MINUTES of the Open Session of the Finance Audit and Risk Management Committee Meeting of the Toronto Waterfront Revitalization Corporation Via Hybrid: In-Person and Microsoft Teams Teleconference Thursday, February 26, 2026 at 9:00 a.m.

COMMITTEE: Kevin Sullivan (Chair)
Derek Ballantyne
Michael Braithwaite

REGRETS: Drew Fagan

ATTENDANCE: **WATERFRONT TORONTO**
George Zegarac - Chief Executive Officer
Ian Ness - General Counsel
Lisa Taylor - Chief Financial Officer
Chris Glaisek - Chief Planning and Design Officer
Kevin Greene - Chief Operating Officer
Joe Cressy - Chief Strategy & Public Affairs Officer
Emily Campbell - SVP, Strategic Communications
Julius Gombos - SVP, Project Delivery
Pina Mallozzi - SVP, Design
Kristina Verner - SVP, Strategic Policy & Innovation
Aaron Barter - VP, Program Integration & Sustainability
Rose Desrochers - VP, Human Resources & Administration
Marciana Boboc - Director, Procurement
Sampada Chandane - Director, Financial Management Accounting
Mary Anne Santos - Director, Financial Planning
Christopher Shiers - Director, Information Technology
Don Forbes - Project Director, Soil Remediation & Earthworks
Ulises Aparicio - Project Director, Project Delivery
Carol Webb - Senior Manager, Communications & Public Engagement
Patrick Meredith-Karam - Senior Manager, Transportation
Catherine Murray - Associate General Counsel
Charmaine Miller - Executive Assistant to the CEO & Board Administrator
Kathleen Pollard - Board Administrative Assistant

Also, in attendance for all or part of the meeting were:

- Anamika Srivastava, Miguel Iriondo, Reena Gumaste, Aiden Shehata, Stephanie Alessi - Housing, Infrastructure and Communities Canada
- Ashley Reynolds, Cory MacDonald - Ontario Ministry of Infrastructure
- Jay Paleja - Waterfront Secretariat, City of Toronto
- Jeff Barratt, Alex Herbert – BDO Canada LLP
- Edouard Bertin-Mourot, Libby Duckworth, Grace Nunn, Nicole Vaksman, Michael Weragoda - KPMG LLP

Ian Ness acted as secretary of the meeting. The Chair welcomed everyone to the meeting of the Finance Audit and Risk Management (FARM) Committee (the "Committee") of the Toronto Waterfront Revitalization Corporation ("Waterfront Toronto" or the "Corporation").

With notice of the meeting having been sent to all members of the Committee in accordance with the Corporation's By-laws and a quorum being present, the Chair called the meeting to order at 9:02 a.m. and declared the meeting was duly constituted for the transaction of business.

1. Land Acknowledgement

Kevin Sullivan acknowledged Indigenous Peoples' presence and connections to lands under revitalization by Waterfront Toronto.

2. Meeting Agenda

ON MOTION duly made by Michael Braithwaite, seconded by Derek Ballantyne, and carried, it was **RESOLVED** that the Meeting Agenda be approved as presented.

3. Declaration of Conflicts of Interest

There were no conflicts of interest declared.

4. Consent Agenda

a) Draft Minutes of the Open Session November 20, 2025 FARM Committee Meeting

ON MOTION duly made by Michael Braithwaite, seconded by Derek Ballantyne, and carried, it was **RESOLVED** that the Minutes of the November 20, 2025 FARM Committee meeting be approved as presented.

b) 2026 FARM Committee Workplan

ON MOTION duly made by Derek Ballantyne, seconded by Michael Braithwaite, and carried, it was **RESOLVED** that the Finance, Audit and Risk Management Committee approve the 2026 FARM Committee Workplan.

The next review of the FARM Committee annual workplan is anticipated to take place in February 2027.

5. Corporate & Project Reporting Dashboards

Items 5a through 5e

As a result of the heavy agenda the materials were taken as read. Lisa Taylor, Chief Financial Officer noted no material changes in the macro dashboard, with WT continuing to be on track to achieve over 70% in each of the four areas of the 2025/26 Corporate

Plan approved by the Board in December 2024 (namely capital investment plan, revenues KPIs and key deliverables).

Ms. Taylor reported that, following a review by KPMG LLP (WTs Risk Governance Advisor & Internal Auditor) and input from Board Committee Chairs and management, the Corporation's enterprise risk register was refreshed this quarter. This process identified six new risks, revisions to several existing ones, as well as a reprioritization of risks, resulting in the top eight: real estate market, transit infrastructure funding (new), liquidity, financial self-sustainability, cybersecurity & data governance (updated), capital projects (updated), government, and third-party vendor management (new). All risks are being actively managed down by the Corporation.

Ms. Taylor further reported that from a liquidity perspective the Corporation continues to forecast a need to borrow in 2026, largely for capital contributions towards Quayside affordable rental housing which are being funded from future Quayside land sale revenues.

Sampada Chandane, Director of Financial Management provided highlights of the Corporation's third quarter interim financial statements for the period ending December 31, 2025. Receivables stood at $115 million, with $34 million collected post-quarter and $81 million outstanding - half from government billings under review. Efforts to speed up claims processing are ongoing. The quarter saw cash move from a positive balance to $11.4 million in bank indebtedness, highlighting the need for prompt receivable collection. The Corporation continues to monitor liquidity and maintains a $70 million net asset surplus as of December 31, 2025, and a $90 million line of credit facility.

Kevin Greene, Chief Operating Officer provided highlights of the capital project dashboards (provided for all projects with a capital approval of greater than $50 million), of which there were three new dashboards this quarter (Keating Channel Pedestrian Bridge, Broadview Eastern Flood Protection and Ookwemin Minising Enabling Infrastructure). There were no significant issues noted other than a five-month schedule delay for the Quayside Infrastructure and Public Realm project reported previously, which will have no impact on housing starts.

The remaining consent agenda item dashboards (namely procurement, regulatory compliance, and independent capital monitor memo) were taken largely as read, with the Chief Operating Officer highlighting one workplace incident by a contractor related to Quayside this past quarter.

6. 2025/26 External Audit Plan

Jeff Barrett, Partner, BDO Canada LLP (BDO), presented BDOs Planning Report for the upcoming audit of the Corporation's March 31, 2026 year-end financial statements. Consistent with prior years, audit planning materiality has been set at $4.5 million (approx. 2% of expenditures) in line with CPA Ontario auditing standards.

The FARM Committee approved the 2025/26 External Audit Plan. The audited financial statements will be presented to the FARM Committee and Board for approval consideration at the June 4, 2026 and June 25, 2026 respective FARM Committee and Board meetings.

> **ON MOTION** duly made by Derek Ballantyne, seconded by Michael Braithwaite, and carried, it was **RESOLVED** that the Finance, Audit and Risk Management Committee approve the External Audit Plan for the year ending March 31, 2026.

The FARM Committee will review the results of the external audit at its next meeting on June 4, 2026.

7. Internal Audit Plan

Libby Duckworth, Partner, and Grace Nunn, Senior Manager, of KPMG LLP (WTs outsourced internal audit provider) presented the draft internal audit plan for the next three years, which identified three areas of focus resulting from a comprehensive prioritization process: 1) Capital Projects - Planning & Scoping; 2) Capital Projects – Execution & Delivery; and 3) Procurement.

The FARM Committee approved the Internal Audit Plan, and management will work with KPMG to identify the first internal audit area, the scope of which will be discussed at the next FARM Committee meeting, along with a draft Internal Audit Charter.

> **ON MOTION** duly made by Michael Braithwaite, seconded Derek Ballantyne, and carried, it was **RESOLVED** that the Finance, Audit and Risk Management Committee approves the Three-Year Internal Audit Plan (2026/27 to 2028/29).

8. Integrated Toronto Waterfront Enabling Infrastructure Update

Kevin Greene, Chief Operating Officer presented the Toronto Waterfront Enabling Infrastructure integrated dashboard report for the tri-government funded Next Phase Waterfront Revitalization projects, i.e. Ookwemin Minising Enabling Infrastructure, Quayside Infrastructure, Biidaasige Park North, Keating Channel Pedestrian Bridge and Studies & Strategies. All continue to remain on track except for the five-month schedule delay referred to earlier for Quayside Infrastructure Phase 1.

Management answered questions from the Committee and agreed to include a map in future materials for reference and understanding regarding the geography of the various projects.

9. Project Capital Approval for Quayside Infrastructure and Public Realm

Management presented a request for supplementary capital approval of $17.67 million (to a total of $229.87 million) for Quayside Infrastructure and Public Realm related to three new scope elements, funded by the City of Toronto and a Quayside tenant.

The FARM Committee supported this request and recommended it for Board approval at its meeting on March 26, 2026.

ON MOTION duly made by Derek Ballantyne, seconded by Michael Braithwaite, and carried, it was **RESOLVED** that the Finance, Audit and Risk Management Committee recommends that the Board of Directors approve an additional capital expenditure of $17.67 million, for a total capital approval of $229.87 million, to complete Transit-Enabling Works, clean fill cap as per the City's request, temporary electrical and water servicing to 291 Lake Shore Blvd East through the Quayside Infrastructure and Public Realm Phase 1 construction Project, subject to execution of an amended delivery agreement with the City of Toronto to provide the necessary funding, and that the Corporation's Rolling Five Year Strategic Plan and 2026/27 Annual Business Plan be amended accordingly for the new scope and funding.

10. Motion to go into Closed Session

In accordance with By-Law No. 2 of the Corporation and **ON MOTION** duly made by Michael Braithwaite, seconded by Derek Ballantyne, and carried, the Committee **RESOLVED** to go into Closed Session to discuss items 11 (a) & (b), 12, 13, 14 and 15 of the agenda. The exception relied for the discussion for item 11 (a) is provided in the minutes of the Open Session November 20, 2025 FARM Committee meeting under item 4 (a) of this agenda, for item 11 (b) is Section 6.1.1 (k), for items 12 and 13 is Section 6.1.1 (a), for item 14 is Section 6.1.1(l) and for item 15 is section 6.1.1(k) of By-Law No. 2. The Committee continued in Closed Session.

11. Consent Agenda

a) Draft Minutes of the Closed Session November 20, 2025 FARM Committee Meeting

b) Requirement for Financial Sustainability Review Update

12. Enterprise Risk Management Framework

a) ERM Framework Outcomes Report

b) Risk Appetite Statement

13. Cyber Security Risk Profile Update

14. Waterfront East Transit Procurement Approach & Contracting Methodology

15. Capital Project Management Frameworks

a) Memo on Capital Peer Review Panel (CPRP)

b) Planned Procurement of Independent Capital Monitor

16. Motion to go into Open Session

ON MOTION duly made by Michael Braithwaite, seconded by Derek Ballantyne, and carried, the committee **RESOLVED** to go into Open Session.

17. Resolution(s) Arising from the Closed Session

Item 11 (a) Draft Minutes of the Closed Session November 20, 2025 FARM Committee Meeting

ON MOTION duly made by Michael Braithwaite, seconded by Derek Ballantyne, and carried, it was **RESOLVED** that the Minutes of the Closed Session of the Finance, Audit and Risk Management Committee held on November 20, 2025 be approved as tabled.

Item 12 (b) Risk Appetite Statement

ON MOTION duly made by Derek Ballantyne, seconded by Michael Braithwaite, and carried, it was **RESOLVED** that the FARM Committee recommends for approval by the Board of Directors Waterfront Toronto's amended Risk Appetite Statement, including revisions recommended by the FARM Committee.

Item 14 Waterfront East Transit Procurement Approach and Contracting Methodology

WHEREAS the Corporation may be recommended as the Project Delivery Agent for the Design and Construction of portions of the Waterfront East Transit Project (the "Project") on behalf of City of Toronto (the "City");

ON MOTION duly made by Derek Ballantyne, seconded by Michael Braithwaite, and carried, it was **RESOLVED** that the Finance, Audit and Risk Management Committee hereby approves, for recommendation to the Board of Directors, Management's recommendation that, upon securing funding commitments and City approval for a Delivery Agent role, portions of the Project within the Corporation's scope be tendered using the Construction Management method, with an option to negotiate Guaranteed Maximum Price, to enable early contractor involvement in and design, schedule, pricing, constructability through a fully transparent process.

Item 15 Capital Project Management Framework

ON MOTION duly made by Michael Braithwaite, seconded by Derek Ballantyne, and carried, it was **RESOLVED** that the Finance, Audit and Risk Management Committee approves that the Corporation proceed to procure the services of an independent project monitor for the scope of work, and on the basis, as presented to the meeting.

18. Termination of the Meeting

There being no further business, **ON MOTION** duly made by Michael Braithwaite, seconded by Derek Ballantyne, and carried, it was **RESOLVED** that the meeting be terminated at 10:45 a.m. local time.

19. Directors Only Session

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Committee Chair Secretary