

June 3, 2014 | Craig Neeser, Chair of the Board of Directors | Annual General Meeting

Thank you, Pam.

Good afternoon ladies and gentlemen, and a very warm welcome to today's Annual General Meeting of the Vancouver Fraser Port Authority, doing business as Port Metro Vancouver.

My name is Craig Neeser.

In a few moments, Robin Silvester and Allan Baydala will update you on Port Metro Vancouver's 2013 operational highlights and our financial and sustainability reports. But, first, it is my pleasure to provide you a little background on the organization and some of the high-level achievements of 2013.

Port Metro Vancouver, is a non-shareholder, non-taxpayer-funded, financially self sufficient corporation, established by the Government of Canada, pursuant to the Canada Marine Act, and accountable to the federal Minister of Transport.

Our mandate is to promote and safeguard Canada's economic competitiveness and trade objectives by providing and managing the necessary marine infrastructure in a safe, secure, efficient, and environmentally responsible manner.

The governing board is set out by the Canada Marine Act and has eleven members. Seven directors are appointed by the federal government based on the nominations of port users. The other four directors are appointed by:

- o the federal government
- o the BC provincial government
- o the Western provinces of Alberta, Saskatchewan, and Manitoba
- o the municipal governments here in the Lower Mainland

Port Metro Vancouver is fortunate to have a diverse board with extensive business expertise and experience in matters relevant to the port, trade, the environment and community matters.

We consider the legitimate interests of employees, customers, stakeholders, communities, First Nations and all levels of government as well as demands for trade and sustainability while making independent strategic recommendations.

It is my pleasure to now introduce the Board of Directors for Port Metro Vancouver. As I briefly introduce each of our current directors, I would ask them to stand and to remain standing until all have been introduced. Please hold your applause until all directors have been introduced.

- o Our vice-chair, Eugene Kwan

- o Anne Bancroft-Jones, chair of our Governance Committee
- o Tim Chapman
- o Satnam Johal
- o Paul Landry
- o Carmen Loberg
- o Tom Longworth, who chairs the Community and Corporate Social Responsibility Committee
- o Penny Priddy
- o Marcella Szel, chair of the Human Resources and Compensation Committee
- o Richard Turner, chair of the Audit Committee
- o And again, I am Craig Neeser, Chair of the Board of Directors

Thank each board member who has offered leadership and valuable direction guiding Port Metro Vancouver through another record-setting year of growth and success. Port Metro Vancouver is the most diversified and largest export port on the continent.

Approximately 505 million dollars' worth of cargo is traded through the Vancouver Gateway every day. We are strategically positioned as Canada's largest gateway to the Asia-Pacific region, connecting Canadians to 160 trading partners around the world.

The port is vital to Canada's economy, enabling nineteen per cent of Canada's total trade and adding 9.7 billion dollars to the gross domestic product. Within BC, about 76,000 jobs can be tied to the port, and that number balloons to about 100,000 throughout Canada. The port is clearly a critical economic engine for this country.

When I look back on 2013, I am delighted to report that we had another recordbreaking year as cargo tonnage through the gateway increased by nine per cent over 2012. We have again this year earned a Standard & Poor's AA credit rating – a reflection of our solid financials, cargo diversity, stable revenue, and cost conscious processes.

Looking forward, Canada's trade prospects are excellent over the next few years as a strong global economy pushes overseas demand for Canadian resources and Canadian demand for import goods. As a result, I am pleased to say we anticipate an average of six per cent annual growth for the next five years.

Furthermore, our financial position will continue to give us the ability to invest in strategic infrastructure improvements to facilitate this anticipated growth. Over \$700 million is being invested in infrastructure improvements over the next five years. Collectively with our gateway partners, we are investing 50 per cent more than the current expansion of the Panama Canal.

This is nation building... at its finest.

As an inherent part of our obligation to contribute to the well-being and quality of life of all Canadians, we have very serious and parallel commitments to manage that growth in a sustainable way and with respect for local communities. Increasing

gateway capacity to serve Canadians for generations to come is a collaborative process and we are working closely with our customers, community stakeholders and all levels of government to fund and deliver projects efficiently and effectively.

I would like to acknowledge the outstanding leadership and support from our federal, provincial, and municipal governments, who share our vision to ensure the port meets future trade demands, while recognizing the need to manage growth sustainably and with regard to the community.

Collectively, we are ensuring that Canada's largest gateway to the Asia-Pacific region responds to the need to generate prosperity and jobs for thousands of families – not just here in the Lower Mainland, but across British Columbia and Canada. It also means continued access to the imported goods we have associated with the fabric of our vibrant Canadian culture.

I am personally very proud to have been part of Port Metro Vancouver's – and Canada's – story this past year. I would like to thank the Board of Directors and the Executive Leadership Team for their outstanding stewardship of such a vital Canadian asset.

Through continued hard work, collaboration and partnerships with our public and private sector stakeholders, I am pleased to report that Port Metro Vancouver is in excellent shape for sustainable growth in the years to come.

With that and on behalf of the Board of Directors, I would like to introduce the President and Chief Executive Officer, Robin Silvester, to report on Port Metro Vancouver's 2013 operations.