

Infrastructure BC Inc.

2024/25
Annual Service Plan Report

August 2025



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Lead Director's Accountability Statement



The Infrastructure BC Inc. 2024/25 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2024/25 – 2026/27 Service Plan published in 2024. The Board is accountable for those results as reported.

Signed on behalf of the Board by:

A handwritten signature in blue ink that reads "Connie Fair". The script is cursive and fluid.

Connie Fair
Lead Director
August 12, 2025

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Letter from the Lead Director & CEO

Please find enclosed our Annual Service Plan Report for the fiscal year 2024/25, which summarizes Infrastructure BC's performance in the context of the Mandate Letter provided to us by our Shareholder, the Minister of Infrastructure.

Infrastructure BC supported the Government of B.C.'s five priorities as outlined in our 2023 Mandate Letter:

- Putting people first;
- Lasting and meaningful reconciliation;
- Equity and anti-racism;
- A better future through fighting Climate Change; and
- A strong, sustainable economy that works for everyone.

In 2024/25, Infrastructure BC supported a significant number of projects, ranging from schools to hospitals, transit hubs, and highways. Of particular note, Infrastructure BC reached a final project agreement on the following projects in fiscal 2024/25: Jumping Creek to MacDonald Snowshed, as well as the Surrey Langley Skytrain Project's three contracts (Guideways, Stations, Systems and Trackwork).

During fiscal 2024/25, Infrastructure BC continued to play a role in the delivery of the new Surrey hospital and BC Cancer centre project, which is the first pilot project of the Enhanced Inclusion and Development Agreement (EIDA), which aims to increase the number of underrepresented workers, Indigenous workers, apprentices, and Indigenous apprentices. Infrastructure BC's experiences taken from the new Surrey hospital and BC Cancer centre project with respect to EIDA were implemented in the Kamloops BC Cancer centre project, the second Infrastructure BC-supported project to execute an EIDA. The Kamloops BC Cancer centre project EIDA has now been executed and is showing significant signs of success at its early implementation stage.

With respect to the development and/or completion of business cases, fiscal 2024/25 was a significant year for Infrastructure BC, during which our team supported the following projects: Plant and Animal Health Centre Replacement, Surrey Memorial Hospital New Tower, Transit Centres for BC Transit, and the University Hospital Northern BC Acute Care Tower. Infrastructure BC looks forward to continuing to support these vital provincial projects as they move through the planning process and into the procurement phase.

Recognizing market challenges that include, but are not limited to, capacity issues, project risk (transfer), and scope that is difficult to define upfront, Infrastructure BC introduced the Alliance procurement model to British Columbia in 2020. The interest and adoption of this unique collaborative contract have grown each year. 2024/25 saw the formation of the Burnaby Hospital Redevelopment Phase 2 and BC Cancer Centre Alliance (Burnaby Hospital Alliance), following the completion of the Request for Qualifications (RFQ) and Request for Proposals (RFP) phases. During 2024/25, Infrastructure BC led the Richmond Hospital Redevelopment – Phase 2 & 3 Project procurement (RFQ and RFP), British Columbia's eighth project delivered via the Alliance model. The

introduction of this British Columbia-focused procurement model will be a key contribution that Infrastructure BC has made to the province in achieving its goals of providing vital infrastructure to British Columbia's citizens and taxpayers.

As Infrastructure BC continues to carry out our important mandate of improving people's lives and communities through infrastructure, we are ready to assist the provincial government with the planning, procurement, and delivery of cost-effective, high-quality generational infrastructure projects. To support the growth of Infrastructure BC in recent years, during fiscal 2024/25, Infrastructure BC strengthened its management team with the support of the Board of Directors.

On behalf of the Board of Directors and executive team, we would like to thank everyone at Infrastructure BC for their continued hard work and dedication.



Connie Fair
Lead Director
August 12, 2025



Mark Liedemann
President and CEO
August 12, 2025

Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the Budget Transparency and Accountability Act (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, a Minister Responsible for a government organization is required to make public a report on the actual results of that organization's performance related to the forecasted targets stated in the service plan for the reported year.

Strategic Direction

The strategic direction set by Government in 2020 and expanded upon in the Board Chair's [2023 Mandate Letter](#) from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the [Infrastructure BC Inc. 2024/25 – 2026/27 Service Plan](#) and the actual results reported on in this annual report.

Purpose of the Organization

Infrastructure BC is owned by the Province of British Columbia. It is incorporated under the *Business Corporations Act*.

Infrastructure BC is governed by a Board of Directors that is responsible to the Minister of Infrastructure. The Board's direction is implemented by management, who carries out the day-to-day operations of the Corporation under the supervision of the President and Chief Executive Officer. For more information on Corporate Governance, please refer to <https://www.infrastructurebc.com/about/governance-practices/>.

Infrastructure BC advises public sector clients on how best to plan, procure, and deliver capital projects to foster innovation and quality, address key service needs, and manage projects on time and budget using various procurement models. These models engage the private sector and efficiently allocate or manage risk to provide the best value and outcome for all of Infrastructure BC's clients' projects. The public sector owns the infrastructure and maintains complete oversight of the projects in all cases.

Infrastructure BC brings its knowledge of infrastructure development and procurement expertise to each project, ensuring that projects meet citizens' and clients' needs. Infrastructure BC works in concert with the Ministry of Infrastructure to ensure that its priorities align with the Government of B.C.'s infrastructure development priorities. Infrastructure BC also provides services to public sector project owners in Canada other than the Government of B.C.

Infrastructure BC assists the Government of B.C. in implementing its Environmental, Social and Governance (ESG) Framework priorities for capital, namely CleanBC, Mass Timber, child care, and the hiring of underrepresented workers such as Indigenous peoples, women, and people with disabilities through the planning and procurement of major infrastructure projects.

Since its inception in 2002, Infrastructure BC has provided planning and procurement services to owners of 84 projects with a cumulative capital investment of approximately \$32.5 billion. Of these, 12 projects with a total capital investment of \$4 billion were undertaken for governments in Canada other than the Province of British Columbia.

Operating Environment

In fiscal 2024/25, Infrastructure BC managed the procurement of 16 projects, with four commencing construction. These projects included George Pringle Secondary School, Surrey Langley SkyTrain, Highway 1-264th, Jumping Creek -MacDonald Snowshed. All projects were in B.C.

Infrastructure BC managed the procurement of the Belleville Terminal, Kamloops Cancer Centre, University Hospital of Northern British Columbia – Acute Care Tower, Highway 11 Interchange, Ecole Mission Senior Secondary School projects. Four projects entered into the Alliance Development Phase during 2024/25 including Burnaby Hospital Phase 2 and BC Cancer Centre, Richmond Hospital Redevelopment Phase 2 & 3, Fraser River Tunnel, and Highway 8. Additionally, Infrastructure BC managed the Request for Qualifications on behalf of the Ministry of Transportation and Transit for the Trans-Canada – R.W. Bruhn Bridge and Approaches Project and the Highway 1 Six-Laning & Canadian Pacific Kansas City Underpass Replacement – Township of Langley Project.

During the year, most staff worked within a hybrid schedule, with sixty percent of their time on average spent within Infrastructure BC's offices. Infrastructure BC continued to hire additional resources to fulfill obligations to clients due to a high volume of work and a particularly large number of procurements. Infrastructure BC's mandate to be a financially self-sustaining organization remained unchanged. The team continued to increase the number of projects it works on, properly resourcing each project and delivering added value to clients.

While the flow of projects remained strong, B.C. continued to experience relatively few bidders per project, and those that submitted bids were more risk averse to avoid any unplanned financial liability on the project. Infrastructure BC continued to examine and implement innovative procurement models, such as Progressive Design-Build, Alliance, and Target Price Contract, to deal with the challenge of fewer bidders and related market dynamics. To encourage construction firms to invest time and resources in pursuing B.C. projects, Infrastructure BC, on behalf of the Province, coordinated the publication of major infrastructure projects in planning and procurement to better communicate the depth and breadth of construction opportunities in the industry.

Economic Statement

After several years of strong growth, economic activity in British Columbia moderated in 2024 amid high interest rates, persistent price pressures, and ongoing global economic uncertainty. B.C.'s real GDP increased by 1.2 per cent in 2024 and ranked 8th (tied with Ontario) among the provinces following growth of 2.4 per cent in 2023. Last year, economic growth was driven by B.C.'s service-producing industries such as real estate, rental and leasing; health care and social assistance services; transportation and warehousing; public administration; and educational services. Output for goods-producing industries declined in 2024 due to lower construction and manufacturing activity, which was partly offset by growth in the mining, quarrying and oil and gas extraction; utilities; and agriculture, forestry, fishing and hunting sectors.

B.C.'s labour market continued to expand in 2024. Employment in B.C. increased by 66,100 jobs (+2.3 per cent), supported by high immigration, and wages and salaries rose by 6.3 per cent. B.C.'s unemployment rate averaged 5.6 per cent in 2024, up from 5.2 per cent in 2023 as strong population

and labour force growth outpaced job gains. Elevated interest rates, rising construction costs, and ongoing labour shortages weighed on the construction sector last year. Housing starts totaled 45,828 units in 2024, down 9.2 per cent from the record high in 2023, but remained above the ten-year historical average. B.C. home sales increased by 2.1 per cent and the average home sale price increased by 1.0 per cent compared to 2023. Price pressures in B.C. continued to broadly moderate last year, but shelter price growth remained elevated. Overall, B.C.'s inflation rate averaged 2.6 per cent in 2024, down from 3.9 per cent in 2023. Despite strong population growth, nominal retail sales increased by just 0.6 per cent in 2024, following a 0.1 per cent decline in 2023. On the trade front, weak global demand and lower commodity prices (primarily natural gas and coal prices) last year contributed to a 2.7 per cent decline in B.C.'s merchandise exports relative to 2023 despite increased exports to non-U.S. destinations including China, South Korea, and Australia.

Report on Performance: Goals, Objectives, and Results

The following goals, objectives and performance measures have been restated from the 2024/25 – 2026/27 service plan. For forward-looking planning information, including current and future performance targets, please see the latest [service plan](#).

Goal 1: Effective delivery of complex infrastructure projects for project owners

Objective 1.1: Effective planning of complex infrastructure projects.

Infrastructure BC assists the province and other public sector owners with planning complex infrastructure projects.

Key results

- Applied provincial guidance for concept plans and business cases.
- Assisted provincial project owners in writing concept plans and business cases consistent with Capital Asset Management Framework (CAMF).
- Developed comprehensive business cases for public sector owners not associated with the Province of B.C.
- Delivered educational workshops to project owners.

Summary of progress made in 2024/25

To ensure the quality and consistency of its concept plans and business cases, Infrastructure BC created various guidance documents and templates that it applied to every project.

Additionally, Infrastructure BC provided education workshops for Government and project owners to help them learn about the elements of a comprehensive concept plan and business case, as well as the time and resources required to produce them. During 2024/25, Infrastructure BC provided multiple presentations to Government and public owner audiences, in person and virtually.

During the year, Infrastructure BC also provided advisory services during design, construction, and operations on the following projects: Dawson Creek and District Hospital Redevelopment, Nats'oojeh Hospital and Health Centre (Stuart Lake Hospital Redevelopment), Cowichan District Hospital Replacement, and the RBCM Provincial Archives, Research, and Collections (PARC) Building.

Objective 1.2: Successful procurement of complex infrastructure projects

Infrastructure BC consistently works with owners and the market, adapting as necessary to ensure the effective delivery of complex infrastructure projects.

Key results

- Developed and implemented new procurement delivery models and/or improvements to existing models and maintained regular engagement with market participants and other procurement agencies in Canada and worldwide.
- Retained a Fairness Reviewer on all procurements.
- Published the BC Major Infrastructure Projects Brochure, Spring 2024 edition.
- Participated on designated project boards (governance structure for large Government capital projects).
- Worked with owners to manage the scope to deliver value when receiving pricing from one proponent. Employed third-party reviews to provide assurance.

Summary of progress made in 2024/25

Infrastructure BC worked closely with the Ministry of Transportation and Transit and Transportation Investment Corporation, managing the procurement of projects, including Belleville Terminal Replacement, Highway 1 to 264th Interchange, Highway 11 Interchange, Jumping Creek to MacDonald Snowshed, Surrey Langley SkyTrain's three contracts (Guideways, Stations, and Systems and Trackwork) and the Fraser River Tunnel project. Infrastructure BC also managed the procurement of Ecole Mission Senior Secondary throughout 2024/25.

Infrastructure BC also managed the planning/or procurement, and development phases of projects undertaken by several health authorities. These projects included the Kamloops BC Cancer Centre, Richmond Hospital Redevelopment Phase 2 & 3, Burnaby Hospital Redevelopment Phase 2 and BC Cancer Centre, and the University Hospital of Northern BC Acute Care Tower.

Current market conditions are characterized by many large and complex projects in both public and private sectors, as well as a higher risk aversion among contractors. Infrastructure BC provided advice to project owners on how to successfully procure capital procurements in this environment. A key element that remains constant is the requirement to conduct procurements that are fair and verified to be fair. This is achieved by using a third-party monitor, known as a Fairness Reviewer.

The BC Major Infrastructure Projects Brochure is typically published each spring and fall by Infrastructure BC and features project details from the BC Ministry of Infrastructure, the Ministry of Transportation and Transit, BC Hydro, as well as Metro Vancouver, TransLink, Vancouver Fraser Port Authority, and the Capital Regional District. The brochure provides market participants, including industry, contractors, and subcontractors, with information about planned infrastructure projects,

enabling the market to better allocate the necessary financial and human resources. The market reaction to this biannual brochure continued to be positive and strong throughout 2024/25.

Infrastructure BC contributes its expertise to the governance of capital projects through the procurement of major projects. For example, in procurements where only one bidder provides pricing, value must be ensured, even if the pricing is within the project budget. Infrastructure BC requires disclosure and transparency of pricing, not found in procurements where pricing is received from more than one bidder. In addition, Infrastructure BC conducts independent cost reviews. In procurements where more than one bidder provides pricing, value is determined from the competitive process. In fiscal 2024/25, Infrastructure BC received two or more submissions from all procurements.

Objective 1.3: Effective management of design and construction of complex infrastructure projects on behalf of or with Provincial project owners

The Canadian construction market is expected to remain active for the foreseeable future. Infrastructure BC provides its expertise to the governance of these projects during their design and construction projects.

Key results

- Had sufficient experienced internal resources focused on design and construction.
- Infrastructure BC provided services to provincial project owners who did not have sufficient personnel or internal expertise to manage their organization's large, complex infrastructure projects.

Summary of progress made in 2024/25

Infrastructure BC provided its expertise to the management of projects during their design and construction phases during 2024/25, which included Dawson Creek and District Hospital Redevelopment, Nats'oojeh Hospital and Health Centre (Stuart Lake Hospital Redevelopment), Cowichan District Hospital Replacement, and the RBCM Provincial Archives, Research, and Collections (PARC) Building. Infrastructure BC understands the importance of having experienced resources to deliver on its design and construction mandates. Therefore, many staff members expanded their portfolio to include design and construction activities. Moreover, new staff members joined Infrastructure BC to ensure adequate resources for the assigned design and construction projects.

Performance measure (s) and related discussion

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
1a % of Clients who are satisfied with Infrastructure BC's capital planning support.	88%	NA (biannual survey) ²	NA (biannual survey) ²

Data source: Client and Stakeholder Satisfaction Survey.

¹PM 1a targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 80% or higher and NA, respectively.

²The most recent client and stakeholder satisfaction survey was held in Q4 of the 2023/24 fiscal year and biennially thereafter.

Infrastructure BC has developed many detailed guidance documents and templates that it utilizes to complete comprehensive concept plans and business cases. All concept plans and business cases go through an internal quality control process before being finalized. During 2024/25, Infrastructure BC supported the development or completion of multiple business cases, including the Plant and Animal Health Centre Replacement project.

During 2024/25, Infrastructure BC delivered multiple education workshops for Government and project owners to assist in their knowledge of procurement models, specifically the Alliance model.

Infrastructure BC conducts biennial surveys of stakeholders and clients. The most recent Infrastructure BC Client and Stakeholder Satisfaction Survey was conducted in Q4 of the 2023/24 fiscal year, which saw an 88% satisfaction rate achieved. The next survey will be conducted in 2025/26.

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
1b ¹ % of procurements with clean Fairness Reviewer reports.	100%	100%	100%

Data source: Fairness Reviewer Reports are available within each individual project page located on [Infrastructure BC website](#).

¹PM 1.2 targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 100% and 100%, respectively.

Fairness Reviewer reports are created for both the RFQ and RFP phases. Clean reports help strengthen market confidence in Infrastructure BC-led procurements, contributing to stronger market competition and improved pricing and value for projects. A clean Fairness Reviewer report comments positively on the treatment of participants, the application of evaluation criteria, fairness, and transparency and contributes to the effective delivery of complex infrastructure projects. Fairness Reviewer reports are publicly available on Infrastructure BC's website project page.

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
1c ¹ % of procurements with two or more qualified respondents	100%	100%	100%

Data source: Infrastructure BC internal tracking.

¹PM 1.3 targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 100% and 100%, respectively.

Public sector clients receive the best value through robust market participation and competition; therefore, Infrastructure BC targets a minimum of two qualified responses in each capital project procurement to generate competitive tension for projects.

Goal 2: Province's capital projects are aligned with its policy priorities

Objective 2.1: Assist the Province in implementing the Province's Environmental, Social and Governance Framework for Capital (ESGFC)

To ensure capital projects are aligned with policy priorities such as ESGFC, Infrastructure BC supports the Province through project planning that includes the achievement of lasting labour,

environmental, economic, and social benefits for British Columbians by leveraging its investments in public infrastructure projects.

Key results

- Assisted with the development and implementation of assessment tools that can be used during the capital planning stage (e.g., screening tools).
- Supported the development and implementation of approaches to include ESGFC priorities in the procurement phase of projects (e.g., template legal language suitable for different forms of standard construction contracts).
- Monitored ESGFC initiatives during design and construction stages and suggested improvements.

Summary of progress made in 2024/25

As a partner in provincial capital project planning and implementation, Infrastructure BC continued to be positioned to support the implementation of the ESGFC. The ESGFC includes four priority areas:

- Childcare – providing more childcare spaces;
- CleanBC – reducing energy consumption and emission of greenhouse gases and climate resilience goals;
- Mass Timber – utilizing mass timber in construction where possible; and
- Labour – increase participation of individuals from underrepresented groups in construction and increase apprentices on major public infrastructure projects.

Based on the Province’s decision regarding ESGFC initiatives to be included in the project, Infrastructure BC worked with owners and construction market participants to integrate the identified initiatives where relevant into the procurement and construction documents. For example, the Enhanced Inclusion and Development Agreement (EIDA) was implemented on two projects, Kamloops Cancer Centre and new Surrey Hospital and BC Cancer Centre in fiscal 2024/25.

Performance measure and related discussion

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
2a ¹ Clients’, Government, and Contractors’ satisfaction with Infrastructure BC’s effectiveness in implementing Government’s strategic priorities	88%	NA (biannual survey) ²	NA (biannual survey)

Data source: Infrastructure BC Client and Stakeholder Engagement Survey.

¹PM 2.1 targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 88% and NA, respectively.

²The most recent client and stakeholder satisfaction survey was held in Q4 of the 2023/24 fiscal year and biennially thereafter.

Infrastructure BC conducts biennial surveys of stakeholders and clients. The most recent Infrastructure BC Client and Stakeholder Satisfaction Survey was conducted in Q4 of the 2023/24

fiscal year, which saw an 88% satisfaction rate achieved. The next survey will be conducted in 2025/26.

Goal 3: Ensure sufficient capacity to deliver Infrastructure BC's mandate

Objective 3.1: Achieve sufficient capacity to provide services to clients

Infrastructure BC requires staff with strong planning and procurement experience to deliver on projects successfully.

Key results

- Infrastructure BC maintained the implementation of an Infrastructure BC-wide succession plan that enabled new staff to be trained and to work on tasks (such as lessons learned, project boards, market engagement, education within government, etc.).
- Provided focused staff development and learning opportunities.
- Developed an organization-wide employee coaching framework.
- Implemented a Balanced Scorecard framework as part of the annual performance review process. The Balanced Scorecard allows the Organization to align its human resources practices with overarching business strategies, recognizing that employees are valuable assets who drive success.

Summary of progress made in 2024/25

Given the significant knowledge and skills that are required to deliver on its mandate, Infrastructure BC has established the processes to hire, train, and develop its staff. Each employee has a manager who oversees their training and development. Infrastructure BC also has a career development program that provides resources and learning opportunities for employees to work on projects.

However, it takes time for new employees to master Infrastructure BC's process. This is because a business case usually takes a year to complete, and a procurement process typically takes 15 months. To speed up the learning curve, Infrastructure BC offers staff development and coaching programs. Infrastructure BC also has many ongoing projects that provide valuable learning experiences for its staff.

During 2024/25, Infrastructure BC hired eleven new employees, including management and non-management positions.

Infrastructure BC regularly evaluates its succession planning at all levels.

Objective 3.2: Enhance employee engagement and satisfaction

Infrastructure BC focuses on continuous learning and improvement of all team members.

Key results

- Addressed issues raised through staff engagement surveys.
- Promoted a welcoming workplace culture for people of all backgrounds and orientations.
- Continued Infrastructure BC's Diversity, Equality, and Inclusion journey, focusing on mental and physical health.
- Limited knowledge loss by reducing voluntary turnover in comparison to Western Canada-based organizations.

Summary of progress made in 2024/25

"People First" is among Infrastructure BC's core values. Infrastructure BC focused on continuous learning and improvement of all team members. This corporate culture focuses on growth and is supported by coaching and timely feedback to ensure continued positive staff engagement at all levels. Every two years, Infrastructure BC undertakes an employee engagement survey to solicit confidential feedback on how to improve the way people are managed within Infrastructure BC. The 2023/24 employee engagement survey with a 98% participation rate returned an 84% satisfaction index.

A survey performed in fiscal 2021/22 indicated the importance of staff development, increasing awareness of physical and mental health, and continuing the Diversity, Equity, and Inclusion journey as areas for improvement. An internal action plan and the introduction of new tools in 2022/23 and 2023/24 supported the implementation of these important initiatives. Infrastructure BC recognizes that the path of Diversity, Equity, and Inclusion is an ongoing journey. During the year, Infrastructure BC continued to focus on its core value of people first. The strategy of orientating, integrating, and supporting newer employees while further developing and mentoring experienced employees was a key component in Infrastructure BC's positive employee engagement survey results. In addition, the coaching framework established post-pandemic as part of a five-part education program has further solidified Infrastructure BC's corporate culture of focusing on our people. Throughout 2024/25, Infrastructure BC continued to focus on a culture of coaching and mentorship in addition to reviewing the organization's vision, mission, and values.

Performance measure(s) and related discussion

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
3a ¹ % of Infrastructure BC Project Directors and Senior Associates who have >5 years of relevant experience	70%	25%	73%

Data source: Infrastructure BC internal human resource tracking.

¹PM 3.1 targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 25% and 25%, respectively.

Infrastructure BC is a knowledge management company that helps new employees learn from experienced ones. Experienced employees are those who have more than seven years of experience in the field. Infrastructure BC is a small to medium-sized company, so each experienced employee can mentor several new ones, but not too many. Infrastructure BC's goal is to have a 25% ratio of experienced to new employees, which means one experienced employee for every three new ones.

This way, the new employees can receive the best learning and development opportunities. Higher ratios are fine; however, lower ratios can affect the quality of learning for the new employees.

Performance Measure	2023/24 Actual	2024/25 Target	2024/25 Actual
3b ^{1,2} % of engaged employees	84%	NA ²	NA ²

Data source: Infrastructure BC Employee Engagement Survey.

¹PM 3.1 targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 25% and NA%, respectively.

²The most recent employee engagement satisfaction survey was held in Q4 of the 2023/24 fiscal year and biennially thereafter.

Infrastructure BC works in a knowledge management industry, and its most important asset is its employees. For Infrastructure BC to build and maintain the capacity required to deliver its mandate, it is essential that Infrastructure BC understands its employees' engagement and satisfaction across specific areas of focus, including day-to-day work, development and training, co-workers, managers, executives, and the organization.

A well-managed organization supports employee development and provides growth and challenging opportunities. Infrastructure BC measures employee engagement through job satisfaction and commitment via an employee engagement survey. This survey, conducted biennially by a third-party consultant, measures outcomes in various areas, including teamwork, professional development, and job suitability. Where possible, normative scores are included in the final report for benchmarking purposes. The most recent Infrastructure BC Employee Engagement Survey was conducted in Q4 of the 2023/24 fiscal year, which achieved an 84% engagement rate. The next survey will be conducted in 2025/26 and biennially thereafter.

Financial Report

For the auditor's report and audited financial statements, see [Appendix \[Letter\]](#). These documents can also be found on the [Crown Agency Name] website.

Financial Summary

(\$m)	2023/24 Actual	2024/25 Budget	2024/25 Actual	2024/25 Variance
Revenues				
Consulting fees	11.40	16.08	13.57	(2.51)
Investment income	1.04	0.72	0.86	0.14
Project recoveries	6.38	3.00	4.32	1.32
Total Revenue	18.82	19.80	18.75	(1.05)
Expenses				
Human resource costs	9.30	12.10	11.29	(0.81)
Administration	1.50	1.97	1.78	(0.19)
Professional services	0.69	0.65	0.67	0.02
Amortization	0.16	0.08	0.10	0.02
Project recoverable expenses	6.38	3.00	4.32	1.32
Total Expenses	18.03	17.80	18.16	0.36
Operating Surplus	0.79	2.00	0.59	(1.41)
Total Debt	0.00	0.00	0.00	0.00
Capital Expenditures	0.15	0.09	0.15	(0.06)
Accumulated Surplus	21.16	23.16	21.75	(1.41)

¹ The above financial information was prepared based on current Generally Accepted Accounting Principles.

Discussion of Results

This Discussion of Results of Infrastructure BC Inc. (Infrastructure BC or the 'Organization'), is intended to be read in conjunction with the audited financial statements and accompanying notes. The results reported are prepared in accordance with Canadian Public Sector Accounting Standards using guidelines developed by the Public Sector Accounting (PSA) Board of the Chartered Professional Accountants of Canada.

This Discussion of Results presents an analysis of Infrastructure BC's 2024/25 financial performance in comparison to the previous fiscal year and 2024/25 budget.

Overview of Fiscal 2024/25

Fiscal 2024/25 was a year marked with historical elections and global unrest. The historical elections in developed countries brought about significant changes to certain government policies such as changes to free trade agreements and implementation of higher tariffs, thus impacting the cost of goods imported from those countries. Previously, the landscape and environment were dominated by high interest rates, high inflation and supply chain challenges. Considering these challenges and the impact on current capital budgets and project schedules, Infrastructure BC continued to provide value added support to its clients to successfully deliver on their capital mandates.

Comparison of 2024/25 and 2023/24 Financial Performances

Infrastructure BC generated consulting fees of \$13.6 million in fiscal 2024/25 compared to \$11.4 million in fiscal 2023/24, resulting in an increase of \$2.2 million or 19%. The increase in consulting fees was largely due to the number of projects in procurement in the transportation, utilities, healthcare and accommodation sectors.

The Organization reached the development phase on the following projects in fiscal 2024/25:

- Burnaby Hospital Redevelopment Phase 2 and BC Cancer Centre;
- Richmond Hospital Redevelopment; and
- Fraser River Tunnel Replacement.

The Organization reached a final project agreement on the following projects in fiscal 2024/25:

- Jumping Creek to MacDonald Snowshed;
- Surrey Langley SkyTrain – Guideways;
- Surrey Langley SkyTrain – Stations; and
- Surrey Langley SkyTrain – Systems and Trackwork.

Concurrently, there were several other projects in procurement or pre-procurement in fiscal 2024/25:

- Belleville Terminal Replacement;
- Britannia Mine – Service Contract
- Highway 11 Interchange;
- Kamloops BC Cancer Centre;
- Mission Secondary School

- Plant and Animal Health Centre Replacement;
- Saanich Operations Centre Redevelopment; and
- University Hospital Northern BC.

The Belleville Terminal and Kamloops BC Cancer Centre projects are expected to reach final project agreements in fiscal 2025/26.

During the year, Infrastructure BC also supported the development and or completion of business plans for the following projects:

- Plant and Animal Health Centre Replacement;
- Surrey Memorial Hospital New Tower;
- Transit Centres for BC Transit; and
- University Hospital Northern BC.

During the year, Infrastructure BC also provided advisory services during design and construction on the following projects:

- Collections and Research Building for the Royal BC Museum;
- Dawson Creek and District Hospital Replacement;
- Nats'oojeh Hospital and Health Centre (Stuart Lake Hospital Redevelopment); and
- Yukon Hospital Corporation.

Variance and Trend Analysis

Revenues – Comparison between 2024/25 and 2023/24 and to Budget

For the year ended March 31, 2025, total revenues consisting of consulting fees and interest income were 14.1 per cent below budget.

The development of Infrastructure BC's budget was based on assumptions such as the number of projects in the procurement, business case, implementation, and advisory phases, and the number of staff required to deliver on those projects. Based on the assumed number of projects and resources required to successfully deliver on those projects, Infrastructure BC budgeted for 67 Full Time Equivalent (FTE) staff in 2024/25. However, during the year and as a result of changes in schedules with various projects, the Organization had approximately 59.8 FTEs to meet all the project requirements.

Interest income decreased by \$0.14 million in fiscal 2024/25 due to the decrease in interest rates as the on-going efforts to tackle the inflation originally brought on by the COVID-19 pandemic has achieved its intended outcome of a lower inflationary environment. The Organization has placed its excess cash with the Ministry of Finance Central Deposit Program (the 'Program') to support the Province's monetary program while at the same time, earning a competitive interest rate with minimal risk. The Program pays an interest rate equal to the prime lending rate of the principal banker to the Province of B.C. less 2.0%.

Expenses – Comparison between 2024/25 and 2023/24

For the year ended March 31, 2025, there was an increase in operating expenses of \$2.2 million or 18.8 per cent compared to last year. The overall increase was primarily attributable to the hiring and integration of eleven (11) new employees into the Organization. The key appointment was a Vice-President, Infrastructure Construction and Delivery to lead, manage and develop the Organization's implementation program.

The increase in general and administrative expenses was primary attributable to the following:

- a. The increase in the number of employees in the Organization;
- b. The on-going improvements to work flow processes and development of dashboards and reports with the Organization's new financial accounting and professional services automation application;
- c. The requirement to increase the number of licenses for all software applications; and
- d. The continuing impact of inflationary pressures on the Organization's overall costs.

The increase in building occupancy expenses was due to the increase in negotiated base rents for the Vancouver and Victoria offices. These offices still provide value to the Organization as it allows for in-person collaboration and a location for client, project, and team meetings.

The increase in information systems expenses was due to the increased number of employees, which resulted in additional licences and other related tools. This is in addition to the continuing improvements to work flow processes and the development of dashboards and reports within Deltek VantagePoint.

The decrease in professional fees expenses was attributable to a number of one-time initiatives in fiscal 2023/24, such as support with respect to an Indigenous procurement strategy.

Overall, for the year ended March 31, 2025, total expenses as a percentage of revenues were 95.9 per cent compared to 93.6 per cent for the year ended March 31, 2024. The increase was largely attributable to increased staffing levels and a corresponding increase in administrative expenses to setup, orientate, integrate, and support the new employees. Some of these initiatives included in-person group orientation sessions for new employees to orientate them on the Organization's business plan and procurement processes, use of guidance libraries and templates, and staff professional development days to support the integration of new staff into the Organization.

Total general and administrative expenses, as a percentage of revenues, were 17.6 per cent compared to 18.8 per cent for the year ended March 31, 2024.

Expenses – Comparison of 2024/25 to Budget

The development of the fiscal 2024/25 human resources and general and administrative expenses budget was based on the projected staffing level of 67 FTEs to support the projects from the Province. It also took into consideration the ongoing inflationary pressures faced by the Organization.

For the year ended March 31, 2025, the Organization did not hire the full complement of staff compared to budget. As a result, human resources expenses were \$11.3 million compared to budget of \$12.1 million, resulting in a variance of \$0.8 million or 6.7 per cent. Hiring was paused in September 2024 primarily due to the 2024 provincial election and the finalization of the Organization's new mandate from the Ministry of Infrastructure.

For the year ended March 31, 2025, total general and administrative expenses were \$2.5 million compared to a budget of \$2.7 million, resulting in a variance of \$0.2 million or 5.9 per cent. The positive variance was largely due to the lower-than-expected administrative expenses as a result of the lower-than-budgeted head count for fiscal 2024/25. In addition, the Organization had expected to increase its floor space in Victoria to accommodate all the new staff, however this initiative was deferred until fiscal 2025/26.

Total expenses for the year ended March 31, 2025, as a percentage of revenues, were 95.9 per cent, which was greater than the budget of 88.1 per cent. General and administrative expenses for the year ended March 31, 2025, as a percentage of revenues, were 17.6 per cent, which was also greater than the budget of 16.1 per cent. The increase in these percentages was largely due to the lower than budgeted volume of consulting fees in fiscal 2024/25.

Statement of Financial Position

Assets

Explanation of significant changes in the Statement of Financial Position are provided below.

Cash decreased by \$0.2 million from \$19.6 million as at March 31, 2024, to \$19.4 million as at March 31, 2025. The decrease in cash was due to changes in working capital net of the current year's operating surplus.

Accounts receivable, which consists of consulting fees, project recoverable expenses and accruals at year-end, increased by \$0.3 million from \$3.2 million as at March 31, 2024, to \$3.5 million as at March 31, 2025. Current accounts receivable represented approximately 91 per cent of the balance at year-end. All the accounts receivable are receivables from the Province of B.C. and related agencies. As a result, the Organization did not provide for any doubtful accounts for the years ended March 31, 2025, and 2024.

Non-financial assets, consisting of prepaid expenses and tangible capital assets, increased by \$0.08 million. This was primarily due to the additions of capital assets during the year.

Liabilities and Accumulated Surplus

Accounts payable and accrued liabilities decreased by \$0.5 million from \$2.0 million as at March 31, 2024, to \$1.5 million as at March 31, 2025. The decrease was due to the timely payment of accounts payable and accrued liabilities at fiscal year-end.

Deferred lease inducement of \$0.08 million consists of unamortized reimbursement of leasehold improvement costs from the lessor. The total inducement was deferred and recognized as a reduction of building occupancy expense on a straight-line basis over the term of the lease.

The increase in accumulated surplus was attributable to an annual operating surplus of \$0.6 million.

Statement of Cash Flows

Liquidity and capital resources

As at March 31, 2025, the Organization's principal sources of liquidity included cash of \$19.5 million and accounts receivable of \$3.5 million. The Organization has \$1.5 million in accounts payable and accrued liabilities due next year. As a result, the Organization has a net working capital of \$21.5 million compared to \$20.9 million as at March 31, 2024, an increase of \$0.6 million.

Independent Auditor's Report and Financial Statements together with Notes to Financial Statements to be inserted here.

Appendix [letter]: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2021/22 and 2023 Mandate Letters from the Minister Responsible.

2021/22 Mandate Letter Priority	Status as of March 31, 2025
Continue to provide strategic advice to the Province and support to the public sector clients for Government priorities as they relate to capital projects including, but not limited to, use of mass timber, Community Benefits Agreements, inclusion of childcare spaces and assisting the Province in meeting CleanBC targets.	- Infrastructure BC continues to provide strategic advice regarding childcare design standards, mass timber assessment tool, mass timber in procurements such as RBCM PARC, CleanBC targets in all vertical procurements, procuring projects with Community Benefit Agreements (CBA), as well as assisting in the management of projects with CBAs (example: Cowichan District Hospital Replacement). - Ongoing
Continue to work with the Ministry of Finance to implement the recommendations of the Infrastructure BC mandate review, including but not limited to, publishing an inventory of Provincial capital projects over \$50 million in the advanced planning and procurement stages every six months to increase market interest.	Infrastructure BC published the BC Major Infrastructure Projects Brochure in April 2024
Continue to enhance the understanding of project owners in the Provincial government and other stakeholders of best practices in capital planning, procurement and contract management to improve communication and better understand project outcomes and stakeholders' needs.	- Infrastructure BC provided 18 education and information sessions to public sector owners during fiscal 2024/25. - Ongoing
2023 Mandate Letter Priority	Status as of March 31, 2025
Implement and maintain an effective fraud risk management strategy.	Strategy implemented and maintained on a quarterly and annual basis
Gender-Based Analysis Plus (GBA+) lens	Ongoing

Appendix B: Auditor's Report and Audited Financial Statements

Statement of Management Responsibility

The financial statements of Infrastructure BC Inc. for the year ended March 31, 2025, have been prepared by management in accordance with Canadian Public Sector Accounting Standards. These financial statements present fairly the financial position of Infrastructure BC Inc. as at March 31, 2025.

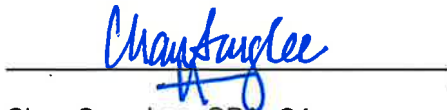
Management is responsible for the preparation of the financial statements and has established a system for internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and financial records provide reliable information for the preparation of the financial statements.

The Board of Directors carries out its responsibility for the review of financial statements. The Board meets with management and the external auditor to discuss the results of audit examinations and financial reporting matters. The external auditor has full access to the Board.

BDO Canada LLP has performed an independent audit of the financial statements of Infrastructure BC Inc. The Independent Auditor's Report outlines the scope of their examination and expresses an opinion on statements of Infrastructure BC Inc.



Mark Liedemann
President and Chief Executive Officer
Infrastructure BC Inc.



Chan-Seng Lee, CPA, CA
Chief Financial Officer and Corporate Secretary
Infrastructure BC Inc.

Independent Auditor's Report

To the Board of Directors and Shareholder of Infrastructure BC Inc.

Opinion

We have audited the financial statements of Infrastructure BC Inc. (the “Organization”) which comprise the Statement of Financial Position as at March 31, 2025 and the Statements of Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the Organization's financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2025 and its results of operations, changes in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally-accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally-accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally-accepted auditing standards we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. But not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

June 18, 2025

Infrastructure BC Inc.
Statement of Financial Position
As at March 31, 2025 and 2024

	2025	2024
Financial assets		
Cash and cash equivalents	\$ 19,407,151	\$ 19,596,450
Accounts receivable (Note 3)	3,515,046	3,199,457
Total Financial Assets	22,922,197	22,795,907
Liabilities		
Accounts payable & accrued liabilities (Note 4)	1,495,308	1,958,144
Deferred lease inducement	78,228	-
Total Liabilities	1,573,536	1,958,144
Net financial assets	21,348,661	20,837,763
Non-financial assets		
Prepaid expenses	147,073	116,038
Tangible capital assets (Note 6)	259,529	206,562
Total Non-financial Assets	406,602	322,600
Accumulated surplus	\$ 21,755,263	\$ 21,160,363
Accumulated surplus is comprised of:		
Accumulated surplus	\$ 21,755,261	\$ 21,160,361
Share capital (Note 7)	2	2
	\$ 21,755,263	\$ 20,160,363

The accompanying notes are an integral part of these financial statements.

APPROVED ON BEHALF OF THE BOARD



C. Fair, Lead Director



S. Dujmovic, Director

Infrastructure BC Inc.
Statement of Operations
For the Years Ended March 31, 2025
and 2024

	Budget	2025	2024
	(Note 11)		
Revenue			
Consulting fees	\$ 16,077,360	\$ 13,565,931	\$ 11,402,153
Interest income	724,000	859,725	1,035,779
Total Revenues	16,801,360	14,425,656	12,437,932
Expenses			
Administration	471,250	396,473	340,950
Amortization of tangible capital assets	80,844	100,176	158,746
Building occupancy	755,600	606,158	509,353
Human resources	12,097,571	11,286,145	9,300,501
Information systems	517,760	485,162	378,969
Professional services	651,500	666,187	691,886
Travel	225,920	290,455	264,184
Total Expenses	14,800,445	13,830,756	11,644,589
Reimbursable costs			
Project recoveries	3,000,000	4,315,359	6,380,018
Less: Project expenses	(3,000,000)	(4,315,359)	(6,380,018)
Net reimbursable costs	-	-	-
Annual surplus	2,000,915	594,900	793,343
Accumulated surplus, beginning of year	21,160,361	21,160,361	20,367,018
Accumulated surplus, end of year	\$ 23,161,276	\$ 21,755,261	\$21,160,361

The accompanying notes are an integral part of these financial statements.

Infrastructure BC Inc.
Statement of Changes in Net Financial Assets
For the Years Ended March 31, 2025 and 2024

	Budget	2025	2024
	(Note 11)		
Annual surplus	\$ 2,000,915	\$ 594,900	\$ 793,343
Acquisition of tangible capital assets	(97,963)	(153,143)	(145,663)
Amortization of tangible capital assets	80,844	100,176	158,746
	(17,119)	(52,967)	13,083
Additions to prepaid expenses	-	(250,676)	(198,333)
Use of prepaid expenses	16,038	219,641	191,497
	16,038	(31,035)	(6,836)
Increase in net financial assets for the year	1,999,834	510,898	799,590
Net financial assets, beginning of year	20,837,763	20,837,763	20,038,173
Net financial assets, end of year	\$ 22,837,597	\$21,348,661	\$20,837,763

The accompanying notes are an integral part of these financial statements.

Infrastructure BC Inc.
Statement of Cash Flows
For the Years Ended March 31, 2025 and 2024

	2025	2024
Operating transactions		
Annual surplus	\$ 594,900	\$ 793,343
Non-cash item included in surplus:		
Amortization of tangible capital assets	100,176	158,746
Amortization of deferred lease inducement	(21,187)	(51,900)
	<u>673,889</u>	<u>900,189</u>
Changes in non-cash operating balances		
Accounts receivable	(315,589)	(485,461)
Prepaid expenses	(31,035)	(6,836)
Deferred revenue	-	(50,320)
Accounts payable and accrued liabilities	(462,836)	811,536
	<u>(809,460)</u>	<u>268,919</u>
Cash provided by (used in) operations	<u>(135,571)</u>	<u>1,169,108</u>
Capital transactions		
Purchase of tangible capital assets	(153,143)	(145,663)
Receipt of lease inducement	99,415	-
	<u>(53,728)</u>	<u>(145,663)</u>
Net increase (decrease) in cash for the year	(189,299)	1,023,445
Cash and cash equivalents, beginning of year	<u>19,596,450</u>	<u>18,573,005</u>
Cash and cash equivalents, end of year	<u>\$ 19,407,151</u>	<u>\$ 19,596,450</u>

The accompanying notes are an integral part of these financial statements.

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

1. Nature of Operations

Infrastructure BC Inc. (“Infrastructure BC” or the “Organization”) is a company owned by the Province of British Columbia (the “Province”). The Organization is governed by a Board of Directors and is accountable to the Ministry of Infrastructure. The Organization was incorporated under the British Columbia Business Corporations Act in May 2002 as Partnerships British Columbia Inc. and changed its corporate name to Infrastructure BC Inc. in August 2020. It has two issued shares, both of which are held by His Majesty The King in the Right of the Province of British Columbia.

The Organization’s vision is to improve people’s lives and communities through infrastructure with a mandate to work with owners to deliver complex public infrastructure in an evolving world. Infrastructure BC provides a variety of consulting services to public sector agencies wishing to explore innovative options for building and managing public infrastructure such as highways, bridges, hospitals, public transit and accommodations facilities.

The Organization’s core business is to:

- Provide specialized services in the procurement of major public projects, ranging from advice to business cases, procurement management, and implementation.
- Provide advice on partnership project management, deal structure, risk management, procurement, and the selection and engagement of consultants.
- Foster a positive business and policy environment for successful projects and related activities by continually expanding British Columbia’s and other jurisdictions’ base of knowledge, understanding and expertise in these areas.
- Manage an efficient and leading edge organization that meets or exceeds performance expectations.

The Organization’s clients are public sector agencies, including ministries, Crown corporations, local and statutory authorities in British Columbia and other Provinces, and local governments. To serve these clients effectively, Infrastructure BC also works to build strong relationships with private sector partners such as businesses operating in the infrastructure sector, and legal, financial and other advisors.

Infrastructure BC is exempt from income taxes under the *Income Tax Act*.

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

2. Summary of Significant Accounting Policies

a. Basis of accounting

These financial statements are prepared by management in accordance with Canadian Public Sector Accounting Standards ("PSAS") using guidelines developed by the Public Sector Accounting Board.

b. Cash and cash equivalents

Cash equivalents include deposits held in the Ministry of Finance's Central Deposit Program which are recorded at cost plus accrued interest. These deposits earn interest at the prime lending rate of the principal banker to the Province of BC minus 2.0%.

c. Employee future benefits

The employees of Infrastructure BC belong to the Public Service Pension Plan (the "Plan"), which is a multi-employer joint trustee plan. This Plan is a defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service, and highest earnings averaged over five years. Inflation adjustments and the provision of post-retirement health benefits are contingent upon available funding.

The joint Board of Trustees of the Plan determines the required Plan contributions every three years.

The contributions made by Infrastructure BC to the Plan are recorded as an expense for the year.

d. Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition.

The cost, less residual value, of the Organization's tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

2. Summary of Significant Accounting Policies (continued)

d. Tangible capital assets (continued)

- | | |
|---------------------------|------------|
| • Computer software | 2 years |
| • Computer hardware | 3 years |
| • Furniture and equipment | 5 years |
| • Leasehold improvements | Lease term |

Tangible capital assets are written down when conditions indicate that they no longer contribute to Infrastructure BC's ability to provide services.

e. Prepaid expenses

Prepaid expenses, which are primarily comprised of annual insurance premiums, deposits, software and other licenses, and future travel costs, are recognized as expenses over the periods in which the goods are consumed or the services are received.

f. Deferred lease inducement

Deferred lease inducement consists of reimbursement of leasehold improvement costs from the lessor. This inducement is deferred and recognized as a reduction to building occupancy expense on a straight-line basis over the term of the lease.

g. Revenue recognition

Revenues are recognized on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues. Revenues are recognized as the consulting services are provided and collection is reasonably assured. Project recoveries are recognized when services are performed or when costs are incurred and collection is reasonably assured.

Payments received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or the service performed.

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

2. Summary of Significant Accounting Policies (continued)

h. Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Reimbursable project expenses are expensed when services are performed or when costs are incurred.

i. Measurement uncertainty

The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of tangible capital assets, estimated employee benefits, collection of accounts receivable and the impairment of tangible capital assets.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

j. Related party transactions

A related party disclosure is presented when the following criteria are met:

- A related party exists,
- A transaction occurs between related parties,
- The transaction occurred at a value different from that which would have been arrived at if the parties were unrelated, and
- The transaction has a material financial effect.

Infrastructure BC is related through common ownership to the Province of British Columbia's government ministries, agencies, and Crown corporations (the "Provincial Government"). These organizations represent the majority of Infrastructure BC's clients. All transactions with Provincial Government entities take place on regular commercial terms.

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

3. Accounts Receivable

	2025	2024
Revenues receivable	\$ 3,509,629	\$ 3,190,924
Accrued interest	5,417	8,533
	<u>\$ 3,515,046</u>	<u>\$ 3,199,457</u>

There was no provision for doubtful accounts required as at March 31, 2025 and 2024.

The revenues receivable are primarily due from the Provincial Government and entities controlled by the Provincial Government.

4. Accounts Payable and Accrued Liabilities

	2025	2024
Accounts payables and accrued liabilities	\$ 781,300	\$ 1,437,179
Salaries and benefits	349,939	261,367
Accrued vacation	364,069	259,598
	<u>\$ 1,495,308</u>	<u>\$ 1,958,144</u>

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

5. Employee Future Benefits

Infrastructure BC and its employees contribute to the Plan in accordance with the Public Sector Pension Plan Act. BC Pension Corporation administers the Plan, including payment of pension benefits to employees to whom the act applies. The Public Service Pension Plan is a multi-employer, defined benefit plan. As such, no pension liability for this type of plan is included in the financial statements.

The Plan provides defined pension benefits to employees based on their length of service and salary. The maximum contribution rate for eligible employees was 8.35% (2024: 8.35%). During the year ended March 31, 2025, Infrastructure BC contributed \$835,086 (2024: \$690,968) to the Plan. These contributions are the Organization's pension expense which is included under human resources expense.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The latest valuation as at March 31, 2023 showed that the Plan had a surplus of \$4.5 billion and is 113 percent funded as it had assets of \$38.0 billion and liabilities of \$33.5 billion. The next valuation will be as at March 31, 2026 with results available by the end of 2026.

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

6. Tangible Capital Assets

	Computer software	Computer hardware	Furniture and equipment	Leasehold improvements	2025 Total
Cost					
Opening Balance	\$ 87,177	\$ 768,874	\$ 328,085	\$ 961,686	\$ 2,145,822
Additions	-	76,816	36,219	40,109	153,144
Closing Balance	87,177	845,690	364,304	1,001,795	2,298,966
Accumulated Amortization					
Opening Balance	87,177	674,011	283,857	894,215	1,939,260
Amortization	-	63,134	21,766	15,276	100,176
Closing Balance	87,177	737,145	305,623	909,491	2,039,436
Net book value	\$ -	\$ 108,545	\$ 58,681	\$ 92,304	\$ 259,530

	Computer software	Computer hardware	Furniture and equipment	Leasehold improvements	2024 Total
Cost					
Opening Balance	\$ 87,177	\$ 701,313	\$ 318,235	\$ 893,434	\$ 2,000,159
Additions	-	67,561	9,850	68,252	145,663
Closing Balance	87,177	768,874	328,085	961,686	2,145,822
Accumulated Amortization					
Opening Balance	87,177	612,687	253,859	826,791	1,780,514
Amortization	-	61,324	29,998	67,424	158,746
Closing Balance	87,177	674,011	283,857	894,215	1,939,260
Net book value	\$ -	\$ 94,863	\$ 44,228	\$ 67,471	\$ 206,562

7. Share Capital

The authorized share capital is 5,000,000 common shares at no par value. There are two issued shares that are held by His Majesty The King in the Right of the Province of British Columbia.

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

8. Expenses by Object

The entity is a sole purpose organization and therefore does not report by function and does not provide segmented information.

9. Contractual Obligations

The Organization is committed to payments under operating leases for premises through 2030/31 as follows:

Year	Amount
2026	\$ 710,543
2027	757,811
2028	779,353
2029	800,572
2030	420,445
2031	70,993
	<u>\$ 3,539,717</u>

The Organization's Vancouver and Victoria office leases are scheduled to expire on March 31, 2029 and May 31, 2030, respectively.

10. Risk Management

a. Fair value of financial instruments

The fair value of a financial instrument is the estimated amount that the Organization would receive or pay to settle a financial asset or financial liability as at the reporting date.

The fair values of accounts receivable, and accounts payable approximate their costs given their short-term maturities.

b. Financial management risk objectives and policies

In the normal course of business, the Organization is exposed to financial risks that have the potential to negatively impact its financial performance. These risks may include credit risk, liquidity risk, interest rate risk, and other price risk. The Organization's exposure to market and fair value risks has been minimized by keeping its investments in the Ministry of Finance's Central Deposit Program, which

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

10. Risk Management (continued)

b. Financial management risk objectives and policies (continued)

has an equivalent risk profile to deposits at commercial banks and does not fluctuate in value based on market factors. It therefore does not expose the Organization to any market or value risk. There have been no changes to the risks the Organization is exposed to from the prior year.

c. General objectives, policies and processes

The Audit and Risk Management Committee has overall responsibility for the determination of the Organization's risk management objectives and policies.

The Audit and Risk Management Committee has delegated the authority to ensure effective implementation of the objectives and policies of the Organization to the Chief Executive Officer (CEO) and Senior Management Team. The Audit and Risk Management Committee and Board of Directors receives quarterly reporting from the CEO and Senior Management to ensure all processes and policies put in place are effectively meeting the objectives of the Organization.

There have been no changes in the objectives, policies and processes for managing risk from the prior year.

d. Credit risk

Credit risk is the risk that the Organization's counterparties will fail to meet their financial obligations to the Organization, causing a financial loss.

Accounts receivable arise primarily as a result of consulting work to governments, ministries, agencies and Crown corporations, therefore, collection risk is low. The Organization does not consider its exposure to credit risk to be material.

Infrastructure BC Inc.
Notes to Financial Statements
For the Years Ended March 31, 2025 and 2024

10. Risk Management (continued)

e. Liquidity risk

Liquidity risk is the risk that the Organization may be unable to generate or obtain sufficient cash in a timely and cost-effective manner to meet its commitments as they come due.

The Organization has in place a planning, budgeting and forecasting process to help determine the funds required to support the Organization's normal operating requirements. The Organization's annual Service Plan and budget are approved by the Board of Directors. The Organization also provides a quarterly revenue forecast to the Audit and Risk Management Committee.

11. Budgeted Figures

Budgeted figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Directors on January 18, 2024. These budgeted figures were included in the Organization's 2024/25 – 2026/27 Service Plan.



STATEMENTS OF FINANCIAL INFORMATION

For the year ended March 31, 2025

**INFRASTRUCTURE BC INC.
STATEMENT OF FINANCIAL INFORMATION APPROVAL**

The undersigned represents the Board of Directors of Infrastructure BC Inc. and approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.



Mark Liedemann
President and CEO
October 31, 2025

**INFRASTRUCTURE BC INC.
STATEMENT OF DEBTS
AS AT MARCH 31, 2025**

This organization has no Long Term Debt issues outstanding for the fiscal year ended March 31, 2025, as required by Financial Information Regulation, Schedule 1, subsections 4(3) and 4(4), produced under the *Financial Information Act*.

INFRASTRUCTURE BC INC.
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS
AS AT MARCH 31, 2025

Indemnity Agreements in force which required government approval prior to being given under the Guarantees and Indemnities Regulation (BC Reg. 258/87).

Entity	Amount
Royal Island Holdings Inc.	Unlimited
Fraser Health Authority	Unlimited
Canadian Imperial Bank of Commerce	Unlimited
KPMG LLP	Unlimited
BC Hydro & Power Authority	Unlimited
PricewaterhouseCoopers LLP	Unlimited
Capital Regional District	Unlimited
SaskBuilds Corporation	Unlimited
BDO Canada LLP	Unlimited
800 West Pender Ltd.	Unlimited
Transport for New South Wales	Unlimited
Independent System Operator (AESO)	Unlimited
Vancouver Fraser Port Authority	\$2 million
Her Majesty the King in right of the Province of British Columbia, as represented by the Ministry of Finance	Unlimited
Yukon Hospital Corporation	Unlimited
Yukon University	Unlimited
British Columbia Ferry Services Inc.	Unlimited

Prepared under the Financial Information Regulation, Schedule 1, subsection (5)(1) & (2)

**INFRASTRUCTURE BC INC.
STATEMENT OF SEVERANCE AGREEMENTS
AS AT MARCH 31, 2025**

There were no severance agreements under which payment commenced between Infrastructure BC Inc. and its non-unionized employees during fiscal year 2024/2025.

Prepared under the Financial Information Regulation, Schedule 1, subsection (6)(7)(a) & (b)

INFRASTRUCTURE BC INC.

**SCHEDULE SHOWING THE REMUNERATION AND EXPENSES
PAID TO OR ON BEHALF OF EACH BOARD MEMBER AND EMPLOYEE**

1. Members of the Board of Directors

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
Hayden, Dana	Chair	\$ 29,866	\$ 1,753
Clancy, Dave	Member, Board	18,368	-
Crane, Allison	Member, Board	17,250	-
Denhoff, Eric	Member, Board	17,113	-
Downie, Kyle	Member, Board	15,513	-
Dujmovic, Suzana	Member, Board	21,963	2,722
Fair, Constance	Member, Board	6,875	-
Napoleon, Justin	Member, Board	16,388	4,875
Simpson, Kristine (Note 1)	Member, Board	11,356	2,773
Wilson, Kirsten	Member, Board	10,488	-
Total		\$ 165,178	\$ 12,123

2. Other Employees

all employees with remuneration and expenses
exceeding \$75,000

<u>Name</u>	<u>Remuneration</u>	<u>Expenses</u>
Bahain, Julien	\$ 152,199	\$ 7,098
Bassra, Harsharn	121,858	8,246
Battimelli, Tessa	140,916	2,683
Beswick, Brad	144,108	45,572
Binning, Matthew	141,421	8,649
Chowrira Medappa, Aiyappa	102,457	2,971
Cloutier, Kathy	145,305	47,902
Cochrane, Fiona	220,338	7,910
Corcoran, Landon	141,500	1,854
DeCicco, Naomi	153,089	10,458
Desmarais, Pamela	106,926	7,298
Ferdman, Anastassia	149,935	17,379
Fimrite, Sue Michelle	185,570	5,336
French, Jason	196,162	23,051
Gomes, Amanda	80,223	713
Good, Jeff	263,853	42,095
Hemingway, Brianne	140,785	2,292
Hempstock, Adam	160,311	6,008
Hewitt, Alexandra	120,216	2,333
Hill, Sarah	120,899	4,309
Homayounian, Sahra	84,419	1,635
Hubner, David	242,399	13,318
Jaswal, Gurinder	92,073	3,654
Jiang, Jessica	122,206	2,662
Joshi, Bhavesh	130,157	8,765
Koteva, Silvia	127,808	3,443
Kubikova, Miroslava	181,799	8,080
Kyriakelis, George	159,957	4,907
Lee, Chan-Seng	265,567	30,816
Li, Marc	88,740	2,939
Liedemann, Mark	304,812	37,940
Lioznyansky, Ariel	127,986	4,970
Malis, Ivan	149,622	7,336
Mill, Karen	226,934	25,241
Morrisette, Miguel	181,339	21,468
Peacock, Catherine	247,274	14,777
Punnett, Carolee	80,378	1,826
Radman, Anthony	170,946	30,444
Redl, Cameron	121,503	17,354

Riecken, David	176,222	2,744
Royer, Jordan	133,041	4,151
Rubayat, Tanzila	120,169	8,790
Salomon, Nathan	182,113	26,658
Simpson, Suzanne	107,121	3,731
Smith, Joshua	103,198	2,015
Sommerfeld, Albert	205,783	21,371
Suchy, Emilia	140,498	7,555
Sun, Keith	164,094	2,054
Toth, Stephen	132,685	11,533
Virag, Celina	124,106	6,492
Weiss, Joel	162,679	6,158
Wilson, Dawn Karla	156,255	7,247
Wilson, Sarah	167,944	7,148
Wong, Chi To	102,778	2,916
Youssef, Hasan	90,273	5,425
	\$ 8,362,946	\$ 621,726

Consolidated total of other employees with remuneration and expenses of \$75,000 or less

\$ 225,973 \$ 14,946

Total: Other Employees

\$ 8,588,919 \$ 636,672

Reconciliation

8,588,919 636,672

Total remuneration - Board of Directors

\$ 165,178

Total remuneration - Other Employees

8,588,919

Subtotal

\$ 8,754,097

Reconciling items:

Benefits less amounts included in remuneration above

\$ 1,716,195

HR related costs

127,081

Secondment and temporary services

615,888

Accruals

72,884

\$ 11,286,145

Total per Statement of Operations

Base Salaries & Benefits

\$11,286,145.00

Variance

\$ -

Note 1: Board member's remuneration partially paid to the individual and the member's organization.

INFRASTRUCTURE BRITISH COLUMBIA INC.
SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES

1. List of suppliers who received aggregate payments exceeding \$25,000

Supplier Name	2024-25 Amount Paid
800 West Pender Ltd	385,802
BDO Canada LLP	104,233
Becoming Design Office Ltd.	49,233
BTTC (Canada) Inc	49,854
BTY Consultancy Group Inc	75,674
Canaccord Genuity Corp.	47,250
Canada Life - EHD	262,422
Canada Revenue Agency	698,860
Colliers Project Leaders Inc	199,154
Deloitte LLP	912,838
Deltek Vantagepoint	99,103
DHR Global	105,840
Equitex Realty Ltd	255,406
Ernst and Young LLP Chartered Accountants	721,693
Fasken Martineau DuMoulin LLP	26,042
Firmex Inc	40,490
Formline Tawaw Architecture Inc.	200,509
High Impact Lab Inc.	93,759
Hooper Access & Privacy Consulting Ltd	37,118
Inbox Design Inc	27,561
Innovative Legal Solutions LLP	76,749
Iterum Law Corporation	314,614
KPMG LLP	139,463
Miller Thomson LLP	119,924
MOF1 - Workplace Benefits	35,811
Norton Rose Fulbright Canada LLP	66,861
Nucleus Networks Inc	357,689
Odgers Berndtson Canada Inc	58,223
Payworks	8,451,298
PCI Group Pty Ltd	1,527,352
PricewaterhouseCoopers LLP	403,149
Public Service Long Term Disability Fund	132,002
Public Service Pension Plan	1,533,447
Resources Planning Group Inc.	65,858
Risk Management & Government Security Office	25,000
Rogers Communications Canada Inc	25,791
Shaw Telecom GP	44,517
Singleton Urquhart Reynolds Vogel LLP	61,600
SSA Quantity Surveyors Ltd	51,109
Stantec Consulting Ltd.	92,910
Plan Inc	27,261
Traction Creative Communications	26,250
Umstot Project & Facilities Solutions, LLC	110,841
Victoria Newitt Recruitment Inc	80,918
Zoom Communications Inc.	29,845
2. Total payments to suppliers with aggregate totals over \$25,000	18,251,321
3. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less	687,687
4. Total of payments to suppliers for grants and contributions exceeding \$25,000	-

Reconciliation

Total of aggregate payments exceeding \$25,000 paid to suppliers	18,251,321
Consolidated total of payments of \$25,000 or less paid to suppliers	687,687
Consolidated total of all grants and contributions exceeding \$25,000	-

Subtotal	18,939,008
Reconciling items:	
Non-cash expenses	100,176
Increase in prepaid expenses	31,035
Payments related to employees & Board	704,349
GST paid for goods & services	(316,949)
Payments related to capital purchases	(153,143)
Change in A/P & accrued liabilities	(462,836)
Payments related to CRA remittances	(698,860)
Change in deferred lease inducement	(21,187)
Other reconciling items	24,522
Total per Statement of Operations	18,146,115

Total per Statement of Operations	18,146,115
Difference	