



Annual general meeting – May 2022

Robin Silvester, president and CEO

Welcome remarks

Good afternoon, everyone.

My name is Robin Silvester, and I'm president and CEO of the Vancouver Fraser Port Authority.

Thank you for joining us for our annual general meeting.

Before we begin, I'd like to acknowledge that our team here is speaking from our Canada Place offices, which are on the traditional territories of the Musqueam, Squamish, and Tsleil-Waututh Peoples, and offer them my thanks.

I'm joined today by Judy Rogers, the chair of our board of directors, and our CFO, Victor Pang.

Our executive leadership team is also in attendance and will be available to respond to questions during our Q&A.

And I'd like to welcome everyone who is with us virtually.

As a quick note, if anyone needs technical assistance today, there are call-in numbers on the event invitation and our team will be happy to assist you.

Also, we have French-language translation available for this meeting, which you can activate by clicking on the interpretation icon at the bottom of your screen.

Turning to our meeting, under the *Canada Marine Act*, Canada Port Authorities are required to hold an AGM every year that is open to the public and held in the municipality where the port is situated—and we're pleased to do that today.

There are certain requirements for these meetings, under the *Act*.

To fulfill those, we will release audited financial statements; we will announce an auditor for the current year; and the executive leadership team, including myself, will be available to answer questions.

To give you our run-of-show, we'll begin with some opening remarks from Judy; then I'll provide year-in-review remarks; and then our CFO, Victor Pang will present the port authority's 2021 financial results.

We'll then move to a Q and A period—and we'll alternate between pre-submitted questions and questions that come in live.

To submit a question, please use the Q and A function at the bottom of your screen.

We'll answer as many questions as we can today, and should we run out of time, we'll provide a follow-up option.

Now, it's my pleasure to hand over to Judy Rogers, chair of the port authority's board of directors, to make some remarks.

Year-in-review

I'll talk a bit about our operating landscape in 2021—and within that, key work we advanced at the port authority.

What I hope you'll take away is that the challenges this port faced in 2021 validated and added emphasis to the work we're doing at the port authority to build a resilient, sustainable, port that is aligned with Canada's long term needs as a trading nation.

The adjective we keep using for 2021 is “complex”—but essentially, in the Vancouver gateway, particularly at the end of the year, we faced an exceptional combination of challenges—and I'll highlight a few of them.

The pandemic continued—with various impacts, including the second consecutive year without cruise activity as a result of pandemic restrictions.

Global supply chains remained very congested, with global congestion meaning Canadians received many goods late—despite good fluidity through the port for much of the year.

And then of course, B.C. experienced wildfires; a heat dome; and severe flooding from an “atmospheric river” storm event.

Both wildfires and flooding directly affected the port—with the latter cutting this gateway off from national supply chains for 8 days fully, and another 9 days before both primary rail lines were available.

We recently hosted the global ports community here at the IAPH World Ports Conference—and as one of our visitors put it, looking at our year in Vancouver, “All that was missing was the locusts”.

So it's been tough year—and yet the volume of cargo moved through the port kept pace with, and slightly exceeded 2020 levels, including, once again, record container volumes despite all the challenges, which just underlines the importance of container capacity expansion.

Our CFO, Victor Pang, will provide more details about all of that in a moment.

The trade resiliency is a testament to the dedication and character of this port community—and I'd like to thank everyone here from industry, the port workforce, and the full port community, for your work through 2021.

And as we think back to B.C.'s flooding in particular, I'd also like to recognize and thank railways and emergency crews who responded so effectively, sometimes working around the clock, to restore the port's connectivity, in that very challenging time for our province, and for the port.

So that was the port's operating landscape in 2021.

Let me now turn to some of the work the port authority advanced last year, which I'll group under the three sustainability pillars of our vision.

Those are: delivering economic prosperity through trade; maintaining a healthy environment; and enabling thriving communities.

Starting with our work to enable trade, the operating landscape validated, and increased, our focus on enhancing trade capacity, and the gateway's resiliency—our infrastructure and optimization work is the central part of that.

On the infrastructure front, we've been leading more than \$1 billion worth of projects, in collaboration with partners, across the region.

That includes a suite of gateway road and rail projects across the Lower Mainland that we've been leading since 2014, supported by federal funding through the National Trade Corridors Fund, which have been carefully designed to deliver both trade capacity and community benefits such as enhanced safety and reduced congestion.

We saw the first of these projects completed last year—the Mountain Highway Underpass Project in the district of North Vancouver—which was a great milestone.

We continued to advance this suite of projects through planning and design, with ongoing engagement with communities and Indigenous groups, and into construction.

Last year, we also worked hard to expand container terminal capacity.

Canada's west coast ports are projected to run out of capacity for containers as early as the mid-2020s.

Without sufficient trade capacity, in Canada, we face a future of supply-chain impacts.

The two projects we're leading in this sector are the Centerm Expansion Project, in partnership with DP World, and the proposed Roberts Bank Terminal 2 Project.

The Centerm project expands the terminal footprint by 15% while delivering a 60% increase in throughput capacity—it's a great example of optimizing port terminals in a land-constrained region.

With our construction partners and with DP World, we have achieved major milestones in the project, including the hand-over of increased yard capacity; the hand-over and commissioning of a new DP World operations center; and we've just learned we've won a platinum Envision Award from the Institute for Sustainable Infrastructure which recognizes sustainable infrastructure. The project has also reached 1.5 million hours without lost time accident.

It is the second time VFPA has achieved an Envision platinum award for a major infrastructure project and is a strong testament to the way we integrate the aspects of sustainability into all the work we do.

The Roberts Bank Terminal 2 is a project, as doubtless many of you know, is a project to deliver a new container terminal in Delta.

As Judy noted, it's the defining project for this gateway's trade future.

It would increase the container capacity at this port by 46%—so that Canada can meet its growing trade opportunities, through this gateway, from a position of strength.

We are leading the project under our public-interest mandate, leveraging more than a decade of experience delivering high-quality, sustainable, forward-looking infrastructure projects for Canada and local communities.

Last year, we continued to progress the project through the federal environmental review process, and we responded to an Information Request made by the federal government—and we've been providing additional submissions this spring.

We are hopeful for a government decision this year, so that we can move the project forward, for Canada and Canadians.

Without the project, Canada faces a long period of supply chain congestion and all the negative impacts of that we have seen only too clearly in the last two years.

Also last year, as a complement to our infrastructure work, we continued to advance port and supply-chain optimization work.

We continued to move our West Coast Supply Chain Visibility Program forward, to provide granular visibility into how cargo moves from “prairie to port”.

We've also built out the foundations for a new Active Vessel Traffic Management Program to manage the prioritization and sequencing of ships, and ultimately accommodate more ships through the port, safely and efficiently, as Canada's trade grows, with the goal of also seeking to better match vessel arrival with cargo availability to reduce pressure on anchorage use.

All of this work builds the gateway's resiliency for the long term.

Turning to our work to maintain a healthy environment, last year we celebrated the completion of the Maplewood Marine Restoration Project.

The project will help meet fisheries habitat offsetting requirements on the Centerm Expansion Project, and is part of our broader work to enable trade through the port within a context of strong environmental protection.

Getting the Maplewood project over the finish line involved some record-breaking work, as crews performed the largest eelgrass transplant ever performed in Burrard Inlet—and, as a scuba diver, I had the chance to inspect it personally last year!

Thanks to the project's comprehensive and collaborative approach to habitat restoration, it won an Environmental Manager Association of B.C. award for 'Remediation and Restoration'.

Another environmental program that hit an impressive milestone last year was the port authority-led ECHO program.

2021 marked five years of the world-leading program's mitigation efforts in support of southern resident killer whales.

In that time, over 80 shipping organizations have participated in the ECHO Program's initiatives, and more than six thousand ships have either slowed down or stayed distanced within southern resident killer whale critical habitat.

Also last year, we also worked toward our goal of zero-emissions port by 2050, in alignment with federal government climate goals.

At the organizational level, we created a climate action department to focus and accelerate our work, in partnership with industry, towards decarbonizing the port.

And we continued to lead a variety of emissions-management initiatives, including shore power at cruise and container terminals, and our EcoAction program, which provides discounted harbour dues for lower-environmental impact ships.

Turning to our work on the community front, I'll highlight a standout milestone for us as an organization last year.

Last October, we were privileged to sign two historic relationship agreements—one with Tsawwassen First Nation, and one with Musqueam Indian Band.

Through the framework these agreements provide, we will work together with both Tsawwassen and Musqueam to advance a strong shared future marked by respect, recognition, and reconciliation, as neighbours and partners.

As an organization, these agreements renew how we build relationships with, and partner with, Nations with whom we share stewardship of port lands and waters—and we look forward to the path ahead.

I will wrap up our highlights there—our teams have advanced many additional initiatives as well, but my time today is limited.

I'm proud of the progress we made through what was a very challenging year last year, to advance our work in line with our vision to deliver economic prosperity through trade, maintain a healthy environment, and enable thriving communities.

I'd also like to echo Judy's sentiments and extend my gratitude to our customers for the confidence you've placed in us through 2021.

We appreciate the decisions you have made to continue moving your cargo through this gateway in what we know has been a particularly difficult year.

In reflecting on the year, I believe the challenges we experienced at the global and local level—some of which continue today—have validated and galvanized our work building a resilient, sustainable, future-oriented port—and we are pleased to be taking that work forward this year.

Now, I would now like to invite our CFO, Victor Pang, to share our 2021 financial results.