

**TRANSLINK ENTERRISE
2020 ACCOUNTABILITY REPORT**

Materiality Assessment

TransLink Materiality Assessment

TransLink has completed a materiality analysis as set forth in the Global Reporting Initiative G4 Sustainability Reporting Guidelines “Reporting Principles”. TransLink defines materiality as the topics or key issues that reflect our organizations’ most significant governance and business conduct, fiscal, environmental, and social impacts as determined by key internal and external stakeholders. Measuring and reporting key indicators related to the material issues identified reflect a shared view for developing long-term sustainable operations and a commitment to transparency.

At the end of 2015, the United Nations released their Sustainable Development Goals (UNSDGs) for 2030, which are an update and extension of the UN Millennium Development Goals set for 2000-2015. The UNSDGs include 17 goals with 169 targets. Because the Global Reporting Initiative (GRI) worked together with the UN, the GRI is aligned with the UNSDGs. At TransLink, we understand the important strategic intention of these goals and the local and international benefits they would bring. Consequently, we have mapped the key issues related to governance and business conduct, fiscal, environmental, and social impacts with the UNSDG indicators and goals (refer to Table 1 below).

TransLink utilizes a number of processes that influence and aid in determining materiality, these include standard financial disclosures, corporate priorities, customer engagement and feedback¹, and Board and Executive input. In 2016, TransLink issued a survey to the TransLink Listens Online Advisory Panel to help determine the level of priority stakeholders believe TransLink should place on key issues related to governance, economic, environmental and social responsibility. The external survey resulted in 1,269 respondents and the results were weighted to reflect the known age, gender, and region parameters as well as main mode of transportation of the residents of the metro Vancouver region². In 2018, Translink continued efforts to identify material issues by conducting the same survey to internal employees.

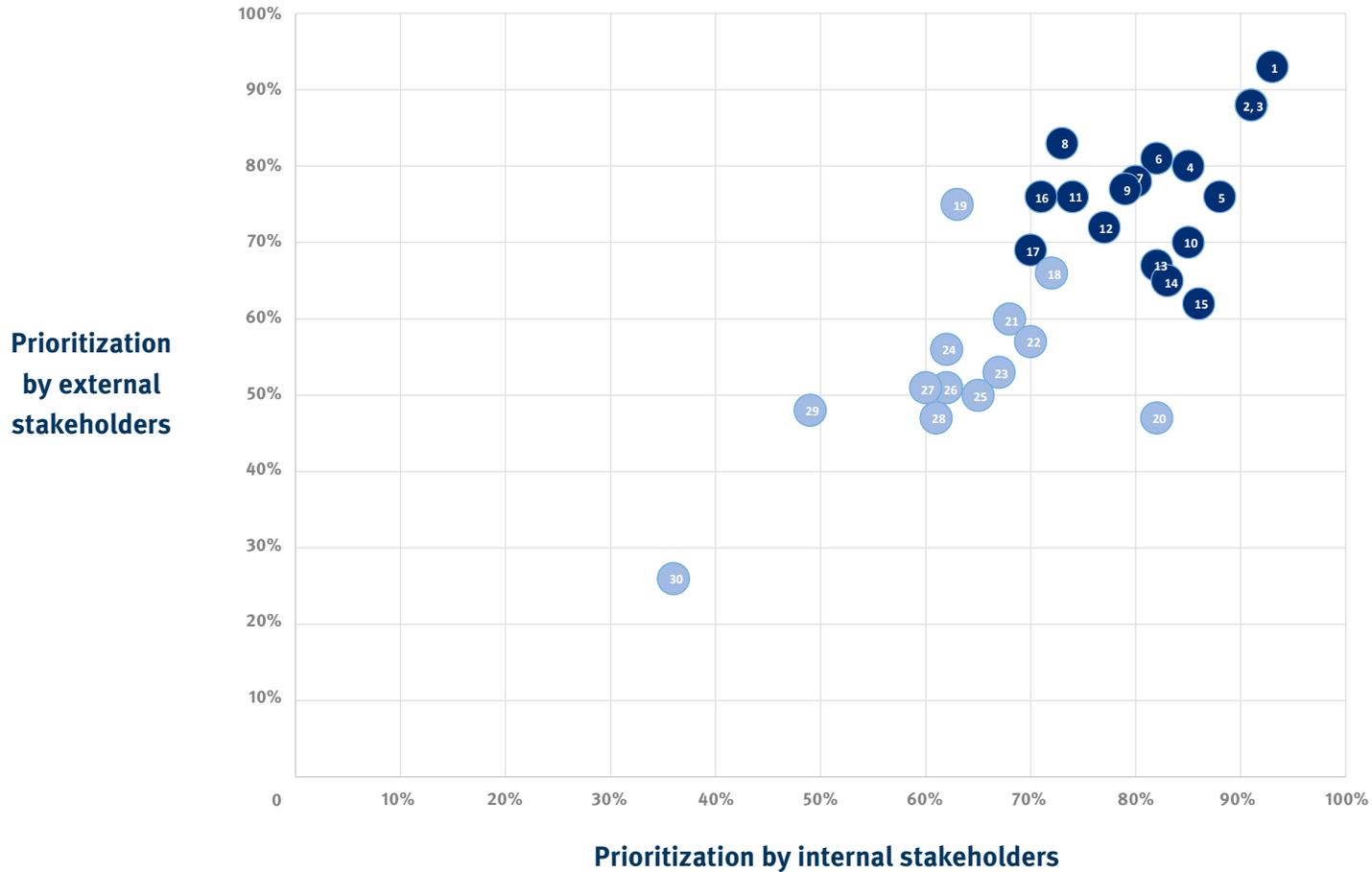
The two year materiality engagement process resulted in 17 topics being identified as the highest-priority³. The results of the materiality assessment are shown below in Figure 1 and the high-priority topics are listed in Table 1.

¹ Includes transit and non-transit customers

² Known from a combination of census data and prior transit use studies

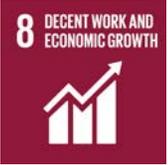
³ Highest-priority was defined as issues that scored 70 per cent or higher

Figure 1: TransLink Materiality Assessment



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|---|---|--|--|---|
| 1 Safety and security of transit customers | 7 Minimizing crime on TransLink property | 12 Energy consumption | 19 Keeping TransLink’s operating costs low | 25 TL Board oversight and input into Sustainability |
| 2 Investing in infrastructure | 8 Ensuring transit fares are affordable | 13 Climate change/greenhouse gas emissions | 20 TL Senior Leadership oversight and input into sustainability strategy | 26 Satisfaction of non-transit customers |
| 3 Satisfaction of transit customers | 9 Accessibility for mobility, hearing and visually impaired customers | 14 Increasing transit ridership | 21 Waste diversion | 27 Water consumption and reuse |
| 4 Air pollution (from transit operations) | 10 Employee training and education | 15 Satisfaction of employees | 22 Investing in innovations (new bus technology) | 28 Green buildings |
| 5 Employee safety and wellness | 11 Data privacy and security | 16 Public disclosure of data and targets | 23 Stakeholder engagement programs | 29 Social Screening of suppliers and contractors |
| 6 Minimizing overcrowding on transit services | | 17 Planning for extreme weather events | 24 Environmental screening of suppliers/contractors | 30 Investing in the community (sponsorship/donations) |
| | | 18 Managing sustainability risks | | |

Table 1: Material Assessment: Highest-Priority Topics

Governance and Business Conduct	Fiscal Responsibility	Environmental Responsibility	Social Responsibility
	 	   	   
<ul style="list-style-type: none"> • Data security and privacy (e.g., Compass client information) • Public disclosure of economic, environmental and social performance data and targets 	<ul style="list-style-type: none"> • Investing in infrastructure (e.g., increasing SkyTrain network, maintaining roads, bridges and bike paths) • Ensuring transit fares are affordable • Increasing transit ridership 	<ul style="list-style-type: none"> • Air pollution (minimizing pollutants from our transit operations) • Planning for extreme weather events • Energy consumption (fleet and facilities) • Climate change/greenhouse gas emissions 	<ul style="list-style-type: none"> • Safety and security of transit customers • Satisfaction of transit customers • Minimizing overcrowding on transit services • Minimizing incidence of crime on TransLink property • Accessibility to the transit system for mobility, hearing, and visually impaired customers • Employee safety and wellness • Employee training and education • Satisfaction of employees