WE DELIVER THE GOODS.
OUR STRENGTH COMES FROM DIVERSITY.

Port Metro Vancouver facilitates trade with more than 160 world economies, moving 122 million tonnes of cargo worth more than $75 billion. But our business is not just to deliver goods. It’s to do it in a good way.

2011 HIGHLIGHTS

• We advanced Port 2050, a long-term visioning exercise that provides a strategic framework for collaboration and engagement with our diverse stakeholders, to inform initiatives, such as the update of our Land Use Plan now taking place.

• We demonstrated sound financial management despite a tough economic cycle, supported by a Standard & Poor’s AA credit rating.

• We invested in port efficiency improvements, collaborating with customers and stakeholders to implement a new Gateway Infrastructure Fee and Truck Licence Fee.

• We delivered on time and under budget all Port Metro Vancouver-led Infrastructure Stimulus Fund projects, receiving $19 million in capital project funding to deliver operational improvements that provide benefits to both port users and local communities.

• We took the first steps toward meeting anticipated growth in container demand for decades to come with the launch of our Container Capacity Improvement Program.

• We formalized our commitment to corporate social responsibility by introducing a new policy to ensure these considerations are demonstrated in daily decision-making and work activities.

• We opened a centralized 24/7 Operations Centre to manage port operations, security incidents and emergency response.

• We invested $462,000 back into the community, supporting education, environmental programs and events.

• We mitigated the impacts of truck traffic on our city streets through the implementation of a Truck Traffic Pilot Program in collaboration with the City of Vancouver.

• We reduced port-related emissions, and were honoured by an Environmental Achievement Award for our collaboration with other Pacific Northwest ports.

For further information about our reporting approach, and our sustainability and financial performance in greater detail, visit our website at: portmetrovancouver.com/accountability

We follow internationally-recognized best practice in preparing reports for our diverse stakeholders, including customers, government partners, First Nations, and community members with a view to increase transparency and accountability. This report covers the period January 1, 2011 to December 31, 2011 and provides a brief summary of Port Metro Vancouver’s overall performance.
Throughout the year, Port Metro Vancouver led Canada as the nation's largest and most
diverse gateway to growing Asia-Pacific economies, supporting more than 129,000 jobs
across the country. Port Metro Vancouver connects us to the world, generating growth
and opportunities for all Canadians.

The goods moved through Port Metro Vancouver include a diversity of Canadian cargo
– potash from Saskatchewan, grains from Manitoba, forestry products from British
Columbia, and petroleum products from Alberta. It is that diversity of cargo, resulting
in record volumes in 2011 – 122 million tonnes of cargo – a 3.4% increase over the
previous year, which sustained the Port through a tough economic cycle.

We continue to work with our partners to build a sustainable future as we support the
growth of the Canadian economy. What began with a vision for our long-term success
in 2010, Port 2050 was realized as a road map for our future in 2011. The process
strengthened relationships with communities, governments and stakeholders and kick
started an important discussion about how to maximize the land we currently have
– with an eye to ensuring the availability of suitable industrial land for future generations.

I would like to extend my appreciation to my fellow board members for their business
expertise and dedication to building a strong port. I would also like to acknowledge our
outstanding Executive Leadership Team, led by President and Chief Executive Officer,
Robin Silvester – the Port has laid the groundwork for a new era of growth.
WE DELIVER LASTING VALUE
We work hard to make our contributions last, planning for the long-term sustainability of the Port so that future generations can enjoy the benefits of trade.

1. CREATING EFFICIENCIES
Together with our partners, we constructed a new rail bridge over Lynn Creek in 2011, facilitating improved rail access to North Shore terminals. The project, part of the North Shore Trade Area, is one of several totalling more than $280 million to provide critical connections to overseas markets, enhance rail and port operations, and ease congestion in neighbouring communities.

2. ENHANCING RELIABILITY
In 2011, unprecedented eight-year labour agreements were ratified by both the British Columbia Maritime Employers Association and the International Longshore and Warehouse Union (Canada) Longshore and Foremen, delivering certainty for current and future port customers.

3. BUILDING CAPACITY
We are working with the Province of BC and Deltaport’s TSI Terminal Systems Inc. to develop a plan to upgrade existing infrastructure that would increase Deltaport’s container capacity by 600,000 TEUs, for a total of 2.4 million TEUs, within the existing terminal, road and rail footprint.

4. ADDRESSING COMMUNITY CONCERNS
In 2011, in response to increased complaints from the community, we commissioned an acoustic study to investigate siren impacts, confirm the sources and identify potential mitigation measures. We worked together with our rail, terminal and labour partners to reduce the volume of sirens to an acceptable level while still keeping employees safe.

5. ENHANCING SECURITY
We have a new centralized Operations Centre to manage port operations, security incidents and emergency response at the Port. Located on the waterfront in our head office at Canada Place, the Centre provides 24/7 coverage, 365 days of the year, to enhance safe, secure, efficient and reliable port operations.

6. MOVING VESSELS SAFELY
Tankers visiting Port Metro Vancouver must meet strict international standards. We work closely with our marine industry and government stakeholders to continually strengthen existing safety procedures. In 2011, we commissioned a study to assess the risks of increased liquid bulk tanker traffic on the Fraser River.

7. PROTECTING HABITAT
We partner with agencies to deliver a coordinated approach to environmental management and work with project partners to promote stewardship of natural resources. In Delta, we worked with the Tsawwassen First Nation on a barn owl conservation initiative, providing nest boxes for the at-risk species.

8. REDUCING AIR EMISSIONS
We offer shore power facilities for cruise ships. Since launching in late 2009, the successful initiative has seen 90 vessel calls connect — the equivalent of taking more than 1,500 cars off the road.

Please see our 2011 Sustainability Report for information about the sustainability topics of greatest importance to Port Metro Vancouver and our stakeholders at: portmetrovancouver.com/accountability
Port Metro Vancouver is a major economic generator for the country — a dynamic gateway for domestic and international trade and tourism.

Located on the southwest coast of British Columbia, Port Metro Vancouver benefits from a strategic location and diversity of infrastructure, services and supply chain. The Port offers 28 major marine cargo terminals, Super Post-Panamax capacity, extensive on-dock rail facilities, three Class I railways, and a full range of services to support the international shipping community. The Port’s freshwater facilities offer integrated services for the automobile and coastal forest industries and short sea shipping. Port Metro Vancouver also serves as homeport for the popular Vancouver-Alaska cruise.

**OUR CORE BUSINESS**

- **BREAKBULK**
  Serving as the Pacific Northwest’s major consolidation centre for breakbulk cargo – such as forest products, steel, machinery and project cargoes – the Port handled 16.1 million tonnes in 2011, down 4.4%. Foreign breakbulk imports increased 30% with the continued Canadian demand for foreign steel and construction materials.

- **BULK**
  Dry and liquid bulk cargoes account for about 70% of the Port’s annual tonnage, including coal, grain, sulphur, potash and petroleum products. Volumes were up 5% in 2011 to a record 84.5 million tonnes. Strong demand for Canadian commodities like coal and potash and sustained growth in Asian economies has driven continued growth.

- **CONTAINER**
  The Port offers four container terminals with extensive on-dock rail and features the only quad lift cranes in North and South America. Container volumes stayed in line with the record level of 2.5 million TEU reached in 2010. Growth is fuelled by demand for imported consumer goods and containerized exports returning to Asia.

- **AUTOMOBILE**
  The Port handles more automobiles than any other port in the country and serves more than a dozen of the world’s top auto manufacturers. In 2011, volumes dropped 22% to 298,000 units, reflecting manufacturing disruptions owing to the earthquake and tsunami in Japan. The Port receives nearly 100% of all Asian autos destined for Canada.

- **CRUISE**
  Port Metro Vancouver is the only homeport to Alaska offering both one-way and round trips through the Inside Passage and consistently receives high passenger satisfaction survey scores. The Port welcomed 199 cruise calls and 663,425 passengers in 2011 – a 15% increase.
WE DELIVER SOLID RESULTS

Even as the global economy continues its recovery, Port Metro Vancouver remains a solid performer. Operating revenues increased by 2% to a record $182 million and we are well-positioned to take advantage of emerging trade opportunities globally.

<table>
<thead>
<tr>
<th>2011 ($000s)</th>
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<tbody>
<tr>
<td>Operating revenue</td>
<td>182,449</td>
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<tr>
<td>Operating income</td>
<td>82,858</td>
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<td>Total assets</td>
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<td>Capital expenses</td>
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Please see our 2011 Financial Report for a full financial review, including highlights from 2011, detailed statements and our management discussion and analysis at: portmetrovancouver.com/accountability
We are guided by a vision for long-term sustainability.

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

We manage land, water and assets along more than 600 kilometres of shoreline, bordering 16 municipalities, one treaty First Nation, and intersecting the traditional territories of several First Nations. Governed by a diverse board of directors, we make independent and timely decisions on business plans and capital spending, clearly focused on the operational needs of customers and stakeholders.

OUR MISSION
To lead the growth of Canada’s Pacific Gateway in a manner that enhances the well being of Canadians.

OUR VISION
To be the most efficient and sustainable gateway for the customers we serve, benefiting communities locally and across the nation.

OUR VALUES
COLLABORATION AND TEAMWORK
We work together to achieve our greatest potential.
We communicate openly and treat each other with trust and respect.

CUSTOMER RESPONSIVENESS
We strive to understand our customers’ needs and to proactively provide them with distinctive value.

INNOVATION
We seek new ideas and creative solutions.

LEADERSHIP AND ACCOUNTABILITY
We lead by example, act with integrity and are accountable for our actions.

OUR PEOPLE
We are committed to continuous learning, diversity and balance.

SUSTAINABILITY
We think long term, considering social, environmental and financial matters.

We want to hear from you. We welcome your feedback.

PORT METRO VANCOUVER
100 The Pointe, 999 Canada Place
Vancouver, BC, Canada V6C 3T4
Telephone: 1.604.665.9000
Fax: 1.866.284.4271
Email: info@portmetrovancouver.com
Twitter: @PortMetroVan
Web: portmetrovancouver.com