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Notes for an Address

by

Marc Courtois

Chair of the Board

NAV CANADA

Annual General Meeting

Ottawa, Ontario

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Good afternoon.

To our guests, our customers, our employees and other stakeholders in attendance, thank you for joining us today.

It is my pleasure to welcome you to our Annual General Meeting, and report on the highlights of the past year.

I have been the Chair for five years. In that time, I have watched NAV CANADA transition to new leadership.

I've seen the introduction of a vibrant new brand.

And, I've watched goals being set and achieved that will bring safety, service and efficiency to the next level.

One thing has remained constant during this time of change – the professionalism and dedication of NAV CANADA employees.

Their exceptional work has made NAV CANADA a remarkable success story in this industry – for its record in safety, innovation, collaboration and performance.

Our employees are the reason for this Company's well-deserved recognition.

The theme of our AGM, which is also the title of this year's Annual Report, is "We Are NAV CANADA".

This theme was chosen to reflect the importance of each and every member of the NAV CANADA workforce.

The story of our Company's success is really the stories of our 4,800 employees and their individual contributions each day.

A major indicator of that success is our exceptional safety record.

Safety has been at the forefront of the Company's vision, mission and overarching objectives since its beginning in 1996.

It is the driving force behind our commitment to improve and advance as Canada's air navigation service provider.

NAV CANADA's safety record has been among the best in the world for more than a decade.

In fiscal 2017, we continued our record of continuous safety improvement as measured by a key safety benchmark – the rate of IFR-to-IFR losses of separation per 100,000 aircraft movements.

As of August 31st, our five-year moving average was 0.68 per 100,000 movements.

This maintains our position in the top decile of major air navigation service providers for safety performance.

This outstanding safety record is achieved through the daily work of NAV CANADA employees.

Our people continue to identify risks and to address them in collaboration with our stakeholders to provide the safest aviation environment possible.

One of the important ways we recognize our employees for their exceptional work is through our annual awards program, Points of Pride.

Once again, it was my privilege and pleasure to present the Chairman's Awards for Employee Excellence to 27 of our outstanding employees at the National Awards Night in October.

These are people from all departments and all regions across the country that made significant differences in their workplaces, kept our customers safe, and contributed to their communities.

I was delighted to learn that several of our winners received awards at the 2017 Air Traffic Control Association's annual conference in Washington, D.C. last fall.

Our strong financial results this past fiscal year reflect the growth in air traffic of 5.1 per cent over fiscal 2016, and a continued commitment to cost control.

Air traffic growth has allowed NAV CANADA to implement rate reductions at the beginning of fiscal 2017 that saved our customers approximately 105 million dollars.

With continued growth in air traffic holding this year, the Company proceeded to decrease the existing base rates charged to its customers by an average of 3.5 per cent – and to implement a temporary one-year rate reduction of 0.4 per cent for fiscal 2018.

These reductions will keep, on average, overall rates unchanged from the previous year.

Also, NAV CANADA will reimburse its customers approximately 60 million dollars in a 4.6 per cent refund in fiscal 2018.

This traffic growth has allowed NAV CANADA to invest in its infrastructure.

Capital expenditures have been increased to \$170 million dollars in fiscal 2017, and similar capital investments are planned for the next two fiscal years.

Much of the capital invested through 2019 will be for facility improvements, advancing air traffic management technology, and upgrades to our communications, navigation and surveillance infrastructure.

This will help us to better respond to the demands of Canada's dynamic and growing aviation industry.

Another exciting project, our joint venture, Aireon, is one year closer to becoming operational.

Aireon is set to revolutionize global air traffic surveillance by using satellite-based ADS-B to deliver real-time aircraft position updates anywhere equipped aircraft fly – including over oceans and remote regions.

It goes live later this year, and will contribute significantly to improving aviation safety and efficiency.

I have had the opportunity to see some of Aireon's tests to collect data, and I am very excited.

In closing, I would like to thank my colleagues on the Board of Directors for their oversight and counsel. Your experience and insight helps to keep NAV CANADA moving in the right direction.

I would also like to thank Arthur LaFlamme for his dedicated service to NAV CANADA. Arthur is stepping down after serving six productive years on the Board.

Finally, on behalf of my Board colleagues, I would like to congratulate Neil for another successful year as President and CEO.

I would also like to congratulate his management team and all NAV CANADA employees for their hard work and dedication.

You should be very proud of the work you have done, and all that you have achieved over the past year.

And, I know that working together we are going to take NAV CANADA to even greater heights in 2018.

Thank you, merci beaucoup