### 1. Asset information

The Kicking Horse Canyon extends through the Canadian Rocky Mountains between British Columbia and Alberta. The project involved upgrading 6 km of roadway through the pass, including a new 400 metre span bridge across the canyon and built on columns rising up to 90 metres high. It also includes the operation, maintenance, and rehabilitation of 26 km of highway through the Kicking Horse Canyon.



The project has been operational since 2007. Availability payments are received from the Province of British Columbia.

As part of the project, 8,000 m2 of riparian habitat and 2,000 m2 of instream habitat were created and 6,000 new trees were planted. A three-kilometre section of the old highway was reclaimed in order to be reused for recreational trails. With steep rock faces, deep canyons and winding roads, the Kicking Horse Canyon Project was not only a complex Design-Build-Finance-Operate (DBFO) contract, it was one of the most technically challenging transportation projects in the Province.

# 2. Impact

Reliable and resilient transport and reduced travel time for c. 2.2 million vehicles per year



### 3. Awards and certifications

- Canadian Council for Public-Private Partnerships Award of Merit, Project Financing (2006)
- Deputy Minister Award Ministry of Transportation (2006)
- Premier's Award in Innovation and Excellence Innovation category (2006)
- Award of Excellence from the Canadian Institute of Steel Construction for Industrial Projects/Bridges (2008)
- CEBC Awards for Engineering Excellence, Award of Merit Transportation (2008)

### 4. Environment

#### **GHG** emissions

The Kicking Horse Canyon project has a strict no idling policy in place for staff and subcontractors to reduce greenhouse gases and to minimize the use of fossil fuels.

The Operator's fleet has been outfitted with idle limiters that automatically shut off the engine of idled vehicles within 3 minutes if idling.

New light vehicles added to the fleet are continually examined for economic and environmental efficiencies. New equipment purchases meet Tier 4 Standards meaning that all diesel engines have a 90% reduction in particulate matter (PM) and nitrogen oxides (NOx)

The Operator's new facility has a full LED lighting system and ultra-high-efficiency HVAC equipment.

Portfolio Company has incorporated a Hot In-Place Asphalt Recycling (HIPR) surfacing rehabilitation strategy prior to hand back. HIPR uses 35% less energy (greenhouse gases) than conventional paving methods and requires up to 50% less binder (oil).





#### Climate risk

The project was screened to evaluate the potential physical impacts from climate change based on 'Paris-aligned' (RCP2.6 ~+1°C) and 'High emissions' (RCP8.5 ~+3.7°C) scenarios across three time periods (2020, 2050 and 2100). The project maintains a Low physical climate risk score under both scenarios.

#### Waste & Water

The Operator recycles as much waste as possible from their own consumables and from debris that is collected along the roadway - from cardboard to plastics and tires to asphalt.

The project asphalt rehabilitation plans include the use of asphalt mixes that have as much as 15% of recycled asphalt in them. Also, the rehabilitation plan for the granular bases allows the use of RAP (Reclaimed Asphalt Pavement).

The Operator continues to increase the use of calcium chloride brine solutions, resulting in more efficient snow/ice removal and less use of course salt. The Operator obtains 3rd party testing annually to monitor levels of salt concentrations for subsurface drainage and to avoid contamination of ground water and municipal infrastructure.

The management services provider continues to monitor waste and water consumption and is actively exploring opportunities to reduce them wherever possible.

# **Biodiversity**

The asset is built in compliance with local environmental regulations. During the concession period, the Portfolio Company focuses on promoting restoration efforts to improve degraded or removed ecosystems that act as natural carbon sinks and can improve resilience to climate-related damages, such as:

- Wildlife exclusion fencing is installed throughout the project, and works with wildlife overpasses to ensure safe passage of animals through the highway corridor.
- As part of the project, several ponds were built to allow native vegetation and birds to flourish as naturally as possible. This work was implemented in close collaboration with the Fisheries and Oceans Canada to mitigate the impact of the projects on the native wetlands.
- The off-channel pond habitat system and riparian plantings deliver an optimal compensation solution and provides a natural habitat to the wetlands directly impacted by the alignment. The natural landscapes created, drew wildlife and vegetation back to the area and favoured optimal drainage of the corridor.
- Approximately 2,360 trees were planted under Park Bridge and at Rafter's rest stop as part of the Kicking Horse Canyon Project.
- During construction of Beaverfoot Bridge, scour protection measures were added around the abutments and rock dams were constructed within the normal water level elevations of the Kicking Horse River. These rock dams serve as resting areas for fish from the high velocities found within the river. This helps spawning fish and promotes a healthier aquatic ecosystem.

Additionally, the Portfolio Company has a Biodiversity policy in place.

Compensation pond at the Kicking Horse Canyon rest area



Elevated sand bar at outlet of channel at



constructed pond. Planted area at Rafter's Rest Stop.



## Noise and air quality

The Portfolio Company has a strict no-idling policy.

### 5. Social

# Health & Safety

Health and safety is on the agenda each board meeting. Our asset managers work actively with the Portfolio Company or its management service providers to promote a strong health and safety culture and facilitate the sharing of best practices.

We endorse a zero-tolerance approach to occupational health and safety incidents. Additionally, the Portfolio Company has a Health & Safety policy in place and conducts annual health and safety audits on the Operator.

# Diversity

Not applicable as the Portfolio Company does not employ any staff.

## Impact for local communities

The Kicking Horse Canyon project recently donated to the local Golden Food Bank, to support families struggling with inflated food prices.

The Operator is actively participating in local communities through charitable events, many donations in kind are made where they trade services to aid certain charities. They are active members of the Golden Rotary Club and support them in all their initiatives and events that help and integrate the community.

The Operator regularly donates volunteer hours to local schools in Golden, BC.

The Operator regularly donates to the Golden Food Bank.

#### 6. Governance

# Delegation & oversight

The Portfolio Company directors review on a quarterly basis comprehensive board report, including both general project management and financial management. The project has a rigorous governance structure in place with quarterly board meetings, ad-hoc meetings when required and an authority delegation matrix to the management services provider.

The Portfolio Company has robust ESG policies and procedures in place and clear board-level responsibility to monitor their application. The ESG standard policies include:

- Biodiversity policy
- Code of Conduct, including anti-bribery, anti-corruption and non-discrimination
- Cyber-security
- ESG
- Health and safety (workplace accident prevention)
- Anti-slavery & Human Trafficking policy (Modern Day Slavery)
- No-idling
- Rapid escalation
- Responsible contractor
- Tax
- Whistleblowing

The Portfolio Company holds frequent meetings with the public sector client to promote collaboration, coordination and integration of operations.

# Reporting

The Portfolio Company uses a quarterly board pack, reporting to the board of directors on the operational and financial performance of the project and compliance with its obligations and regulation/legislation, including the policies.

Additionally, the Portfolio Company reports annually into BBGI's ESG KPI survey, which composed of 100+ data points, covering all aspects of ESG oversight.

#### Cyber security

Portfolio Company and its subcontractors continuously monitor that the cyber security policy is in place and perform information risk analysis and develops mitigating measures. They have a robust and comprehensive IT backup system in place. Additionally, the Portfolio Company has a Cyber security policy in place.

