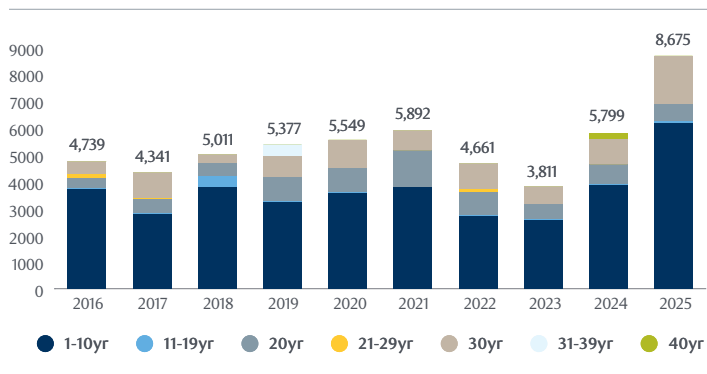
Borrowing is typically executed through benchmark-sized debenture issues with 10-, 20-, and 30-year maturities, including both conventional and ESG-labelled debentures issued under the City’s Green Debenture Framework and Social Debenture Framework. These labelled issues align with Council-approved criteria and support projects with environmental or social benefits. Terms to maturity are selected to match the life of major infrastructure assets and to optimize overall debt-servicing costs while maintaining a well-structured long-term financing program.

For 2026, Toronto expects to maintain a borrowing program broadly consistent with recent years, continuing to support major investments in transit, housing, and state-of-good-repair projects under the C\$59.6 billion 10-year Capital Plan.

The City will continue to avoid pre-financing, timing issuance to align with actual capital cash-flow requirements and prevailing market conditions.

**2025 C\$ Municipal & Agency Issuance**

Issuance (C\$ Millions)



Source: RBC Capital Market as of December 10, 2025

**What are some of the key attributes of the City that you would like to highlight to investors from a Credit Rating Perspective?**

Toronto benefits from a combination of structural strengths that support its strong credit profile. All three major rating agencies assign high, stable ratings to the City, reflecting Toronto’s large and diversified economic base, prudent financial management, and moderate debt levels.

Economically, Toronto is the largest city in Canada and the fourth-largest in North America, with more than 3.2 million residents and a broad economic base spanning finance, technology, professional services, education, and health care. This diversity supports income and employment levels that are typically above national averages, contributing to a resilient and stable fiscal environment.

From a fiscal standpoint, the City is required by provincial legislation to balance its operating budget each year. The 2025 operating budget of C\$18.8 billion is balanced and supported by a diversified mix of revenues. Toronto’s long-term financial plan, multi-year budget outlook, and ongoing efforts to achieve efficiencies and strengthen its revenue base are viewed positively by rating agencies.

Debt and liquidity metrics also remain favourable compared with many global peers. Net tax-supported debt is estimated at about 1.1% of taxable assessment, while consolidated cash and investments total approximately C\$14.6 billion, including C\$3.1 billion in sinking funds. Rating agencies highlight Toronto’s strong liquidity position and manageable debt-service burden as key factors underpinning the City’s credit ratings.

**What are some of the key initiatives that the City would like to highlight when it comes to ESG initiatives?**

Toronto continues to position itself as a Canadian leader in ESG disclosure, climate action, and sustainable finance. The City publishes an annual ESG Performance Report aligned with leading frameworks, including SASB, GRI, MSCI, Moody’s, the UN SDGs, and ISO 37120/22/23, and is the first city in North America to adopt ISO 37125 for ESG indicators. These third-party verified metrics strengthen transparency, support data-driven decision-making, and reinforce investor confidence.

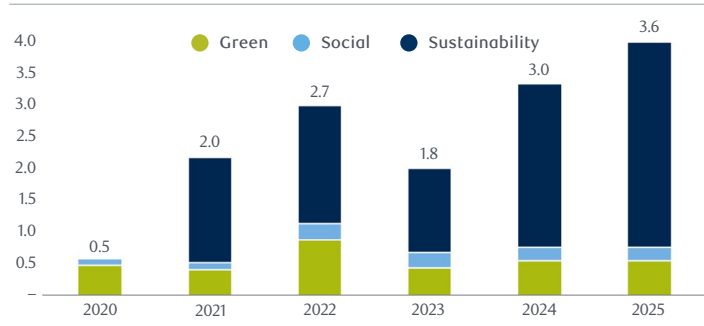
Environmentally, Toronto is advancing the TransformTO Net Zero Strategy, which targets community-wide net-zero emissions by 2040. Key initiatives include deep building retrofits, transit expansion, EV charging infrastructure, renewable natural gas production, Deep Lake Water Cooling expansion, wet weather flow upgrades, and flood-protection projects. The City has also fully implemented a Carbon Budget and Climate Lens to embed climate accountability into major financial and capital decisions.

On the social side, Toronto continues major investments through HousingTO 2020–2030, delivering affordable and supportive housing, expanded shelter capacity, accessibility improvements, childcare, seniors care, and services for vulnerable residents.

From a financing perspective, Toronto’s Sustainable Debenture Program has issued more than C\$2.3 billion since 2018, directing proceeds to eligible green and social projects such as transit renewal, energy efficiency, affordable housing, and climate-resilience infrastructure, supported by detailed allocation and impact reporting.

### C\$ Municipal & Agency ESG Issuance

Issuance (C\$ Billions)



Source: RBC Capital Market as of December 10, 2025

## City of Ottawa



**Isabelle Jasmin**

Deputy City Treasurer Corporate Finance,  
City of Ottawa

### Financial Overview of 2025

In 2025, Ottawa faced ongoing challenges related to transit affordability, housing, homelessness, and infrastructure renewal. The approved budget included a 3.9% overall tax increase, with targeted hikes for transit (8% transit levy) and fares, alongside capital and operational adjustments to restore transit affordability. Major projects like the Confederation Line East Extension (expected Q1 2026) and West Extension (2027) aim to boost transit capacity and ridership.

To advance affordable housing, Ottawa is leveraging the Housing Accelerator Fund, Vacant Unit Tax revenues, and streamlined approvals. Council recently adopted the Housing Acceleration Task Force recommendations to fast-track projects, unlock city-owned land, and align with provincial housing targets. Lansdowne 2.0, a major redevelopment of the urban core approved in late 2025, involves a C\$419 million investment in new facilities and public spaces via a public-private partnership. The structure minimizes municipal debt impact by tapping incremental property taxes, air rights sales, and private investment, supporting economic growth and prudent debt management.

The City advanced its Prudent Investor regime, diversifying long-term reserves and endowment funds through the Ottawa Investment Board and OCIO. This move enhanced portfolio diversification, reduced volatility, and integrated ESG principles, promoting fiscal sustainability.

The ongoing Service Review Program identified C\$207.7 million in efficiencies and cost savings by 2025, equivalent to avoiding a 10% property tax hike. The 2026 draft budget proposes an additional C\$45 million in savings, bringing the four-year total to C\$252.7 million—avoiding an approximate 12% property tax increase. The program includes broad stakeholder consultations to optimize services and generate new revenue.

### What are the main sources of revenue for the City to pay its debt obligations?

Ottawa’s debt obligations are supported by a stable and diversified revenue base, with a revenue budget of C\$4.98 billion in 2025. The primary source is property taxes, which account for approximately

half of total revenue. Additional streams include user fees, development charges, and transfers from provincial and federal governments for cost-shared programs in transit, housing, and public health.

The City's fiscal framework mandates a balanced budget and restricts borrowing to capital projects. Debt levels are monitored through long-range financial plans, ensuring compliance with provincial limits (debt servicing below 25% of property tax revenues) and stricter local policies (7.5% tax-supported and 15% rate-supported limits). Ottawa also leverages reserves and a sustainable debenture framework to finance eligible capital projects, aligning with investor standards for ESG-labelled debt.

Federal and provincial grants, such as the Canada Public Transit Fund and Housing Accelerator Fund, play a crucial role in offsetting borrowing needs for major infrastructure and housing initiatives. This diversified approach ensures Ottawa maintains one of the lowest debt servicing ratios among large Canadian municipalities.

#### **What kind of support from higher level of governments do you expect in 2026?**

Ottawa anticipates continued and expanded support from provincial and federal governments in 2026. The Province's 10-year agreement, initiated in 2024, provides C\$543 million for economic recovery, downtown revitalization, and critical infrastructure projects, including capital investments in housing, and public safety.

Federal programs remain central, with the Canada Public Transit Fund offering C\$18 million in annual funding starting in 2026 for new and deferred transit projects (to 2036), and the Housing Accelerator Fund providing C\$44 million in annual funding over 4 years supporting affordable housing construction (2024 to 2027).

Ottawa continues to explore with the Province of Ontario the possibility of uploading its light rail transit (LRT) infrastructure to the Metrolinx, a move that could ease long-term capital and maintenance costs. If realized, this deal could significantly reduce financial pressures and enhance transit sustainability while maintaining service quality.

#### **Can you provide an overview of your borrowing program in 2025 and your plans for 2026?**

In 2025, the City of Ottawa issued C\$470 million in debt to support its capital program, including C\$220 million through a 10-year sustainable debenture, and \$250 million via a 20-year conventional bond. In addition to this, the City leveraged C\$17.7 million through a Canadian Infrastructure Bank loan for the Zero Emissions Bus program.

For 2026, the current plan has the City coming to market for approximately C\$300 million in debt in the back half of 2026. The term of this debt has not yet been determined; however, reopening our recent 20-year issue is a viable option being explored. At the

current time, none of this total borrowing would fit within the context of our sustainable bond framework. In addition to this conventional debt, the City plans on drawing down an additional C\$156.9 million through a Canada Infrastructure Bank loan during the continued roll out of our Zero Emissions Bus program.

#### **What are some of the key attributes of the City that you would like to highlight to investors from a Credit Rating Perspective?**

Ottawa holds an outstanding credit rating—Aaa from Moody's and AA+ from Standard & Poor's—ranking it among Canada's top municipalities. Agencies note the City's strong fiscal performance, reliable revenue, and high liquidity as key advantages.

Ottawa's stable economy, bolstered by its role as the national capital, ensures predictable revenue and growth. The City uses prudent financial management, long-term planning, strict debt servicing limits (7.5% for tax-supported and 15% for rate-supported), and high liquidity to reinforce its credit profile.

In 2025, Ottawa's liquidity remains robust, with about C\$380 million in overnight cash and C\$2.67 billion in total cash and investments at the end of 2024. This provides ready access to funds for operations and capital projects as needed.

Investors benefit from Ottawa's sound governance, diversified economy, and institutional stability. The City's commitment to ESG principles and sustainable finance further enhance its appeal and help ensure long-term value and effective risk management for bondholders.

#### **What are some of the key initiatives that the City would like to highlight when it comes to ESG initiatives?**

In 2025, Ottawa advanced its Climate Change Master Plan and Energy Evolution Strategy, maintaining its commitment to net-zero emissions by 2050. The City allocated C\$6 million for climate mitigation and adaptation, and C\$2 million for greenspace protection to enhance resilience against floods, extreme heat, and biodiversity loss. The Official Plan's pledge of no net loss of rural forests and wetlands highlights Ottawa's environmental stewardship.

Ottawa expanded its Sustainable Debenture Framework, issuing C\$220 million in sustainable bonds to fund LRT expansion and community facilities, aiming to reach C\$800 million in green financing by 2028. These efforts align with ESG objectives and support critical infrastructure.

The City invested over C\$705 million in climate-related capital projects, including C\$509 million for zero-emission buses. Ottawa's Green Fleet Strategy targets nearly half the transit fleet being electric by 2027. Energy retrofits for municipal buildings and expanded EV charging infrastructure further demonstrate Ottawa's dedication to reducing emissions and modernizing assets.

## City of Montréal



**Mehdi Alani**

Portfolio Manager, Fixed Income Investments and Debt Funding, Finance Department, City of Montréal

### Financial Overview of 2025

Montréal's 2025 budget emphasizes fiscal discipline while addressing critical infrastructure and housing needs. Despite economic challenges, the City aims to maintain service quality and long-term financial stability through prudent spending and strategic investments.

The operating budget of C\$7.28 billion limits property tax increases to 1.8%, minimizing the burden on residents. Staffing levels remain unchanged from 2024, except for targeted hires in housing and urban safety, offset by internal cost adjustments. Program reviews continue, generating recurring savings estimated at C\$200 million over time, including C\$29.3 million in 2025.

Debt management remains a priority. The City plans to increase cash payments to C\$475 million in 2025 and is on track to reduce its debt ratio to 100% of revenues by 2027, strengthening liquidity and reducing reliance on borrowing.

The 10-year capital investment program totals C\$24.8 billion, addressing decades of underinvestment. Key allocations include C\$6.56 billion for water infrastructure and C\$6.62 billion for road networks, with C\$599 million and C\$550 million respectively earmarked for 2025. An additional C\$4.76 billion will maintain and develop municipal buildings and land. Climate adaptation projects will receive 10–15% of capital funding, ensuring resilience against environmental risks.

Housing remains a major commitment. The City will invest C\$100 million over three years to accelerate affordable and social housing construction and allocate resources to preserve existing units. Support for homelessness initiatives will rise by 50%, reinforcing social safety nets.

Overall, Montréal's 2025 financial strategy combines controlled spending, debt reduction, and targeted investments to secure affordability, sustainability, and economic vitality while safeguarding essential services.

### What are the main sources of revenue for the City to pay its debt obligations?

Montréal relies on a diversified and stable revenue structure to meet its debt obligations. In 2025, property taxation accounts for 63.2% of

total revenues, making it the City's primary source of funding. This includes general property taxes, special water service taxes, and differentiated rates for non-residential properties, ensuring equitable contributions across sectors.

Additional sources include:

- Transfers from other governments and related entities (9.6%), supporting infrastructure and strategic projects.
- Service fees and other revenues (19.4%), generated through municipal services, permits, and user charges.
- Quotes-parts from reconstituted cities (7.8%), reflecting shared regional responsibilities.

These revenue streams provide predictable and sustainable funding for debt servicing while maintaining essential services and enabling long-term investments in infrastructure, housing, and climate adaptation. Montréal's fiscal approach emphasizes efficiency and stability, ensuring obligations are met without compromising economic vitality or quality of life.

### What kind of support from higher levels of governments do you expect in 2026?

In 2026, Montréal anticipates continued collaboration with provincial and federal governments to advance strategic priorities beyond municipal capacity. Key areas include:

- **Infrastructure Renewal:** Significant investments are required to maintain and modernize water systems, roads, and climate-resilient infrastructure. Montréal will seek additional grants to accelerate upgrades and reduce long-term costs.
- **Housing and Affordability:** With the housing crisis persisting, targeted funding for social and affordable housing initiatives will complement the City's Loger+ strategy, including land acquisition and construction incentives.
- **Public Transit and Mobility:** Projects such as the Blue Line extension, REM integration, and active mobility corridors will require sustained contributions to ensure timely delivery and cost efficiency.
- **Social Programs:** Financial backing for homelessness prevention, poverty reduction, and community health initiatives will reinforce efforts to protect vulnerable populations.

Such partnerships are essential to maintain fiscal stability while delivering transformative projects that strengthen Montréal's economic competitiveness and quality of life.

### Can you provide an overview of your borrowing program in 2025 and your plans for 2026?

#### 2025 Borrowing Program:

- **Size:** C\$1.49 billion total issuance.
- **Tenor:** C\$300 million in 20-year bonds, C\$1.12 billion in 10-year bonds, and C\$70 million in 1–5-year serial bonds.
- **Type of Issues:** Syndicated, bought-deal format.

## 2026 Borrowing Plans:

As of December 2025, the 2026 budget is not finalized, but similar volumes are expected:

- **Size:** Approximately C\$1.5 billion in total issuances.
- **Tenor:** Similar to 2025, with terms of 5, 10, and 20 years.
- **Frequency/Type:** Syndicated, bought-deal issues, 4–5 times annually.

## What are some of the key attributes of the City that you would like to highlight to investors from a Credit Rating Perspective?

### Standard & Poor's:

- Strong and diversified economy supports Montréal's economic profile.
- Budgetary performance backed by experienced management and prudent financial policies.
- Extremely predictable and supportive local and regional government framework.
- Exceptional liquidity position and strong market access.

### Moody's:

- Sound fiscal management ensures positive operating outcomes.
- Large, diversified economy sustains a growing tax base.
- Mature, supportive institutional framework governing Québec municipalities.

## What are some of the key initiatives that the City would like to highlight when it comes to ESG initiatives?

The City of Montréal integrates sustainability, social equity, and governance principles across its operations.

**Environmental:** Allocating 10–15% of the C\$24.8 billion capital program to climate adaptation, including green and hybrid infrastructure such as sponge parks and enhanced drainage systems. Major investments in water infrastructure (C\$6.6 billion) and road networks (C\$7 billion) will incorporate resilience and reduce GHG emissions, supported by the Budget Climat.

**Social:** Addressing housing affordability through Loger+, targeting 20% non-market housing by 2050. This includes C\$100 million over three years and C\$566 million for property acquisitions. Initiatives like ÉMMIS and increased funding for homelessness prevention, including 300 supportive housing units by 2027, strengthen social cohesion.

**Governance:** Maintaining a balanced C\$7.28 billion operating budget and targeting C\$200 million in efficiency gains, ensuring ESG priorities align with rigorous financial management.

## City of Vancouver

### Grace Cheng

Director, Long-term Financial Strategy & Treasury/City Treasurer,  
City of Vancouver

### Financial Overview of 2025

The City adheres to prudent fiscal stewardship with careful financial planning that balances short-term operating needs with long-term infrastructure and amenity requirements.

With families and businesses feeling the impacts of rising costs and economic uncertainty, Vancouver City Council approved a C\$2.4 billion budget for 2026 with a 0% property tax increase. The 2026 Budget reflects Council priorities, with increases to maintain public safety and other front-line municipal services such as road and sidewalk maintenance, community centres and libraries and to maintain planned increases in infrastructure renewal funding. Utility fees will increase by an average of 4.2% to fund ongoing investments toward replacement of aging capital infrastructure, and a rise in regional water and sewer charges.

The City's 2026 Capital Budget included C\$698 million of new investments representing the continued implementation of its 2023-2026 Capital Plan. Major projects include the renewal and expansion of the Amphitheatre at the Pacific National Exhibition and the Vancouver Aquatic Centre, seismic upgrades to the Cambie Bridge and ongoing programs such as facility capital maintenance and water and sewer main renewal.

As current economic conditions are having an impact on the viability of development activities, the City is considering various incentive programs to support continued delivery of new housing and job space.

The City is working to address the affordability and housing crisis and ensure that there is sufficient infrastructure to support growth. In addition to development contributions, Vancouver will continue to explore new funding models, forge stronger partnerships with senior levels of government, and rethink how infrastructure can be delivered sustainably and equitably.

## What are the main sources of revenue for the City to pay its debt obligations?

The City's borrowing program is primarily supported by property taxes (56%) and utility fees (21%). These predictable revenue streams provide a stable base for servicing the City's debt.

The City has maintained a commitment to strong financial discipline

and strategic management of debt to ensure that capital investments will not unduly burden the Operating Budget through debt servicing, operating costs and asset lifecycle costs. Identifying the financial and debt capacity up front ensures that Capital Plans are developed in a fiscally prudent manner that considers the City's long-term financial health, credit ratings and future impacts on tax and fee payers.

#### What kind of support from higher level of governments do you expect in 2026?

Housing delivery continues to be a priority for both the provincial and federal governments. We expect continued support for housing through the Housing Accelerator Fund, the new Build Canada Homes program from the federal government, and through the Community Housing Fund and BC Builds program from the provincial government.

Municipalities across Canada have made it clear that relying on development contributions and property taxes to deliver infrastructure to support housing is no longer viable. We expect support at the provincial and federal levels to provide multi-year,

predictable infrastructure funding but also recognize that senior governments are facing fiscal challenges.

The City is also pursuing funding through provincial and federal programs for disaster resilience and climate adaptation support.

#### Can you provide an overview of your borrowing program in 2025 and your plans for 2026?

In November, the City successfully launched a new C\$135 million, 10-year Sustainability Bond to fund green and social capital projects. The issuance was well received by the investment community, attracting strong interest from both domestic and global ESG investors.

The City has been alternating between Sustainable and Conventional bonds. Under the Sustainability Bond Framework, the City can issue green, social or sustainable bonds, or a combination of these. The City is committed to being a regular issuer in the capital markets and plans to issue a Conventional Bond in fall 2026, to raise funds for approved capital projects, subject to market conditions at that time.

#### Municipal & Agency ESG Transaction Table (2025)

Trade Date	Issuer	Rating (D/M/S)	Size (C\$mm)	Type	Term	Spread
18-Nov-25	City of Toronto	AA/Aa1/AA+	200	Social	29	GoC+96.5
13-Nov-25	City of Vancouver	- /Aaa/AAA	135	Sustainability	10	GoC+63.5
2-Oct-25	TransLink	AA/Aa2/ -	300	Green	10	GoC+69.0
19-Sep-25	MFABC	- /Aaa/AAA	445	Sustainability	5	GoC+22.0
9-Sep-25	City of Toronto	AA/Aa1/AA+	200	Green	9	GoC+60.0
3-Sep-25	City of Ottawa	- /Aaa/AA+	220	Sustainability	9	GoC+61.5
25-Jun-25	First Nations Finance Authority	AA (Low)/Aa3/AA-	350	Sustainability	32	GoC+107.5
17-Jun-25	MFABC	- /Aaa/AAA	305	Sustainability	10	GoC+69.5
21-May-25	MFABC	- /Aaa/AAA	430	Sustainability	6	GoC+37.0
30-Apr-25	MFABC	- /Aaa/AAA	390	Sustainability	10	GoC+71.0
7-Jan-25	First Nations Finance Authority	- /Aa3/AA-	650	Sustainability	11	GoC+79.5

Source: RBC Capital Market as of December 10, 2025

### What are some of the key attributes of the City that you would like to highlight to investors from a Credit Rating Perspective?

S&P Global Ratings and Moody's Investors Service reaffirmed the City's AAA/Aaa rating, with stable outlooks earlier this year. These top-tier ratings reflect the agencies' assessments of the City's robust governance, experienced financial management team, consistent positive fiscal outcomes, high liquidity levels, strong budget performance, and favorable debt affordability.

#### S&P Global Ratings (Publication: February 13, 2025):

- "The City of Vancouver, the economic heart of the Province of British Columbia, has a strong and diversified local economy"
- "S&P Global Ratings expect the City of Vancouver's operating performance will remain healthy."
- "In our opinion, the city has exceptional liquidity."
- "We believe Vancouver's debt burden will remain manageable"
- "We believe Vancouver's management team is highly experienced and prudent, with a detailed and proactive approach toward long-term financial planning."

#### Moody's Investors Service (Publication: April 25, 2024):

- "The credit profile of the City of Vancouver (Aaa stable) reflects exceptional liquidity from high levels of cash and investments, low levels of debt and high debt affordability. Solid operating results benefit from largely stable revenue sources and strong credit fundamentals which we expect will remain unchanged despite the pressures facing the province. We view the city's governance and management to be very strong."

### What are some of the key initiatives that the City would like to highlight when it comes to ESG initiatives?

#### Climate

- The City was one of the first cities to recognize the significance of climate change, and fighting climate change remains a high priority.
- The City's Climate Emergency Action Plan aims to reduce carbon pollution by 50% by 2030 and achieve carbon neutrality by 2050. It focuses on reducing carbon pollution from the City's largest local sources: buildings (57%) and vehicles (34%).
- The City's Climate Change Adaptation Strategy addressed its five main climate-related hazards: extreme heat, poor air quality, drought, extreme rainfall, and sea level rise.

#### Housing:

- The City continues to implement the Housing Vancouver Strategy and has recently updated the 10-year housing targets as well as a new 3-year action plan; reaffirm our goal of shifting the City's housing development to provide the "right supply" of housing and aligning with transit-oriented development pursuant to provincial legislation, including:
  - 75% rental housing,
  - 40% family-sized units, including more missing middle options (e.g. townhomes, multiplexes, and

- 20% below-market housing
- Vancouver has seen high levels of housing starts in the past couple of years, with 14,200 units started over the first two years of the Housing Target; including over 9,300 rental units, representing 45% of regional rental starts.

## Region of York



**Laura Mirabella**  
Commissioner of Finance and Regional Treasurer,  
Region of York

#### Financial Overview of 2025

In 2025, York Region is prepared to spend about 97.7% of our C\$3.5 billion operating budget, with a projected surplus of C\$32.9 million. Our capital delivery rates have improved in recent years, exceeding the pre-pandemic levels. By 2025 year-end, we forecast spending 84% of the C\$1.3 billion capital budget, up from 72% in 2019.

In October, the Region issued a C\$360 million debenture, C\$243 million for new growth infrastructure and C\$117 million to refinance existing debt, also issued for growth projects. There are ongoing trade tensions and the uncertainty surrounding tariffs. However, given that goods exports represent a smaller share of the Region's GDP compared to Canada overall, our economy is less exposed to tariff disruptions. That said, York Region continues to monitor and assess potential impacts on the operating and capital budgets.

2026 Regional Budget was recently approved with a tax levy increase of 3.28% plus a 1% Rapid Transit Infrastructure Levy. The budget included new funding to support York University's new school of medicine in Vaughan.

We anticipate total debt issuance of C\$5.5 billion to support the Region's 10-year capital plan of C\$14 billion focused on growth infrastructure and investments in asset management to ensure the Region delivers quality services to our residents today and in the future. In 2026, the Region anticipates to issue around C\$490 million in new debt, and refinance approximately C\$120 million of existing debt for a total issuance of C\$610 million.

Both S&P and Moody's rating agencies reaffirmed the Region's AAA credit rating with a stable outlook this year highlighting our strong financial position, liquidity and prudent financing management.

### What are the main sources of revenue for the Region to pay its debt obligations?

York Region's debt financing program is guided by the Fiscal Strategy introduced in 2014 with the goal of ensuring the Region's long-term financial sustainability, while balancing the needs of current and future residents.

Through the Fiscal Strategy, the Region's Council directed that debt be issued only for growth infrastructure which is funded through development charges. As a result, about 94% of the Region's existing debt is development charge funded.

The remaining 6% of the Region's debt is funded by the tax levy, user rates, and other funding sources.

Development charge deferrals, both legislative and Council approved, were implemented in 2025 to promote the housing supply, and are expected to reduce the Region's development charge revenue in the short term.

As part of the 2026 budget, York Region developed mitigation strategies focused on longer amortization periods for debt and leveraging funds in reserves. This allowed us to ensure funds will be available for debt repayment. The remaining sources of debt repayment, such as the tax levy and user rates, represent very stable revenue streams.

### What kind of support from higher level of governments do you expect in 2026?

The Region receives capital and operating funding from the Provincial and Federal governments.

In 2025, the Region received over C\$800 million from the Province for childcare, homelessness prevention and other housing initiatives, community safety and other purposes. While 2026 allocations have not been released, we expect they will be similar. The Region has also been awarded C\$140 million from the Province for Housing Enabling Water Systems.

From the Federal Government, the Region has been allocated C\$38.4 million under the Canada-Community Building Fund and C\$2.6 million under the Interim Housing Assistance program and expects to receive approximately C\$9.6 million annually from the Canada Public Transit Fund.

The Region continually advocates for increased funding and monitors Federal and Provincial funding announcements for new funding opportunities. We expect that several recently announced programs, such as Build Communities Strong Fund and, potentially, future intakes of the Municipal Housing Infrastructure Program, will be applicable to York Region and help provide funding for our key community and housing infrastructure projects.

### Can you provide an overview of your borrowing program in 2025 and your plans for 2026?

In October this year, we issued a C\$360 million debenture, the Region's largest issuance to date financing the Region's infrastructure required for our high growth rate.

In 2026, we plan to issue about C\$490 million in new debt, and refinance C\$120 million in existing debt for a total issuance of around C\$610 million. Over the next ten years, we anticipate total debt issuance of C\$5.5 billion to support C\$14 billion of capital investment. Some of our key debt-financed capital projects in the Region's capital plan are for water, wastewater and transportation infrastructure. Examples include Duffin Creek Water Pollution Control Plant, North York Durham Sewage System (YDSS) Expansion and Yonge North Subway Extension.

We typically perform a spring issuance that is reopened in the fall. We issued debentures for up to 20-30 years in the past, but currently focus on the 10-year term. Portions of projects amortized over 20 or 30 years will be refinanced in future debentures.

York Region borrows almost exclusively to finance growth-enabling infrastructure, which is funded by development charges. Recent changes to the development charge policy from the Province have been considered and incorporated into our capital plan. We are also in the process of updating the Region's DC bylaw; it is expected to come into force next year. While it can change our future borrowing needs, so far, we do not anticipate major changes for 2026 debt requirements. We will continue to update the fiscal strategy if any other policy changes are announced and come into effect.

### What are some of the key attributes of the Region that you would like to highlight to investors from a Credit Rating Perspective?

Maintaining a AAA credit rating is a key component of the Region's fiscal strategy. York Region had its AAA credit ratings with stable outlook reaffirmed in 2025 by S&P Global and Moody's Investors Service. The Region has held a Aaa rating with Moody's since 2000 and a AAA rating with S&P since 2021.

Both rating agencies highlight York Region's strong economy as one of the key factors to the Region's creditworthiness. The Region benefits from its integration with the City of Toronto and has robust employment capacity with an unemployment rate lower than the nationwide benchmark. The Region also benefits from an extremely predictable and supportive government framework with high institutional stability.

S&P Global and Moody's Investors Service reference the Region's excellent liquidity and debt management practices. Reserve balances remain healthy and sustainable to support infrastructure funding and debt repayment. While the Region's debt level is expected to increase in the coming years, it will remain manageable. Rating

agencies emphasize that this strong financial position has been achieved through the Region's prudent financial management with its commitment to financial sustainability.

### What are some of the key initiatives that the Region would like to highlight when it comes to ESG initiatives?

York Region's Environmental, Social and Governance (ESG) approach aligns closely with Council's Vision and Strategic Plan, the Regional Budget and departmental plans.

The Region launched its ESG roadmap in 2024 to guide our operations towards achieving sustainability goals. The roadmap sets a clear direction, outlining actionable steps and measurable milestones. A cross-functional ESG working group is dedicated to implementing the roadmap, including integrating ESG principles into longer-term processes such as procurement, external reporting and business planning.

The Region has integrated ESG principles in the budget process. An ESG-based tool is employed to evaluate operating business cases for alignment with ESG priorities. Similarly, ESG criteria are included to support capital project prioritization and long-term planning. These tools provide an important framework to ensure decision making aligns resources with regional priorities including ESG. We have also enhanced procurement processes to ensure social and sustainable procurement practices are achieved.

We continue to monitor and report on key ESG performance measures from Council's Vision, the Corporate Strategic Plan and Departmental Plans in the Community Report. Of the 48 Corporate Strategic Plan performance measures, 18, or 38%, were identified as being in alignment with ESG principles based on research from ESG thought leaders and emerging industry standards.

As the ESG sector continues to evolve and develop comprehensive standards, the Region actively seeks best practices and guidance from thought leaders on priorities like climate change, diversity and inclusion as well as transparency and accountability.

## Region of Peel



**Davinder Valeri**  
Chief Financial Officer and Commissioner  
of Corporate Services, Region of Peel

### Financial Overview of 2025

Peel Region serves 1.66 million residents and over 246,000 businesses across the City of Brampton, City of Mississauga, and the Town of Caledon. The Region offers strategic advantages including its location within Canada's largest economic hub, proximity to the country's largest airport, and a young, highly educated population. Rapid growth and commercial development have transformed Peel into a vibrant urban center with a strong and diversified economic foundation.

Peel Region continues to hold a AAA/Aaa credit ratings in 2025 by S&P Global Ratings and Moody's Ratings, a rating that has been held for 30 consecutive years. The ratings reflect Peel's prudent financial management, strong liquidity and operating results, a growing and diversified economy and tax base, and relatively low and manageable debt burden.

Guided by principles of fairness, sustainability, and affordability with a "user-pay" focus where appropriate, Peel delivers value for money and manages assets effectively. Peel Regional Council approved a net tax levy increase of 12.2% in 2025 resulting in an average property tax increase of 5.4%. The C\$3.9 billion operating budget for 2025 supports core services and significant investments in Peel Regional Police, affordable housing, paramedic response times, and seniors' services.

The capital budget and long-term capital plan address key infrastructure needs to meet the provincial housing targets. The 2025 capital budget of C\$2.3 billion and the 2025–2034 capital plan of C\$23.5 billion, including C\$965 million for Peel Regional Police, provide critical housing-enabling infrastructure and supports to meet the evolving needs of a growing community.

During 2025, Peel secured C\$600 million in financing through the debt capital markets for key Peel Regional capital projects and for capital requirements on behalf of Peel's local municipalities. Peel also completed the first draw of C\$118 million under Infrastructure Ontario's Housing Enabling Water Infrastructure lending stream.

### What are the main sources of revenue for the Region to pay its debt obligations?

As of November 2025, Peel Region has approximately C\$2.45 billion in net debt outstanding, with approximately C\$490 million issued on behalf of local municipalities. Peel's debt consists of tax-supported debt and growth/development charge (DC) supported debt, with roughly 85% of debt issued to support growth-related infrastructure, particularly water and wastewater projects. Peel utilizes DC supported debt very effectively to bridge the timing mismatch between infrastructure spending and the collection of DCs, which, for water and wastewater infrastructure, occurs after the infrastructure is in place. This debt is expected to be repaid through future development charge collections.

Tax supported debt is used where appropriate with the objective of creating intergenerational equity (i.e. aligning costs to those who benefit from the asset). Principal and interest costs are built into the tax base and help smooth the impact to current tax rates. Debt issued on behalf of the local municipalities would be fully recovered through payments from the respective municipality to Peel. It is also important to note that under the Municipal Act, 2001, all debt is the joint and several obligations of Peel Region and its local municipalities.

### What kind of support from higher level of governments do you expect in 2026?

In 2024–2025, the Region of Peel secured major investments to accelerate housing, infrastructure upgrades, and social supports. Ontario committed C\$35 million through the Housing-Enabling Water Systems Fund to expand wastewater capacity at the G.E. Booth facility, enabling 46,784 new homes. Peel completed a C\$420 million financing arrangement with Infrastructure Ontario through their Housing Enabling Water Infrastructure lending stream with a first loan draw of C\$118 million.

Deeply affordable housing remains a priority, with 13 projects approved in 2024 to deliver over 2,100 units, including six projects already housing 381 vulnerable households with support from Canada Mortgage and Housing Corporation. Peel also received C\$42.4 million through Ontario's Homelessness Prevention Program and a C\$2.9 million share of C\$75.5 million province-wide for encampment reduction and shelter expansion.

A significant federal investment of C\$103.5 million was announced under the Interim Housing Assistance Program to strengthen long-term shelter capacity for asylum claimants, purchase and renovate a dedicated family site, and reduce reliance on hotels. The Peel Reception Centre, Canada's largest asylum-focused shelter, will benefit from this funding, to support housing and employment. We expect further funding from the federal government in the coming years.

### Can you provide an overview of your borrowing program in 2025 and your plans for 2026?

2025 marked Peel's return to debt capital markets for the first time since 2022, completing C\$600 million in financing across two transactions. In April, Peel successfully completed a C\$300 million 10-year debenture offering with a further C\$300 million issued in October through a 30-year debenture. Both transactions were well received by investors and were oversubscribed by ~1.5x and 1.3x, respectively. Peel also finalized a C\$118 million initial debenture with Infrastructure Ontario through their Housing Enabling Water Infrastructure lending stream in November.

Peel's 2025 borrowing program focused on supporting major infrastructure investments in growth enabling water & wastewater, new facilities for Peel Regional Police, and borrowing to support the financing requirements of our local municipalities.

Plans for 2026 borrowing closely align with those of 2025, with the current forecast indicating borrowing requirements exceeding C\$500 million. Our strategy will remain centered on issuing large, benchmark-sized debentures in key maturities—specifically at ten, twenty, and thirty years. Where appropriate, re-openings will be used to increase outstanding issue sizes.

Over the medium term, the Region expects borrowing needs to continue to support the financing of key large-scale infrastructure projects. These efforts are designed to meet growing community needs while promoting long-term economic and financial sustainability.

### What are some of the key attributes of the Region that you would like to highlight to investors from a Credit Rating Perspective?

Peel Region continues to hold a AAA/Aaa credit rating with a stable outlook in 2025 by S&P Global Ratings and Moody's Ratings. Peel has held a AAA/Aaa credit rating for 30 consecutive years and is one of five Canadian municipalities to hold such credit rating from both Moody's Ratings and S&P Global Ratings.

Peel's credit profile reflects a growing local economy backed by robust population growth, predictable revenue sources through stable and expanding tax and revenue base. Strong reserve balances provide significant debt coverage for Peel's currently modest, although rising debt levels. Peel's history of solid operating performance and stable revenue streams, strong financial management practices, and solid liquidity, are also highlighted as credit strengths of Peel. Access to capital markets and domestic bank financing further support Peel's liquidity position.

Maintaining a high credit rating is in alignment with Council's Long Term Financial Planning Strategy (LTFPS), which guides Peel's investments in services, programs and infrastructure to meet the needs of residents, businesses and community partners today and in the future.

**What are some of the key initiatives that the Region would like to highlight when it comes to ESG initiatives?**

Peel Region is advancing its ESG priorities through a comprehensive refresh of its Climate Change Master Plan (CCMP) in 2026. Peel is targeting a 45% reduction in greenhouse gas (GHG) emissions from 2010 levels by 2030. Peel continues to implement its Net Zero Emissions (NZE) Policy and Standard for New Building Construction, integrating a 10% climate increment into all capital budget requests for new builds and major renovations.

Recently, Peel approved a policy and NZE standard for retrofitting existing buildings, requiring replacement of fossil fuel equipment

with low-carbon alternatives at the end of asset life. Asset management plans and long-term budgets are being updated to reflect these decarbonization costs.

The refreshed CCMP will support Peel's Climate Accountability Framework and development of a Carbon Budget, enabling tracking of progress toward 2030 and 2035 targets. New metrics, such as reduced natural gas use, will better monitor Scope 1 emissions. Additionally, Peel aims to influence supply chain (Scope 3) emissions and support community efforts to reduce GHGs and adapt to climate change impacts, with potential future community-level reporting.

## Canadian Agency Issuers

### Municipal Finance Authority of British Columbia



**Matthew O'Rae**  
Chief Financial Officer, Municipal Finance Authority of British Columbia

**Overview of Municipal Finance Authority of British Columbia**  
Established under the Municipal Finance Authority Act in 1970, MFABC is a Public Sector Funding Agency (PSFA) and acts as the exclusive lender of long-term debt to municipalities across British Columbia for infrastructure capital. By providing a pooled loan structure to the municipalities, they can access low-cost funding not accessible to them if they were to borrow independently.

Our borrowing program works by issuing bullet bonds in the capital markets, to fund amortizing pools of loans to municipalities through their respective regional districts. The interest the member pays on their loan is used to service the bond coupon payment to our investors. MFABC also receives annual principal payments from members which acts as security for investors in designated sinking funds. These payments are invested until funds are needed to retire the associated bonds.

MFABC's legislative framework provides excellent backstops for investors in the event of default which has never happened. If there was a default, borrowers are joint and several for each others' liabilities or the MFABC could use its on balance sheet risk capital, to remedy the situation which is replenishable through unfettered province wide property taxation authority (MFABC is the only PSFA that has direct taxation powers).

#### Who would be your direct comparable in the Canadian market as well as offshore?

With support from both Dealers and Investors the MFABC continues to work on moving from being classified as a municipality to a provincial agency. Many market maker IT platforms already classify MFABC this way. Our new issue size, investor base and secondary market liquidity is more akin to a government agency, PSFA, SSA or Provincial issuer and is not comparable to municipal bonds. International investors have recognized what we are as an entity as many have like entities in their respective country. They already classify us as a provincial agency, and many treat our bonds as HQLA level 1.

Domestically, First Nations Finance Authority, which is considered a federal entity, can be considered a comparable peer as they provide loans to First Nation groups across Canada. Globally, there are several comparables but one of the most similar entities in operations and size is the New Zealand Local Government Funding Agency Limited. Neither has independent unlimited taxing authority making MFABC unique in minimizing risk for investors.

#### What are the key attributes of MFABC that you would like to highlight to investors from a credit ratings perspective?

##### Credit Strengths:

- Taxation Authority
  - i) Unfettered Province Wide Taxation Authority
  - ii) Senior – level government approval not required
  - iii) Property Values assessed at C\$2.5 trillion
  - iv) Never been used, tested annually via operational levy
- Joint Liability
  - i) Borrowers guarantee each other's debt in event of default
  - ii) Has never been applied
- Investments (sinking fund methodology)
  - i) Semi-annual billing of interest to match bond coupons
  - ii) Annual billing of principal for debt retirement
  - iii) C\$4.1 billion in assets (44% of gross long-term debt) held for the benefit of investors
- Capital Policy (Prudent risk management)
  - i) Debt Reserve Fund
    - (1) C\$124 million in liquid investments
    - (2) 1.00% cash withheld from all new loan requests
    - (3) Never been drawn against
  - ii) Retention Fund (Retained Earnings)
    - (1) C\$129 million in liquid investments
    - (2) Never been drawn against
- Strong Borrowing and Legislative Framework
  - i) Only 25% of recurring revenues eligible to service debt costs (principal & interest)
  - ii) Municipalities may not plan for a deficit
  - iii) Oversight and responsibility for safety and soundness of the municipal sector rests with the Provincial Government
- Market Access
  - i) Robust credit strengths, strong performance metrics and promotion of bond liquidity allow MFABC access to the capital markets even during times of extreme market turmoil

#### Can you provide an overview of your borrowing program for 2025 and your expectations for 2026?

We expect our 5-year issuance to remain steady from 2025 to 2026 with approximately C\$870 million in 5-year issuance expected in 2026 (versus C\$875 million in 2025). In our 10-year issuance we expect to see a continued increase from 2025 to 2026 with approximately C\$1,000

million to C\$1,750 million in 10 – year issuance (versus C\$1,115 million in 2025). Projects requiring new funding in 2026 are still being finalized.

5-year issuance typically refinances existing debentures while 10-year issuance funds new loans. Depending on the make up of the loan packages we could look at funding some of the expected 10-year issuance with longer dated debt (ex. 20-year). Our focus will remain on building large liquid benchmarks on our curve.

**All your bond issues are marked as sustainable on Bloomberg. What is it that you currently have in place that enables you to achieve that?**

The MFABC continues to issue sustainability bonds based on our sustainable bond framework and we view all the projects we fund to local government as green, social or both in nature and aim to provide investors with as much detail on the use of proceeds as possible.

Before each bond issuance we map all proceeds to UN SDGs and environmental and social objectives (ICMA based) and include in what is termed our ‘Appendix A’ to investors at time of mandate. It can be found on [our website](#) to allow investors to view after initial issuance if they are participating in the secondary market.

Because of our Framework and the clear association of our borrowing with specific “use of proceeds” by local governments along with the requirements by law that the borrowing by local governments must be used for the purposes approved, Bloomberg felt it appropriate to label our bond issues as sustainable (Yellow Sun).

**What are some of the key initiatives that you would like to highlight when it comes to ESG policies and issuance?**

We have three core ESG objectives and topic-specific priorities to guide our program.

**Objectives:**

- To reduce the negative impact of our operations on the environment and society
- To manage material risk to our core business and thereby retain access to the lowest attainable cost of capital for our members
- To pursue opportunities for transformative and material impact with local governments through our core lending and investing activities

Our priority is to advance these core objectives related to the topic of climate change, and with initial focus on identifying and assessing climate-related financial risks with the potential to materially affect MFABC’s future cash flows, access to capital, and cost of capital over the near, medium, or long term.

**Organization Integration:**

Through the development and implementation of our ESG program strategy, we are integrating climate and sustainability into our enterprise-wide governance, risk management, business strategy, and impact measurement and reporting.

**Issuance:**

We will continue to issue sustainability bonds based on our Framework and provide an ‘Appendix A’ at time of issuance. Beginning in 2024, we are also supplying an ‘Appendix B’ which provides more detailed information on new loans for major projects financed by that issuance. These project details are sourced from the public websites of our borrowers or their project partners.

## First Nation Finance Authority



**James Byra**  
Managing Director of Finance & Investments,  
First Nations Finance Authority

**Overview of the FNFA Structure and Financial Overview 2025**

Established in 2005 under the First Nations Fiscal Management Act (FNFMA), the First Nations Finance Authority (FNFA) operates a pooled borrowing model that provides financing to First Nation governments across Canada. Membership is required to access financing, and FNFA is fully owned by its Members. Its Board of Directors is composed of Chiefs and Councillors from those member communities.

FNFA’s mandate is to deliver First Nation governments access to capital at rates comparable to other levels of government. FNFA currently has 193 Members among more than 600 First Nations in Canada.

Across the country, First Nation communities face an estimated C\$350 billion infrastructure gap relative to municipalities, including needs related to clean water, power, broadband, schools, health facilities, and other essential infrastructure. FNFA helps address this gap by securing and leveraging members’ own-source revenues to finance both infrastructure and economic development projects.

FNFA utilizes an intercept model in which own sourced revenue streams flow directly to a trust company, Computershare. FNFA instructs Computershare on how funds are allocated, ensuring debt service obligations are met before remaining revenues are forwarded to the member. This structure, along with additional safeguards and reserve funds required under the FNFMA, contributes to FNFA’s AA credit rating.

Many member Nations borrow to undertake economic development initiatives designed to generate long-term community benefits. To support lending, FNFA issues Commercial Paper for short-term funding and later pools loans to issue bullet bonds with 5-, 10-, or 30-year maturities.

### Can you speak about the growth of the FNFA portfolio over the last few years and what has been a key driver of that?

FNFA issued its first loan in 2012 and has since provided more than C\$4 billion in financing to First Nation governments. Notably, over C\$2.2 billion of that total has been added in the past two years, reflecting significant and accelerating growth that is expected to continue.

This recent expansion is driven largely by increased First Nation participation in major projects across Canada, including equity ownership in wind and solar farms, hotels, seafood companies, LNG facilities, and a range of other sectors. Rising own-source revenues and financial health have also supported additional infrastructure borrowing.

Today, meaningful First Nation participation must be offered for major projects in Canada. Many provinces mandate that First Nations be offered substantial equity opportunities, and federal policy expectations increasingly emphasize early engagement, consent, and long-term benefit-sharing. This environment has created new opportunities for First Nations to secure ownership stakes in large-scale developments, further fueling FNFA's lending growth and supporting long-term community prosperity.

### What kind of government support does the FNFA receive and is that expected to change in the near future?

FNFA has historically received federal operating funding, as well as capital contributions to establish a C\$53 million Credit Enhancement Fund and a C\$32.5 million Contingency Fund (which has since grown to approximately C\$40 million). These funds were created to strengthen investor confidence and provide additional support for outstanding loans and bond issuances.

FNFA is now fully self-sufficient and no longer requires operating funding; however, the federal government continues to provide an annual C\$1 million grant, along with periodic support for specific FNFA initiatives and projects. The federal government has also committed an additional C\$2.4 million to the Contingency Fund over a three-year period and has agreed to amend the FNFMA to support FNFA's continued growth—expanding the borrowing pool to include Self-Governing First Nations and enabling FNFA to lend directly to Special Purpose Vehicles.

FNFA maintains ongoing communication with all levels of government to ensure that First Nations receive the support necessary to access capital and advance community development.

### Can you provide an overview of your borrowing program in 2025 and your plans for 2026?

In 2025 FNFA had regular Commercial Paper issuance of C\$900 million outstanding, and issued 3 bullet bonds with maturities and amounts listed below:

- Issued C\$650 million in January 2025 with a June 2035 Maturity
- Issued C\$350 million in June 2025 with a December 2056 Maturity
- Issued C\$435 million in October 2025 reopening our June 2030 Maturity

With continued growth, we expect to issue over C\$2 billion in bonds in 2026, with approximately C\$850 million in the 5-year space, C\$800 million in the 10-year space, and C\$350 million in the 30-year space.

### What are some of the key attributes of FNFA that you would like to highlight to investors from a Credit Rating Perspective?

Operating under the FNFMA, FNFA is subject to a comprehensive set of safeguards designed to protect both Members and investors. Several key safeguards are outlined below; importantly, none have ever been activated, as FNFA has experienced zero payment defaults since inception.

- Members are joint and several.
- Revenues are intercepted at the source.
- Debt Reserve Fund (DRF)- 5% of every loan is withheld and placed in the DRF as a backup for debt servicing. It is held and invested on behalf of the First Nation until the loan is repaid in full.
- Credit Enhancement Fund (CEF)- C\$53.2 million was provided by the Federal Government to be a backstop to the DRF.
- Contingency Fund (CF)- C\$40 million was provided by the Federal government. The CF can be used to provide interest relief (0% interest loans that can be forgivable) to members who have revenues interrupted due to circumstances out of their control.
- Sinking Funds for each issuance. The principal from loan payments is collected and invested to repay investors at maturity.
- FNFA Surplus- FNFA has surplus funds over C\$41 million as additional backup capital.
- FNFA has intervention rights- Gives FNFA the power to take over the treasury function of the members own sourced revenues.
- Unanimous board approval required for every loan.

### Most of your bond issues are marked as sustainable on Bloomberg. What is it that you currently have in place that enables you to achieve that?

Each FNFA bond issuance typically finances multiple member projects, with all loans provided directly to First Nations for the benefit of their communities. For every issuance, FNFA compiles a detailed schedule of all loans included in the financing pool. This schedule outlines the member, project description, ESG classification, and estimated jobs created (calculated using Statistics Canada multipliers). These details are shared with investors and submitted to Bloomberg, which labels the issuances as Sustainable.

Because FNFA financing supports essential community infrastructure or generates profits that are reinvested into programs and other community priorities, our loans are effectively categorized as Social in nature.

## TransLink



**Patrice Impey**  
Chief Financial Officer, TransLink

### Structure and Financial Overview of 2025

TransLink is a regional transportation authority created through provincial legislation in 1999. TransLink's governance structure consists of the Mayors' Council on Regional Transportation (Mayors' Council) and an appointed Board of Directors.

The Mayors' Council is composed of the 21 mayors in the Metro Vancouver region, the Chief of the Tsawwassen First Nation, and the elected representative of Electoral Area "A". The Mayors' Council:

- appoints seven TransLink Board members
- approves long-term transportation strategies (greater than 30 years)
- approves 10-year transportation investment plans
- approves transit fare increases beyond 2% per year

The TransLink Board of Directors is composed of seven individuals appointed by the Mayors' Council (from a candidate list presented by the Screening Panel), the Mayors' Council Chair and Vice-Chair (at their option), and up to two members appointed by the Province. The TransLink Board of Directors:

- supervises the management of the affairs of TransLink
- submits long-term transportation strategies to the Mayors' Council for approval
- submits 10-year transportation investment plans to the Mayors' Council for approval
- approve TransLink's annual operating and capital budgets

TransLink has a diverse set of revenue sources, consisting of Taxation Revenue, Transit Revenue, and Other. Per the 2025 Investment Plan, TransLink's total revenue is more than C\$2.6 billion, consisting of:

#### Taxation Revenue: C\$1.17 billion (45.2%)

- Property Taxes: C\$683 million (26.4%)
- Fuel Taxes: C\$367 million (14.2%)
- Parking Tax: C\$95 million (3.7%)
- Power Levy: C\$24 million (0.9%)

#### Transit Revenue: C\$748 million (28.9%)

- Transit Fares: C\$706 million (27.3%)
- Advertising, Property Rentals, and other miscellaneous revenue: C\$42 million (1.6%)

#### Other Revenue: C\$837 million (25.8%)

- Senior Government Funding for Capital: C\$344 million
- Investment Income: C\$158 million
- GEB Toll Replacement Revenue: C\$69 million
- Development Cost Charge: C\$39 million
- Amortization of Deferred Concessionaire Credit: C\$23 million
- Provincial Contribution for Canada Line: C\$19 million
- Miscellaneous: C\$16 million

### What are the main sources of revenue for TransLink to pay its debt obligations?

TransLink's ability to meet its debt obligations is supported by a diverse and resilient revenue base, such as property taxes, fuel taxes, parking tax, power levy, and transit fares. Together, these sources provide a mix of user-based fees, taxes, and levies, reducing reliance on any single stream. Under the 2025 Investment Plan, the Province of British Columbia has committed to introducing a new permanent revenue source beginning in 2027, generating at least C\$112 million per year, to strengthen TransLink's long term financial sustainability. In addition, the Investment Plan outlines cost saving measures and efficiency improvements to help offset operating cost pressures.

### What kind of support from higher-level governments do you expect in 2026?

The Government of British Columbia has committed that TransLink will collect new revenues of C\$100 million per year starting in 2025 and growing at 4% per year. For the first three years, this new revenue is taking the form of an operating grant (C\$312 million in total) after which this will be replaced by a new revenue tool. In addition, TransLink has received a total of C\$1.3 billion in senior government support since 2020. Most recently, in March 2023, the Province of BC committed additional funding of C\$479 million, which will help offset higher-than-anticipated costs and inflationary pressures, comprised of C\$85.7 million received in 2024 and C\$393.2 million received in 2025. This funding will help maintain Accumulated Funding Resources (TransLink's liquidity) above policy limit past the end of 2025; by which time a new Investment Plan, identifying additional revenue sources, is expected.

### Can you provide an overview of your borrowing program in 2025 and your plans for 2026?

TransLink has both short- and long-term borrowing programs. The short-term program consists of the C\$500 million Commercial Paper program, backed by a C\$500 million Syndicated Credit Facility liquidity backstop that was recently extended to 2029. The long-term program involves regular issuances with benchmark terms and sizes, with a preference for 10- and 30-year maturities. We have a domestic underwriting syndicate that supports our issuances. TransLink also

maintains self-administered sinking funds for bullet maturities. From 2018 through 2025, TransLink has issued six green bonds, for a total of C\$1.8 billion. In 2026, TransLink plans to issue up to two additional green bonds for C\$300 million each, with maturities of either 10 or 30 years, subject to market conditions.

### What are some of the key attributes of TransLink that you would like to highlight to investors from a Credit Rating Perspective?

TransLink's strong legislative framework, effective financial management, and solid governance structure have led Moody's and Dominion Bond Rating Service (DBRS) to recently reaffirm TransLink's strong and stable credit ratings at Aa2 and AA, respectively. TransLink's credit profile is underpinned by its strategic importance as the sole integrated transportation authority serving Greater Vancouver, a region with strong economic fundamentals. TransLink benefits from diversified income streams, including transit fares, fuel taxes, and property taxes, which provide stability and resilience in revenue generation. Ridership has now reached a steady post-pandemic baseline, with future growth expected to track broader demographic and economic trends, particularly population expansion. Importantly, the Province of British Columbia has committed to enabling a new revenue source in 2027, under the 2025 Investment Plan, further strengthening TransLink's long term financial position.

TransLink provides many attractive features for investors, including:

- The only Canadian issuing transportation authority
- Taxing authority
- Debt service safeguard
- Strong fiscal management
- Well-diversified and dedicated revenue sources
- Excellent growth
- Strong investment-grade ratings
- Leader in Corporate Sustainability
- Critical transportation system in a global gateway region
- Investor relations

### What are some of the key initiatives that TransLink would like to highlight when it comes to ESG initiatives?

Since 2018, TransLink has issued C\$1.8 billion in Green Bonds. As noted above, TransLink will continue to issue Green Bonds in 2026 for approximately C\$300 million per issuance and for tenors of 10 to 30 years.

Key ESG related initiatives underway include:

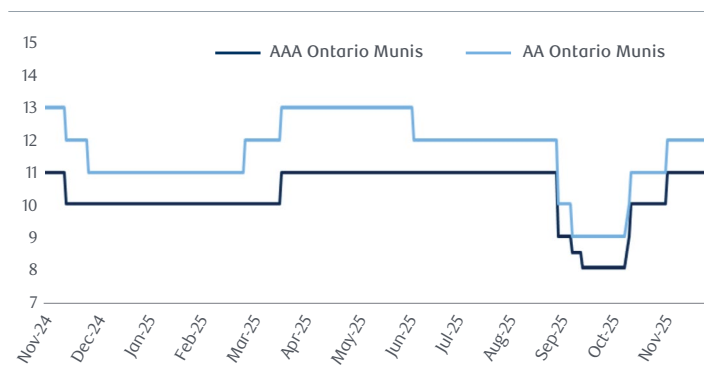
- Promulgation of revised Sustainability Policy (Dec. 2024), and development of a new Sustainability Framework (Dec. 2025) outlining the Enterprise's stated goals, objectives, and targets in 2025.
- Continued roll out of First Nations Transportation Program to

provide much needed transit service to Indigenous Nations inside our service area.

- Continued advancement of TransLink's Sustainable Procurement Strategy (2021), and new Procurement Policy (Jan. 2025) that includes Indigenous and Sustainable procurement principles.
- Continued advancement of our EDI initiatives to reach Global Diversity, Equity, and Inclusion Benchmark Level 3, which includes Employee Resource Groups, education, and partnerships to improve accessibility, inclusive leadership, self-disclosure and improve psychological health and safety.
- Continued pursuit of our 45% GHG reduction target by 2030, through:
  - Construction of the Marpole Transit Centre in South Vancouver to receive more than 300 battery electric buses.
  - Upgrading of the Port Coquitlam Transit Centre to receive more than 100 battery electric buses.
  - Final rollout of renewable diesel across all bus depots to reduce diesel fuel life cycle GHG emissions.
  - Continued purchasing of renewable natural gas to offset 100% of GHG emissions from TransLink's natural gas fleet.
- Continue offering customers a range of services to increase multi-modal, transit and active transportation including Transit Friendly Employer Certification, Compass for Organizations, TravelSmart4Kids, Transportation Demand Management and investments in walking and cycling infrastructure through the Municipal Funding Program.
- Continue transit-oriented community developments at Broadway-Arbutus, and Coquitlam Central through TransLink's Real Estate Development Program
- Plan and establish an energy management policy.
- Continue develop infrastructure and operations resilience program to manage the financial and operations risks associated with climate change and seismic events.

### Municipal 10-year Spreads (vs. ONT)

Spread (bps)












Source: RBC Capital Markets

## Municipal Issuers

### MUNICIPAL ISSUERS

### INFRASTRUCTURE BANK AND AGENCY

	 TORONTO	 MONTREAL	 OTTAWA	 VANCOUVER	 YORK	 PEEL	 MFABC	 FNFA	 TRANSLINK
<b>RATINGS (D/M/S)</b>	AA/Aa1/AA+	A(H)/Aa2/AA	Aaa/AA+	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	AA (L)/Aa3/AA-	AA/Aa2
<b>TYPICAL ANNUAL BORROWING REQ. (CSMM)</b>	1000-1200	650-1400	200-500	100-140	100-400	50-600	1,000-2,000	800-1500	300
<b>2025 DEBENTURE FUNDING</b>	C\$1.2 billion	C\$1.42 billion	C\$470 million	C\$135 million	C\$360 million	C\$600 million	C\$1.99 billion	C\$1.435 billion	C\$300 million
<b>TYPICAL # ANNUAL ISSUES</b>	4	3-4	1-2	1	1	1-2	3-5	1-3	1
<b>TYPICAL MATURITIES</b>	10-year 20-year 30-year	10-year 20-year	10-year 20-year 30-year	10-year	10-year	10-year (Incl. Serials) 30-year	5-year 10-year	5-year 10-year 30-year	30-year
<b>PUBLIC DEBT OUTSTANDING (CSMM)</b>	11,892	12,400	3,811	1,160	4,024	2,351	10,203	4,518	3,715

Funding volume as of December 3, 2025

## Select RBC-Led Transactions in 2025

### Domestic

 <b>C\$2,000,000,000</b> 3.00% Mar-32 Green  AAA/Aaa/AAA  Joint Bookrunner February 2025	 <b>C\$500,000,000</b> 4.00% Feb-65  AA(L)/Aa2/A+  Lead May 2025	 <b>C\$430,000,000</b> 3.30% Oct-30  -/Aaa/AAA  Joint Bookrunner May 2025	 <b>C\$450,000,000</b> 4.60% Sep-57  A(High)/Aa2/A+  Lead May 2025
 <b>C\$500,000,000</b> 4.25% Dec-55  AAA/Aaa/AAA  Joint Bookrunner June 2025	 <b>C\$8,500,000,000</b> 2.85% June-30  AAA/Aaa/AAA  Lead June 2025	 <b>C\$750,000,000</b> 4.20% Dec-57  AA (Low)/Aa2/A+  Lead June 2025	 <b>C\$1,000,000,000</b> 4.00% Jun-35  AAA/Aaa/AAA  Lead July 2025
 <b>C\$1,500,000,000</b> 4.00% Jun-35  AAA/Aaa/AAA  Joint Bookrunner August 2025	 <b>C\$900,000,000</b> 4.60% Jun-57  AA (High)/Aa1/A+  Lead August 2025	 <b>C\$400,000,000</b> 3.80% Jun-35  AA (Low)/Aa1/AA  Lead August 2025	 <b>C\$200,000,000</b> 4.00% Dec-34 Green  AA/Aa1/AA+  Lead September 2025
 <b>C\$220,000,000</b> 3.75% Oct-34  -/Aaa/AA+  Joint Bookrunner September 2025	 <b>C\$200,000,000</b> 3.80% Jun-35  -/-/AA  Joint Lead September 2025	 <b>C\$1,000,000,000</b> 3.95% Dec-35  AA/Aa3/AA-  Lead September 2025	 <b>C\$140,000,000</b> 3.75% Oct-35  -/Aaa/AAA  Joint Bookrunner October 2025

## Select RBC-Led Transactions in 2025

### Offshore

<p><b>Québec</b> </p> <p><b>GBP750,000,000</b> 4.75% Jan-30</p> <p>AA (Low)/Aa2/AA-</p> <p>Joint Bookrunner January 2025</p>	<p><b>OMERS</b></p> <p><b>USD1,000,000,000</b> 4.375% Mar-30</p> <p>AAA/Aa1/AAA</p> <p>Joint Bookrunner March 2025</p>	<p><b>Alberta</b>  Government</p> <p><b>EUR1,250,000,000</b> 3.375% Apr-35</p> <p>AA/Aa2/AA-</p> <p>Joint Bookrunner March 2025</p>	<p><b>Canada</b> </p> <p><b>USD3,500,000,000</b> 4.00% Mar-30</p> <p>AAA/Aaa/AAA</p> <p>Joint Bookrunner March 2025</p>
<p><b>CPP Investments</b></p> <p><b>AUD1,750,000,000</b> 3.90% Oct-28</p> <p>AAA/Aaa/AAA</p> <p>Joint Bookrunner April 2025</p>	<p><b>Québec</b> </p> <p><b>EUR3,000,000,000</b> 3.25% May 35</p> <p>AA (Low)/Aa2/A+</p> <p>Joint Bookrunner May 2025</p>	<p><b>CDPQ</b></p> <p><b>AUD1,750,000,000</b> 4.10% Jun-30</p> <p>AAA/Aaa/AAA</p> <p>Joint Bookrunner June 2025</p>	<p><b>EDC</b> </p> <p><b>USD2,000,000,000</b> 4.00% Jun-30</p> <p>AAA/Aaa/AAA</p> <p>Joint Bookrunner June 2025</p>
<p><b>Ontario</b> </p> <p><b>USD3,000,000,000</b> 3.90% Sep-30</p> <p>AA/Aa3/AA-</p> <p>Joint Bookrunner August 2025</p>	<p><b>BRITISH COLUMBIA</b> </p> <p><b>EUR2,000,000,000</b> 3.90% Oct-45</p> <p>AA (High)/Aa1/A+</p> <p>Joint Bookrunner September 2025</p>	<p><b>PSP</b></p> <p><b>GBP600,000,000</b> 4.25% Oct-30</p> <p>AAA/Aaa/AAA</p> <p>Joint Bookrunner September 2025</p>	<p><b>Saskatchewan</b> </p> <p><b>EUR1,000,000,000</b> 3.25% Sep-35</p> <p>AA(Low)/Aa1/AA</p> <p>Joint Bookrunner September 2025</p>

### Maple Offerings

<p><b>L-BANK</b> Staatsbank für Baden-Württemberg</p> <p><b>C\$750,000,000</b> 3.00% Mar-28</p> <p>-/Aaa/AA+</p> <p>Joint Bookrunner February 2025</p>	<p> <b>European Investment Bank</b></p> <p><b>C\$750,000,000</b> 2.65% Apr-28 SAB</p> <p>AAA/Aaa/AAA</p> <p>Joint Bookrunner March 2025</p>	<p><b>ADB</b></p> <p><b>C\$750,000,000</b> 2.60% Oct-28 Green</p> <p>-/Aaa/AAA</p> <p>Joint Bookrunner October 2025</p>	<p> <b>IFC</b></p> <p><b>C\$600,000,000</b> 2.55% Jan-29 Green</p> <p>-/Aaa/AAA</p> <p>Joint Bookrunner October 2025</p>
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1. CIB debt of \$66M is not included here. \$209M new debt referenced in temporary borrowing report includes \$143M in DC debt and \$66M CIB debt.

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