



PORT METRO
vancouver



THE WAY FORWARD

Our First Sustainability Report | 2010



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Our Mission

To lead the efficient and reliable movement of cargo and passengers in a manner that supports Canadian growth and prosperity, now and in the future.

Our Vision

Port Metro Vancouver will be valued by customers, embraced as a member of the community and recognized globally as a leader in port sustainability.

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.



...TOWARD A **SUSTAINABLE FUTURE**

At Port Metro Vancouver, we are finding ways to integrate new initiatives and programs that promote environmental, social and economic sustainability in all areas of our operations. Working together with our partners, we are building a sustainable future for our business and our communities.

PORT METRO VANCOUVER IS

in North America

#1 in total foreign exports

80 million MT*

in Canada

#1 in automobiles

400,000 units

#1 in containers

2.5 million TEUs

#1 in cruises

600,000 passengers

#1 in total cargo

118 million MT

on the West Coast

#1 in total cargo

118 million MT*

#3 in overall container volume

2.5 million TEUs

First Canadian port authority with

a dedicated environmental programs department

a mandatory ballast water exchange program

shore power connections for cruise ships

* Based on American Association of Port Authorities statistics
MT = metric tonnes
TEU = twenty-foot equivalent unit containers

PRESIDENT'S MESSAGE



Robin Silvester
President & Chief Executive Officer

I am extremely pleased to present Port Metro Vancouver's first annual Sustainability Report, in which we share our social, financial and environmental performance for 2010. These pages mark the beginning of our sustainability reporting journey – a journey we believe will be a long and rewarding one for us, and hopefully also for you, our stakeholders and neighbours.

As an organization, our goal is to integrate environmental, social and economic sustainability initiatives into all areas of port activity. To achieve this, we must first begin with ourselves.

Corporate social responsibility has long been a key consideration in everything we do at Port Metro Vancouver. We were the first port in Canada to establish an environmental programs department dedicated to helping us reduce our impact on our natural surroundings. We strive to be both recognized as an industry leader in port sustainability and embraced as a member of the communities in which we operate. Finally, as Canada's largest and busiest port, we recognize that we play a crucial role in generating employment, growing the economy and contributing to the long-term prosperity of our region and our nation.

Delivering material progress in key corporate social responsibility areas is a strategic priority for our organization, and in 2010 we began monthly tracking of sustainability metrics. While we have made good progress on our Corporate Workplace Footprint, we know we can do more in other areas too. We also consider our broader footprint by working to reduce the impacts of noise, traffic congestion and air pollution in the Vancouver Gateway.

However, we cannot do it alone. As we do with our major infrastructure projects, we work collaboratively with our port industry partners to address issues of concern to our neighbours, our employees and our environment.

Last year was one of firsts and milestones for Port Metro Vancouver, as we delivered several key accomplishments:

- For the first time, our head office operations were carbon neutral (page 25).
- We hosted the first full year of shore power at our Canada Place cruise terminal (page 27).
- We became the first port authority in Canada to issue a rated, private placement bond, supported by a Standard & Poor's AA credit rating (page 18).
- Together with our partners, we opened the third berth at Deltaport container terminal (pages 19 and 29).
- We launched Port 2050, a long-term visioning process built around collaborating and engaging with our diverse stakeholders (page 34).
- We contributed \$311,000 through our Community Investment Program to community events, donations and sponsorships, including nearly \$20,000 in university and college scholarships (page 36–37).
- We were an official supplier of the Vancouver 2010 Olympic and Paralympic Winter Games, the first time a port has participated in the delivery of the Games, and the first time a Canadian port authority has participated in a government-controlled integrated security unit (page 38).

Compiling this report has confirmed for us that we can, and need to, lead by example and work together with our partners and stakeholders on port-wide environmental, economic and social issues. Through shared accountability and active collaboration, we can have an even greater positive impact on the sustainability of the Gateway. This is the path we are completely committed to.

Our history in this region is long and rich, dating as far back as 1792, when Captain George Vancouver, the first European to explore Burrard Inlet, noted that the naturally deep waters would make an ideal port location. We know there is tremendous potential to continue this rich history long into the future, to the benefit of our customers, our stakeholders, our neighbouring communities and indeed all of Canada. By focusing on our sustainability journey, we know we are on the right track.

Robin Silvester
President and Chief Executive Officer
June 21, 2011

ABOUT THIS REPORT

THIS REPORT PROVIDES AN OVERVIEW OF THE ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE OF PORT METRO VANCOUVER.

Within this report, we have focused our attention on the sustainability aspects over which we have direct control and influence, while also providing a narrative for select port-wide initiatives carried out across the Vancouver Gateway. This approach recognizes that, while it is important for our organization to tackle sustainability aspects over which we have direct control, the greatest opportunities to bring about change exist port-wide and in the extended supply chain.

Report Boundary — Port Metro Vancouver Operations

Throughout this report, references to Port Metro Vancouver indicate our administrative offices, support facilities, harbour vessels and vehicle fleet. At a broader level, when we refer to “the port” or “the Gateway,” we mean the entire port jurisdiction and major supply chain connections, such as rail and shipping corridors.



Our 55,000-sq.ft. head office is located in Canada Place.



We operate three support facilities: a maintenance facility, a boathouse and a facility on Annacis Island.



We operate six harbour vessels: Kla-wichen, Brockton, Trident I, Takaya, Port Fraser, Celmar VI.



We lease or own 22 fleet vehicles including seven hybrids.

Published in June 2011, this is our first annual Sustainability Report. It covers the period from January 1, 2010 to December 31, 2010, to coincide with our fiscal year.



Global Reporting Initiative

This report has been prepared in accordance with the Global Reporting Initiative's (GRI) G3 Sustainability Reporting Guidelines, which provide a globally recognized framework for reporting on economic, social and environmental performance (globalreporting.org).

Sustainability reports based on the GRI Framework can be used to demonstrate organizational commitment to sustainable development, to compare organizational performance over time, and to measure organizational performance with respect to laws, norms, standards and voluntary initiatives.

For our first report, we have achieved a GRI B+ Application Level. The requirements for a B+ Report are outlined in the diagram on page 5.

Independent Assurance

We believe external review is an essential component to ensuring a transparent and accountable representation of our sustainability performance. As such, Ernst & Young LLP has provided third-party assurance of the performance indicators contained within this report. In addition, Ernst & Young has checked our report and confirmed it to be consistent with a GRI B+ Application Level. You can read Ernst & Young's Assurance Report on pages 40–43.

Why Report?

For our diverse stakeholders — including employees, customers, government and First Nations partners, and communities — we hope this report offers a reasonable assessment of our sustainability performance and serves as a basis for continued dialogue, collaboration and feedback.

Producing this report has enabled us to review our sustainability performance from a new perspective. This process has given us a better understanding of our achievements and shortcomings, as well as the future challenges we face as an organization. Our goal is to address these challenges and document our progress in subsequent reports in a transparent and accountable manner.

Global Reporting Initiative Report Application Level

C

C+

B

B+

A

A+

G3 Profile Disclosures

Report on:
1.1
2.1–2.10
3.1–3.8, 3.10–3.12
4.1–4.4, 4.14–4.15

Report on all criteria listed for Level C plus:
1.2
3.9, 3.13
4.5–4.13, 4.16–4.17

Same as requirement for Level B

G3 Management Approach Disclosures

Not required

Report Externally Assured

Management Approach Disclosures for each Indicator Category

Report Externally Assured

Management Approach disclosed for each Indicator Category

Report Externally Assured

G3 Performance Indicators & Supplement Performance Indicators

Report on a minimum of 10 Performance Indicators, including at least one from each of: social, economic, and environment.

Report on a minimum of 20 Performance Indicators, including at least one from each of: economic, human rights, labour, society, product responsibility

Respond on each core G3 and Sector Supplement indicator with due regard to the materiality principle by either: a) reporting on the indicator or b) explaining the reason for its omission

Standard Disclosures

See our GRI Index on pages 44–45.

Our Approach to Reporting

For our first Sustainability Report, we selected content based on feedback received through ongoing stakeholder engagement processes and through an internal review of our organization’s sustainability priorities. Based on these assessments, we have selected the sustainability factors we believe are both important and of interest to our stakeholders.

Within this report, we have focused our attention on the sustainability aspects over which we have direct control and influence, while also providing narrative for select port-wide initiatives carried out across the Vancouver Gateway. This approach recognizes that, while it is important for our organization to address sustainability aspects over which we have direct control, the greatest opportunities to bring about change exist port-wide and in the extended supply chain. Change at this level requires close collaboration and strong partnerships among all our diverse stakeholders. As we continue to develop our sustainability programs, we plan to expand the scope of reporting related to Gateway initiatives.

While we monitor the environmental and social impacts of major capital projects to which Port Metro Vancouver is party but where work is performed by others, this report does not include specific performance data for these projects. However, we will explore the opportunity to integrate performance reporting for capital projects in future reports.

Data measurement and calculations found in this report have been developed to reflect the most accurate representation available at the time of publishing. In most cases, the underlying processes and assumptions employed in data calculation are unique to the performance indicator in question. We strive to employ best practices and globally recognized standards wherever possible. All financial information is reported in Canadian dollars.

We are responsible for the management and development of more than 971 hectares of land, 16,187 hectares of water, and assets along more than 600 kilometres of shoreline bordering on 16 Lower Mainland municipalities and intersecting the traditional territories of several First Nations.

ABOUT PORT METRO VANCOUVER

LOCATED IN THE SOUTHWESTERN CORNER OF BRITISH COLUMBIA, PORT METRO VANCOUVER IS A KEY PLAYER IN CANADA'S PACIFIC GATEWAY. WE ARE THE NATION'S LARGEST AND BUSIEST PORT, A DYNAMIC HUB FOR DOMESTIC AND INTERNATIONAL TRADE AND TOURISM, AND A MAJOR ECONOMIC FORCE THAT STRENGTHENS THE CANADIAN ECONOMY.

FIVE BUSINESS SECTORS



Automobile

More automobiles arrive in Canada through Port Metro Vancouver than through any other port in the country. Every Asian-made vehicle imported to Canada arrives via Port Metro Vancouver.

Our two automobile terminals are located on the Fraser River.

Ships designed to carry automobiles are called RoRos, because the vehicles "roll on and roll off" the ship. The average RoRo can carry up to 5,000 vehicles.



Breakbulk

If it's too large to be poured into the hold of a ship and does not require the protection of a container, it's called breakbulk cargo. Steel, pulp, lumber and project cargo are examples of breakbulk.

Approximately 14 per cent of our annual throughput in 2010 was breakbulk.

Each year, enough lumber is shipped through Port Metro Vancouver to build 350,000 homes.

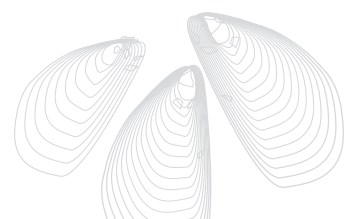


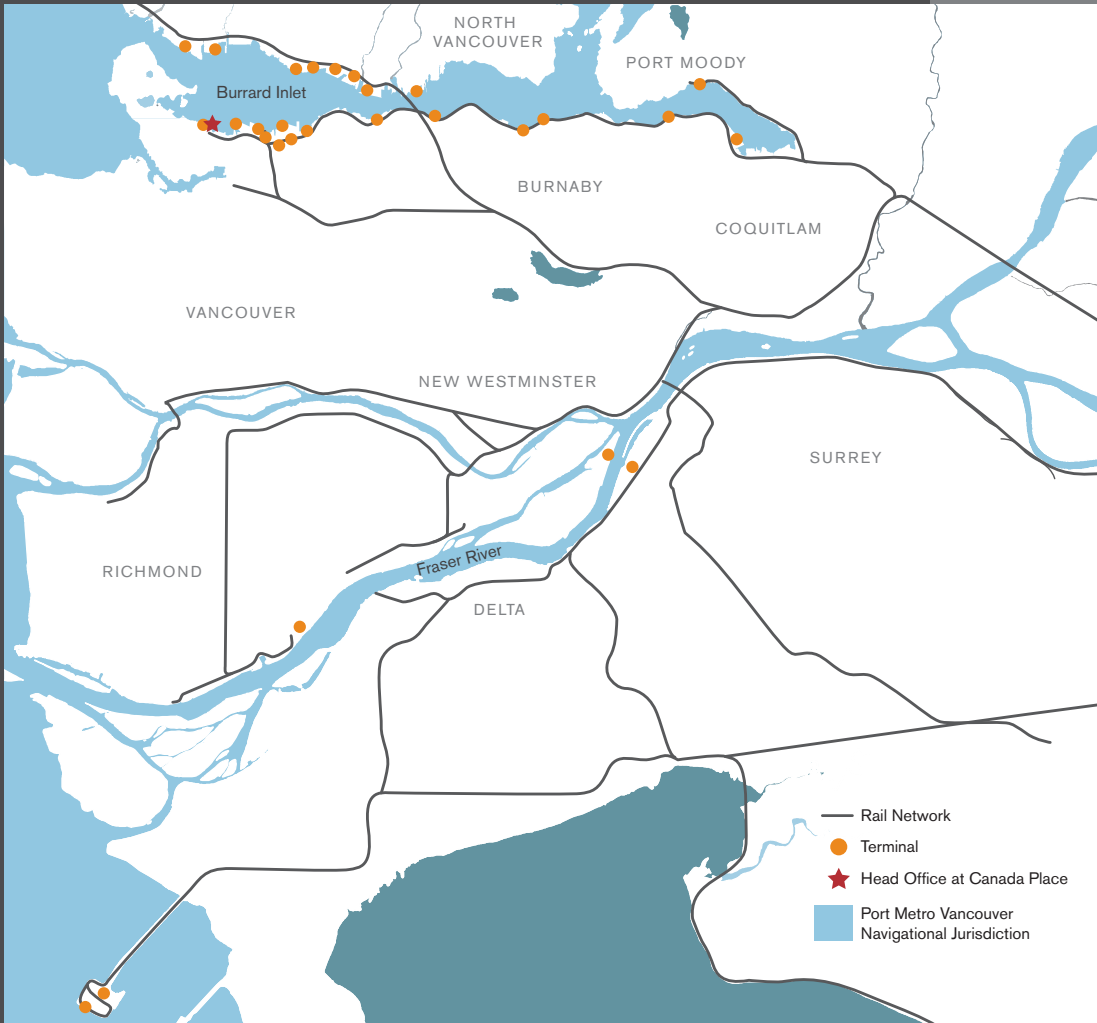
Bulk

Dry or liquid cargo that is poured directly into a ship's hold is called bulk cargo. Bulk cargo made up 68 per cent of Port Metro Vancouver's total tonnage in 2010. Principal cargoes include:

- Coal: Used in the production of steel goods, like cars and appliances.
- Grain: The amount shipped each year through Port Metro Vancouver could feed 55 million people.

- Potash: A component in fertilizer that plays an important role in food production.
- Sulphur: Has more than 500 different uses, including the production of car tires, fireworks and medicine.





ABOUT THIS REPORT

ABOUT PORT METRO VANCOUVER

OUR ECONOMIC PERFORMANCE

OUR ENVIRONMENTAL PERFORMANCE

CONNECTING WITH OUR COMMUNITIES

INDEPENDENT ASSURANCE

GRI INDEX



Container

A TEU (twenty-foot equivalent unit) is the global unit of measurement for containers. A 20-foot container is equal to one TEU while a 40-foot container is equal to two TEUs.

Items imported in containers include consumer goods (electronics, clothes and toys) and food items, such as tropical fruit.

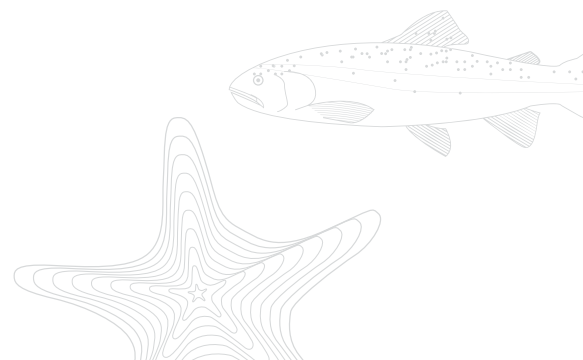
After a container is unloaded, it is refilled with items like specialty grains, pulp or lumber, which are exported as backhaul cargo.



Cruise

The best Alaskan cruises call Vancouver their homeport. The cruise ships that sail up the Inside Passage from May to September contribute \$2 million per sailing to regional economies. Our cruise industry also contributes \$1.5 billion yearly to Canada's economy, as well as 15,200 jobs across the country.

Port Metro Vancouver consistently receives high passenger satisfaction survey scores and top marks for user friendliness and luggage handling.





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. Port Metro Vancouver is an agent of the Crown for port purposes but may not borrow as an agent of the Crown.

\$75.2 billion

total value of cargo handled in 2010

\$73 million

Port Metro Vancouver's consolidated net income for 2010

\$2 million

per cruise sailing contributed to regional economies

2,832

foreign vessel calls in 2010

We offer 28 major marine cargo terminals and three Class I railroads, providing a full range of facilities and services to the international shipping community. We also serve as homeport for the Vancouver–Alaska cruise industry.

We are primarily a landlord port, responsible for managing federal real property and waterways. We also acquire and develop industrial real estate in our own name to support the supply chain.

Operational Structure

On January 1, 2008, after nearly one hundred and fifty years of existing separately, the Fraser River Port Authority, North Fraser Port Authority and Vancouver Port Authority amalgamated as the Vancouver Fraser Port Authority, doing business as Port Metro Vancouver. As a result of the amalgamation, Port Metro Vancouver is responsible for the operation and development of the assets and jurisdictions of the combined former port authorities. There were no significant changes during the 2010 reporting period regarding the size, structure or ownership of our organization.

Subsidiaries

Port Metro Vancouver owns five subsidiaries:

- Canada Place Corporation, financially self-sufficient Crown agent responsible for the stewardship of Canada Place in Vancouver.

- Port Metro Vancouver Ventures Ltd., incorporated to provide a vehicle to invest in business ventures necessary to support port operations.
- North Fraser Terminals Inc., Port Metro Vancouver Enterprises Ltd., and Port Metro Vancouver Holdings Ltd., property holding companies.

With the exception of data supporting figures for value generated, value distributed and government funding received, which are based on consolidated financial data from our audited financial statements, we have excluded our subsidiaries from this report due to the relatively limited scope of environmental and social impacts, as well as control and influence, related to these entities.

Strategic Priorities

- Operational efficiency, capacity and customer value enhancement
- Land asset strategy
- Engage community and government
- Organizational excellence
- Corporate Social Responsibility
- Strategy and long-range planning

Critical Business Issues

- An efficient multi-modal logistics chain
- Industrial land shortage
- Changing government legislation
- Organizational competencies
- Socially and environmentally sustainable behaviour
- Planning process

2010 Awards and Nominations

- **GLOBE: EcoFREIGHT Sustainable Transportation Award**
- **Association of Professional Engineers and Geoscientists of BC: 2010 Environmental Award of Excellence**
- **Shortlisted for 2010 Sustainable Shipping Awards – Clean Air Category**

Major Trading Economies

OVERALL:

1. China
2. Japan
3. South Korea

IMPORTS:

1. China
2. US
3. South Korea

EXPORTS:

1. China
2. Japan
3. South Korea



Our Approach to Sustainability

Commitment to Sustainability Performance

At Port Metro Vancouver, sustainability is embedded in our mission, vision and corporate values. We recognize the importance of maintaining a balanced approach to port development to ensure that economic, environmental and social needs are met without compromising the ability of future generations to meet their needs. We are committed to the ongoing accomplishment of our mission through integrating environmental, social and economic sustainability into all areas of our operations.

This commitment is part of our promise of marine industry leadership, as we work to support port industry, communities and the environment for our mutual prosperity. By strengthening our partnerships and encouraging innovation, we are constantly seeking to improve our performance — and, by extension, the Vancouver Gateway's performance — in a sustainable way.

Corporate Social Responsibility

We integrate social, economic and environmental matters into our values, culture, decision making, strategy, development and operations in a transparent and accountable manner. We ensure that corporate social responsibility (CSR) considerations are incorporated into our processes and activities to establish better practices within the organization, create economic value, and improve society.

Our governance structure supports this approach with a cross-functional CSR Team that advances related initiatives. This team reports, through the Chief Executive Officer, to the Community and Corporate Social Responsibility Committee of the Board of Directors.

Our Balanced Scorecard and Workplace Footprint

The first year we employed a Balanced Scorecard approach to help measure our sustainability performance was 2010. Through the scorecard, we track our performance in economic, environmental and social priorities, as well as our corporate strategic initiatives. The Balanced Scorecard is shared with the entire organization on a monthly basis and is used as a component of employee compensation.

The Balanced Scorecard contains a CSR Reporting component, consisting of two parts. The first part relates to our Workplace Footprint and includes measures for waste, energy and employee commuting. The second part relates to broader port-related issues and tracks noise in the community, truck congestion and air quality.

A Leader in Port Sustainability

As Canada's busiest port, our vision is to be a global leader in port sustainability. We strive to lead by example by demonstrating opportunities for sustainable development in our own operations and by collaborating with our partners to improve performance port-wide.

Investing in our own sustainability performance creates a sound platform for engaging our partners to follow or share knowledge on how we can improve and grow together. Programs such as the Northwest Ports Clean Air Strategy, the Canada Place shore power installation and our EcoAction Program for ocean-going vessels are examples of ways we work with our partners to build a sustainable future (see pages 26–27).



Employee Turnover Rate	8%
Males	5% (10 employees)
Females	3% (5 employees)
Under 30 years of age	0% (0 employees)
30-50 years of age	5% (9 employees)
Over 50 years of age	3% (6 employees)

Calculation of turnover rate applies to permanent employees only

Our Workplace

At Port Metro Vancouver, our people are our most important asset. We believe that the successes and strengths of our organization are a direct result of the talented people we recruit, develop and retain. To help keep this a rewarding place to work, our commitment to continuous learning, diversity and balance is one of our corporate values.

We are dedicated to employment equity and a workplace reflective of the diversity of our community. We offer our employees interesting work, a great working environment, competitive salaries and a comprehensive benefits package including an Earned Time Off program. By focusing on our people, we:

- increase our responsiveness to the needs of a diverse and international customer base;
- position ourselves as a preferred employer by enhancing our reputation for fairness and equal opportunity;
- broaden our access to a wider pool of qualified job applicants; and
- bring in a wide range of opinions and experience, encouraging new and innovative ways of doing things.

Our people can be found working with customers and stakeholders, in our communities and across the port. Our dynamic people and workplaces enable us to meet the needs of our customers and stakeholders. We invite prospective employees to be a part of the team that brings the world together; to work in an exciting environment with some of the most talented people in the industry.

Labour Relations

Port Metro Vancouver is a unionized workplace, with its employees represented by the International Longshore and Warehouse Union, Local 517. We have a long history of collaborative labour relations and we work jointly with the union to consult on the collective agreement and other matters of concern to either party. By working together, we have been able to resolve many complicated and challenging transitions for the organization and our employees.

The current collective agreement covers the period January 2009 to December 2011. Since 1997, we have successfully negotiated collective agreements before the expiry of the previous agreement.

People

Our total workforce as of December 31, 2010 was 206 full-time employees, which consisted of 188 permanent employees, 16 term employees and two representatives working out of our office in Beijing, China. The turnover rate for the year was approximately eight per cent.



Security

Port Metro Vancouver employees fill a wide variety of positions in disciplines such as engineering, accounting, environmental sciences, communications, human resources, real estate, marine operations and trade development. The diversity of positions within our organization allows for a range of perspectives on challenging and complex issues as we work to be responsive to the needs of our customers and stakeholders.

We strive to create an attractive workplace that draws talented and dedicated professionals through meaningful work, a positive atmosphere, and competitive wage and benefit packages. Port Metro Vancouver's lowest hourly wage in 2010 was \$23.29 per hour. This wage is nearly three times the \$8-per-hour minimum wage that was in effect in British Columbia in 2010.

Our Culture

In 2010 we engaged in a collaborative process involving all employees in articulating our Corporate Values. Our values were finalized in December 2010, and work continues in 2011 to embed them in our business processes. Our values are:

- Collaboration and Teamwork
- Customer Responsiveness
- Innovation
- Leadership and Accountability
- Our People
- Sustainability

We are committed to the safe and efficient movement of goods and passengers through Port Metro Vancouver and employ a 24/7 operations and security department, as well as contracted security providers. All our internal security personnel are trained in our human rights policies and our contracted security providers complete basic security training that covers human rights legislation. We work closely with federal agencies to apply security measures for standardized Marine Security (MARSEC) response levels.

With security measures that meet or exceed North American standards, Port Metro Vancouver has a well-earned reputation as a secure, safe and dependable place to do business. We continue to implement innovative security solutions that safeguard and enhance the movement of cargo and passengers through Canada's largest port, such as

- fully operational 24/7 land and marine security surveillance
- card-only and gate access in place at all port terminals and port roadways
- continuous video surveillance of port roadways and terminals
- full security coverage of port lands
- advanced gamma ray container screening
- radiation portal program at container terminals
- 100 per cent passenger and baggage screening at cruise terminals
- lighting, perimeter security, intrusion detection, and signage on port properties
- incident reporting program to track suspicious activity



\$261,650

spent on employee training
& development in 2010

Employee Engagement

We have a long history of using employee surveys to gather perspectives on our employees' experience within the organization. In 1990, we developed and implemented an independent survey. Results from the survey were used to develop initiatives designed to encourage Support, People, Interaction, Respect, Involvement and Trust (SPIRIT).

In 2009, we retired the SPIRIT survey and began our participation in the Best Small and Medium Employer Survey, which allows us to measure our results against other organizations. Our survey is promoted by a cross-functional team of employees and results are shared with all employees. The survey team then goes through a process of understanding the results by developing insight into the underlying issues and then moving to action. Our most recent survey results led to employee focus groups, a commitment to build a culture of recognition at Port Metro Vancouver and a renewed focus on education and training throughout the organization. Survey results were also used to inform our management training programs.

All employees are invited to monthly Town Hall meetings where we review our corporate Balanced Scorecard, share our monthly financials, profile a customer, welcome new employees and celebrate employee accomplishments and promotions.

We have an active Social Committee, which plans events throughout the year both during and outside of the work day.

All employees are invited to monthly Town Hall meetings where we review our corporate Balanced Scorecard, share our monthly financials, profile a customer, welcome new employees and celebrate employee accomplishments and promotions.

Additionally, we have a program that supports employee-initiated team building events. PMV employees can be found polishing their teamwork skills while dragon boating, playing soccer, and participating in the annual Vancouver Sun Run and the Mission to Seafarers Cycling fundraiser.

Education and Training

We encourage our employees to undertake continuous education, training and development to ensure we maintain a skilled and knowledgeable workforce. In 2010, we invested a total of \$261,650 in the training and development of employees.

In 2010, under our Organizational Excellence strategic priority, all PMV departments prepared employee development plans. In 2011, completion of training identified in those development plans will be a measure in our Balanced Scorecard and thus a factor in the calculation of the annual Corporate Performance Award for employees.

Health & safety topics covered in formal agreements with trade unions:

1. Personal protective equipment
2. Safe working procedures
3. Joint management-employee health and safety committees
4. Training and education
5. Internal complaint resolution process
6. Reporting and investigating refusal to work

A Healthy and Safe Workplace

Port Metro Vancouver considers the safety and well-being of employees to be one of our top priorities.

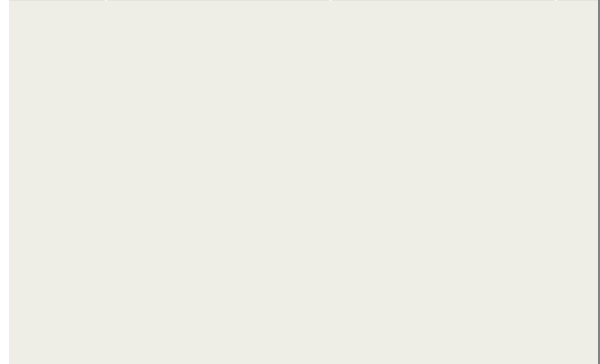
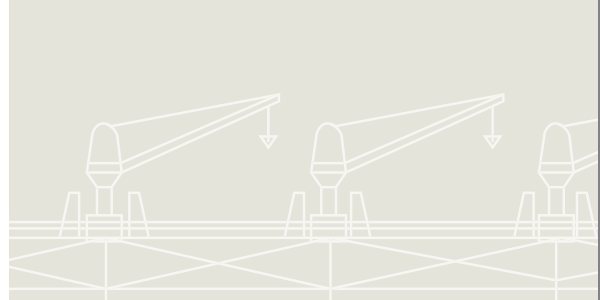
Our Safety Policy defines our commitment to conducting operations in a manner that minimizes the risk of injury or disease to employees, the public, customers and contractors. Our Safety Policy outlines the responsibilities of employees, managers and the employer in ensuring a safe and healthy workplace.

To monitor and oversee our health and safety programs, we have a joint management–worker Health and Safety Committee, composed of 11 staff members who represent all employees and contractors. This committee was formed through a commitment from management and union representatives to recognize that workplace safety and health is a responsibility shared among management, supervisors and employees.

The committee plays an important role in any safety and health program of the organization; it is also the prime forum for communication and exchange of information on safety and health matters between employees and their employers.

We offer employees a comprehensive benefits package. In addition to their annual vacation, employees have the option to participate in our Earned Time Off program.

Our employees also have access to an on-site fitness room, as well as a fitness reimbursement allowance. Programs for smoking cessation and employee and family assistance are also available.





Port Metro Vancouver Board of Directors and Executive Leadership Team, as of December 31, 2010.

Our Governance

Our governance structure supports long-term planning and competitiveness while ensuring independence, transparency and accountability. We are governed by a diverse Board of Directors that is appointed by government and industry; able to make independent and timely decisions on business plans and capital spending; clearly focused on the needs of port users; and guided by a vision for long-term development and competitiveness.

Board of Directors & Committees

Port Metro Vancouver is guided by an independent Board of Directors, which oversees the activities of the organization, acting honestly and in good faith with a view to the best interests of the organization. Specifically, the board is responsible for reviewing and approving our strategic direction and related land use, business, operating and capital plans, selecting qualified management, overseeing our business activities and material risks, and developing a succession-planning process.

Our board is composed of 11 members, appointed by the following bodies: Government of Canada (eight members); the Province of British Columbia (one); and the Prairie Provinces of Alberta, Saskatchewan and Manitoba (one). In addition, one member is appointed by the municipalities in which we operate. Of the members appointed by the Government of Canada, seven are identified by a nominating committee comprised of port users. Neither the Chair nor the Vice-Chair of the Board of Directors serves as an executive officer of the organization; they are elected into those positions by their fellow members of the board, for terms not to exceed two years.

Board candidates are appointed based on two main criteria: their experience and stature within the transportation industry or business community, and the knowledge they have regarding the management of business and port trade.

In 2008, the Port Metro Vancouver Board of Directors established a dedicated Community and Corporate Social Responsibility Committee to oversee environmental and social initiatives in the community. The role of this committee is to provide guidance on and support for Port Metro Vancouver's community and environmental initiatives. The committee also provides its perspective on sustainability performance and emerging issues.



On an annual basis, each director and officer of Port Metro Vancouver acknowledges in writing that they have read and understood the organization's Code of Conduct. This code establishes clear conflict-of-interest rules for directors and officers of the organization, and aims to preserve and enhance public confidence in the integrity and impartiality of our Board of Directors.

To assist it with its work, the board has established the following standing committees. These committees regularly receive input from employees and management on a variety of issues:

- Audit
- Community and Corporate Social Responsibility
- Governance and Conduct
- Human Resources and Compensation
- Major Capital Projects

Risk Management

The board retains the ultimate responsibility for risk management and for determining the appropriate level of risk in the conduct of Port Metro Vancouver's business activities.

Jointly, the CEO and Executive Leadership Team are responsible for overseeing the implementation and ongoing execution of risk management processes within their areas of responsibility, and for accurately reporting to the board on risk and the status of risk management.

Employees are responsible for a general duty of care and for participating with management to identify, evaluate, mitigate and internally report on risks in connection with the application of this policy. At all times, reasonable care is taken to prevent or adequately mitigate adverse consequences to the organization.

Port Metro Vancouver's Risk Management Policy requires that processes be applied in strategy-setting and in business activities to identify, evaluate and manage risks. Performance reports, which include issues pertaining to sustainability performance and risk, are issued bi-monthly to the Community and Corporate Social Responsibility Committee, the board and the President.

In 2010, 100 per cent of Port Metro Vancouver's five divisions and 15 business units were assessed for corruption-related risks as part of our Enterprise Risk Management initiative.

Key Risks

- Supply chain capacity
- Project costs
- Strike, terrorist act or similar disruptive action
- Loss of community acceptance
- Industrial land shortage
- Climate change and other environmental issues

OUR ECONOMIC PERFORMANCE

BEING A SUSTAINABLE ORGANIZATION
MEANS MORE THAN SIMPLY IMPROVING
OUR ENVIRONMENTAL PERFORMANCE
OR DONATING TO LOCAL CHARITIES.



Direct Economic Value Generated and Distributed (expressed in thousands of Canadian dollars)	2010	
Direct economic value generated		Included under “Community investments” is \$311,000 distributed in our 2010 Community Investment Program. Please refer to page 36 for details on this program.
Revenues	\$ 181,085	
Total value generated	181,085	
Economic value distributed		Port Metro Vancouver has two defined benefit plans, which are a legacy of two of the port authorities that amalgamated in 2008, Legacy Vancouver Port Authority (LVPA) and Legacy North Fraser Port Authority (LNFPA). As at December 31, 2010, the solvency ratios were 0.79 and 1.01 for the LVPA- and LNFPA-defined benefit plans, respectively. The range of salary contributed by employee and employer to these plans is between 4–7.5 per cent.
Operating costs	60,509	
Employee wages and benefits	28,801	
Payments to providers of capital	4,995	
Payments to government – Stipend*	5,536	
Payments to government – PILT**	6,716	
Community investments	1,502	
Total value distributed	108,059	
Economic value retained	\$ 73,026	

Numbers in above table do not tie directly to our Annual Report. Operating revenue above includes gain on disposal of structures and equipment, investment income and income tax recovery. Operating and other expenditures have been grouped differently. Ending net income of \$73,026 thousand is consistent in both reports.

* Under the Canada Marine Act, we are obligated to pay an annual stipend to the Minister of Transport, Infrastructure and Communities to maintain our Letters Patent in good standing.

** Under the Payment in Lieu of Taxes (PILT) Act, we are obligated to make payments in lieu of municipal taxes on our unleased properties.

Port Metro Vancouver is committed to financial self-sufficiency and the reinvestment of profits: to continuously improve our facilities, infrastructure and services for users; to benefit communities; and to enhance our environmental programs.

Our financial results are affected by the success of our trading partners and the growth of trade across the country. We plan and invest to support sustainable growth for future generations while ensuring our financial targets are met today.

We report on our financial performance on an annual basis. The table at the top of this page summarizes Port Metro Vancouver's consolidated results of operations from 2010, and, as previously noted, includes the results of our subsidiaries. This information should be read in conjunction with our Annual Report for the year ending December 31, 2010. In 2009, we began voluntarily publishing a Management Discussion and Analysis Report to support our Annual Report. All our reports can be accessed on our website at portmetrovancover.com.

The Year in Review

During a slower 2009, when ports around the world faced enormous challenges, Port Metro Vancouver seized the opportunity to improve efficiency and capacity and focus on collaboration with customers, stakeholders and communities.

The result of this collaboration was a landmark year for us and our port partners. We set records in a number of key sectors in 2010, resulting in a total tonnage increase of 16 per cent, with 118.4 million metric tonnes of cargo moving through Port Metro Vancouver last year.

Also in 2010, we became the first port authority in Canada to issue a rated, private placement bond, supported by a Standard & Poor's AA credit rating. This AA rating and \$100 million bond issue demonstrates our fiscal responsibility and economic sustainability. It has enhanced our ability to continue to invest in ensuring the competitiveness and ongoing development of the Vancouver Gateway.



AA

credit rating
received from
Standard & Poor's
in 2010

Signs of Growth: Our Key Sectors

- **Auto** volumes remained stable, shifting down slightly by one per cent to 381,609 units. The dip follows modest growth in the beginning of the year.
- **Breakbulk** increased 15 per cent overall to 16.8 million tonnes, with a rebound in demand for forest products as a key driver of growth.
- **Bulk** volumes were up 19 per cent, setting a record at 80.3 million tonnes as a result of sustained growth in Asian economies and strong demand for Canadian commodities like coal, grain and potash. In 2010, coal volumes rose 25 per cent and grain volumes rose eight per cent to record-setting levels.
- **Container** traffic set an all time record at 2.5 million TEUs*, up 17 per cent, as demand for imported consumer goods continued to grow and container exports were returned to Asia with forest products and special crops.
- **Cruise** voyage numbers experienced an anticipated decrease this year from 256 voyages in 2009, to 177 voyages in 2010.

* Twenty-foot equivalent unit containers

Investing in Sustainable Capacity

Long-term sustainability is one of our key objectives. Investments are made to benefit our trade partners and communities, enhance our environmental performance and generate long-term prosperity for Canada and Canadians.

Developing strategic infrastructure within the Pacific Gateway is necessary to ensure Canada remains a leader in international trade and economic development. However, we cannot do it alone. Building a world-class gateway takes collaboration. We are working closely with our government and port partners to improve performance and deliver supply-chain optimization in Canada's Pacific Gateway.

While continuing to leverage investments in infrastructure upgrades to expand Canada's international competitiveness, we are committed to ongoing engagement with communities in the development of long-term, sustainable growth strategies.

Principal Commodities – All Cargo

The table below summarizes Port Metro Vancouver's trade by various commodities throughout 2008, 2009 and 2010. More detailed information can be found in our Annual Statistics Overview report located on portmetrovancover.com.

Commodity	2008	2009	2010	% change
Coal	26,034,506	24,297,617	30,328,832	25%
Forest Products	25,184,850	19,927,188	23,243,719	17%
Grain, Specialty Crops & Feed	13,593,321	18,055,497	19,077,470	6%
Chemicals, Basic Metals and Minerals	15,345,526	10,916,081	11,804,928	8%
Fertilizers	11,305,463	6,532,037	9,297,051	42%
Petroleum Products	7,170,109	8,339,761	8,839,125	6%
Consumer & Related Goods	8,379,270	7,087,915	7,834,362	11%
Machinery, Vehicles, Construction & Materials	4,665,031	3,715,203	4,372,949	18%
Processed Food Products	1,541,738	1,635,332	2,216,739	36%
Animal Products, Dairy & Produce	1,342,175	1,381,194	1,363,711	-1%
Grand Total (Metric Tonnes)	114,561,990	101,887,824	118,378,885	16%

Key Partnerships

Infrastructure development within the Vancouver Gateway includes significant ongoing and planned capital investment from governments, Port Metro Vancouver and private industry.

While we do not make contributions to political parties, we do work closely with our government counterparts to deliver major infrastructure improvements that benefit the Vancouver Gateway.

In 2010, Port Metro Vancouver received funding from the Government of Canada, Transport Canada, and the Province of BC to be used to reimburse Port Metro Vancouver for the purchase and construction of infrastructure, shore power, and security assets. During the reporting period, we received \$1,782,818 in capital project funding.

Additional investments by Port Metro Vancouver, government and industry partners include \$307 million for the Roberts Bank Rail Corridor initiative, \$283 million for the North Shore Trade Area initiatives, and \$127 million for the South Shore Trade Area initiatives.

Deltaport Third Berth

The Deltaport Third Berth completion represented a key milestone in 2010. This \$400 million dollar investment contributed to the future of Canada's Pacific Gateway. The largest container terminal in Canada, Deltaport handles approximately 45 per cent of the containerized cargo that moves through Canada's West Coast and more than half the containerized cargo through Port Metro Vancouver.

The project increased Deltaport's capacity by 50 per cent, from 1.2 million TEUs to 1.8 million TEUs. It also adds approximately 20 hectares of container storage facilities and the first quad cranes in the Americas. These new cranes are able to hoist two 40-foot containers or four 20-foot containers in a single lift. The new berth was developed in an environmentally responsible manner, with more than \$25 million spent on fish, shorebird and waterfowl habitat compensation, as well as long-term monitoring of the local ecosystem.

This project is part of our overall strategy to expand container capacity at Port Metro Vancouver to accommodate consumer- and business-driven demand for increased Canadian trade through the Pacific Gateway.

Gateway Infrastructure Program

- **\$717 million capital investment**
- **\$167 million industry contribution, pre-funded by Port Metro Vancouver**
- **17 projects in three trade areas**
- **Scheduled for completion by March 31, 2014**

North Shore Trade Area

- \$283 million capital investment
- \$59 million industry contribution, pre-funded by Port Metro Vancouver
- 6 projects

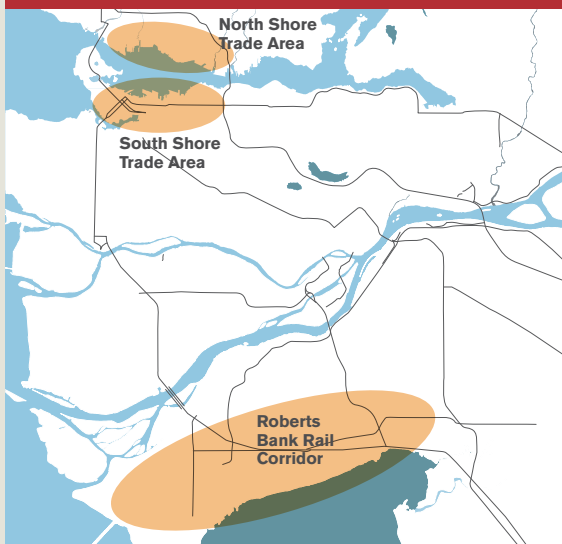
South Shore Trade Area

- \$127 million capital investment
- \$58 million industry contribution, pre-funded by Port Metro Vancouver
- 2 projects

Roberts Bank Rail Corridor

- \$307 million capital investment
- \$50 million industry contribution, pre-funded by Port Metro Vancouver
- 9 projects

Included in the Gateway Infrastructure Program are a series of improvements in three locations: North Shore Trade Area, South Shore Trade Area, Roberts Bank Rail Corridor



Infrastructure Improvements

To ensure reliability and increase throughput capacity, Port Metro Vancouver is leveraging and extending provincial and federal funding for a generational investment in infrastructure improvements in the Pacific Gateway.

As part of the Gateway Infrastructure Program, we are leading, developing, funding or contributing expertise to 17 separate land-side projects in three distinct trade areas, scheduled for completion by 2014. These projects are designed to leverage public and private investment in the Gateway, eliminate road and rail bottlenecks, reduce congestion, and speed goods to market.

Included in the Gateway Infrastructure Program are a series of improvements in three locations:

- North Shore Trade Area
- South Shore Trade Area
- Roberts Bank Rail Corridor

Future improvements are anticipated for the Fraser River Trade Area and Fraser River Rail Corridor. Our customers, including terminal operators, tenants, shippers, shipping lines and cargo owners, will benefit significantly from these improvements.

The projects included in the Gateway Infrastructure Program were developed in consultation with many stakeholders and supported by independent analysis. Based on the preliminary design of these projects, the total capital cost of the improvements is \$717 million.

Port Metro Vancouver has agreed to pre-fund the industry's \$167 million contribution to these projects. In doing so, we have secured \$3 from other agencies for every \$1 our stakeholders invest. Funding partners signed agreements in principle for each area indicating their support for the projects and acknowledgement of the need for a cost-recovery mechanism.



Case Study

Lynn Creek Rail Bridge

To make rail operations more efficient in the North Shore Trade Area, Port Metro Vancouver and our partners built a new rail bridge over Lynn Creek. The project facilitates improved railway access to and from Neptune Bulk Terminal and Lynnterm West Terminal in North Vancouver.

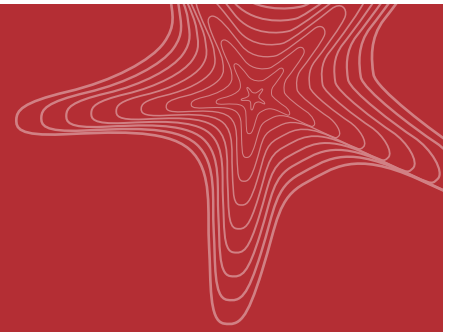
Rail is the most fuel-efficient method of land transportation for bulk commodities. This project supports the use of longer trains, making rail operations even more efficient. By accommodating longer trains, the neighbouring communities will also experience less noise from rail operations.

As part of the project, we upgraded nearby Harbourview Park to preserve and enhance its historical, recreational and natural resources, including a revamped parking lot, a new lookout with a seating area, and the restoration of native trees and shrubs.

A new pedestrian walkway under the rail bridge will connect the trails in Harbourview Park to the rest of the Lynn Creek trail system. For the first time, visitors will be able to walk along the entire length of Lynn Creek.

The Lynn Creek Rail Project represents a unique collaboration among governments and industry to improve land in the community, while enabling growth in international trade.

OUR ENVIRONMENTAL PERFORMANCE



PORT METRO VANCOUVER IS MORE THAN CRANES AND CARGO. WE ARE PART OF A BIO-DIVERSE ECOSYSTEM, HOME TO HUNDREDS OF SPECIES OF FISH, CRUSTACEANS, BIRDS AND MARINE MAMMALS.



We were the first port authority in Canada to have a dedicated environmental programs department and, as a result, we have implemented a range of initiatives to manage the environmental impact of port operations. We are leading the way on sustainability through careful planning, conservation, innovation and the promotion of continuous improvement.

Our Commitment

Our Environment Policy outlines a commitment to conducting our operations in an environmentally responsible and sustainable manner. We maintain a high level of environmental protection that exceeds the minimums required by legislation, and we incorporate a precautionary approach and continuous environmental improvement into our operational decision-making and our day-to-day activities.

Our Workplace Footprint

Energy Use

Our primary energy sources are electricity and natural gas used for heating, lighting and powering electrical equipment in our offices, as well as the fuel used by our six harbour patrol vessels and 22 fleet vehicles.

Through conservation measures, in 2010 we successfully reduced electricity consumption at our head office in Canada Place by 134 MWh (482 GJ), a reduction of 13 per cent. This was achieved by installing zone lighting throughout the office and occupancy sensors in meeting rooms; replacing incandescent and halogen light bulbs with compact fluorescent or high efficiency fixtures; and reducing the runtime of our heating ventilation and air conditioning system.

Sustainable Transportation

We proactively encourage employees to commute to work by foot, bike, transit and carpool. The location of our head office on Vancouver's downtown waterfront provides for a wide range of sustainable transportation options, including a growing network of dedicated bike lanes, bus, rail, and rapid transit options, and a passenger ferry connection to Vancouver's North Shore. We provide on-site employee vehicle parking to accommodate those who wish to carpool, have family obligations or have longer commutes resulting from the relocation of the amalgamated port authority offices.

13%

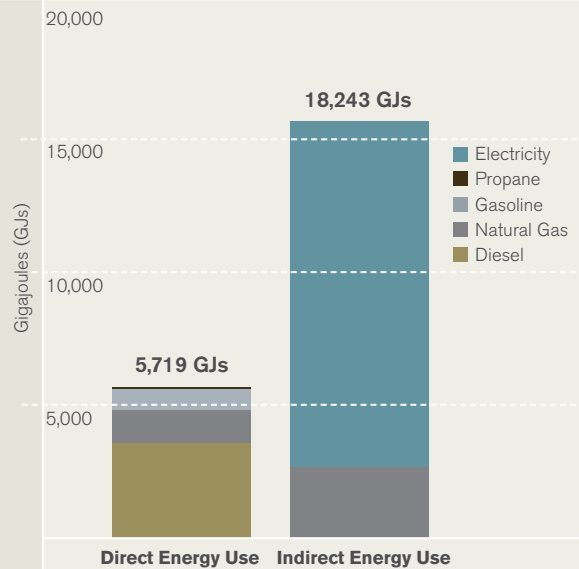
Reduction in electricity consumption in 2010

Our employees are introduced to our sustainability programs when they first join the organization, and engagement programs are carried out regularly to inform employees of our performance and new initiatives.

Did you know?

Our office achieved Leadership in Energy and Environmental Design® (LEED) for Commercial Interiors Gold Certification. Canada Place has earned the Building Owners and Managers Association of BC's "Go Green" designation.

Energy Use



Direct Energy Use: Energy associated with the combustion of diesel, gasoline, natural gas and propane fuels.
Indirect Energy Use: Energy associated with the consumption of electricity and central plant/base building cooling and heating (including natural gas consumed by boiler).

Did you know?

Our office in Canada Place uses chilled sea water to generate energy-efficient air conditioning.



1,925 litres

of fuel saved by using
hybrid vehicles for
corporate travel¹

7,600 kg

waste to landfill²

2,970 kg

of organic waste
diverted from landfill³

We have a number of initiatives to encourage our employees to consider sustainable transportation options, including:

- Participation in the TransLink Employer Pass Program, which provides reduced-cost, tax-deductible transit passes for employees;
- The provision of secure bike storage and shower facilities to make cycling a more attractive option;
- In 2010, our Guaranteed Ride Home program was introduced, assuring a ride home for employees who commute on sustainable transportation when they are required to work late or in the event of an emergency;
- Also in 2010, we ran a Commuter Challenge, in which 43 per cent of our employees committed to using sustainable transportation three days a week, for a minimum of four weeks.

In addition to supporting our employees with their sustainable transportation choices, we work hard to reduce the environmental impact of our business travel. We provide transit passes for employees who conduct business in areas with access to public transit. When a vehicle is required, employees have access to seven hybrid vehicles. In 2010, our employees travelled a total of 82,600 kilometres in these hybrid vehicles, saving 1,925 litres of fuel and 4.6 tCO₂e emissions, when compared with travelling the same distance in standard vehicles.¹

Materials and Waste

We recognize the importance of procuring sustainable products and managing our waste in a responsible way. The majority of our corporate activities and employees are office-based so we ensure that nearly 100 per cent of the 5,176 kg of paper we consume contains 30 per cent post-consumer recycled content.⁴

In 2010, we implemented a Sort Smart waste management program at our Canada Place office to promote waste diversion and the principles of reduce, reuse and recycle. This program includes a robust recycling system for paper, glass, metals and plastics. In April 2010, we introduced a composting service for organic waste, diverting 2,970 kg of organics from the landfill in just eight months.³

¹ Reporting period for hybrid vehicle travel is February 2010 to February 2011.

² Data reported is for our head office only.

³ Data reported is for our head office from April 8, 2010 onwards, when our composting program was established.

⁴ Data reported is loose leaf paper use only. Other paper-based products and paper used for reports printed externally are not currently recorded.

Did you know?

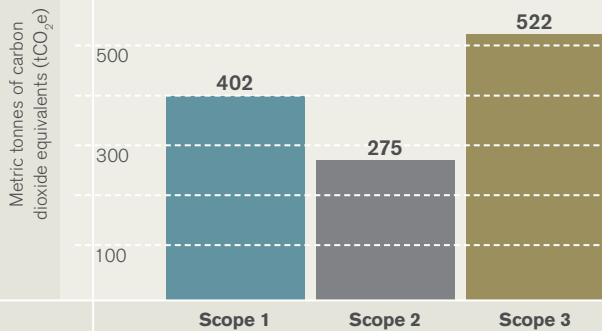
In 2010, our operations were carbon neutral for the first time in our history.

1,199

metric tonnes of greenhouse gas emissions (tCO₂e)

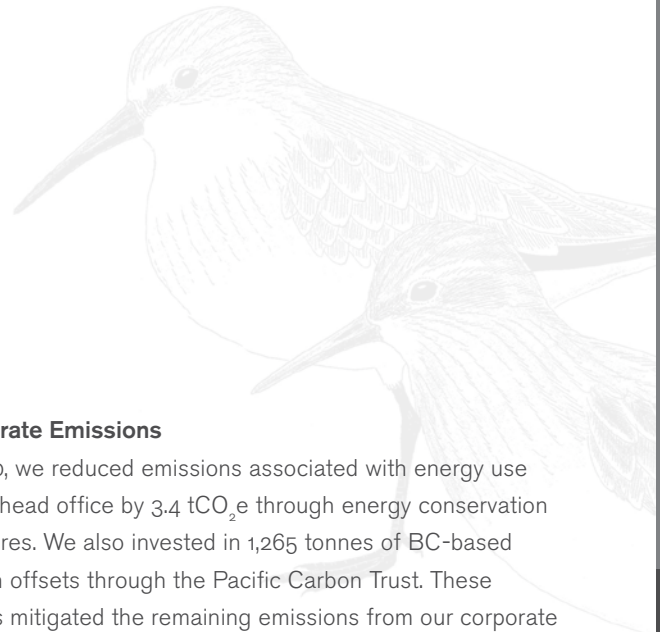
Air Emissions

Greenhouse Gases



Legend	tCO ₂ e
Scope 1 emissions Direct fuel consumption from six harbour vessels, 22 fleet vehicles and building heating.	402
Scope 2 emissions Electricity consumption at our head office and three support facilities, including electricity and central plant/base building cooling and heating.	275
Scope 3 emissions ² Business travel, employee commuting, waste generation and paper consumption.	522

Criteria Air Contaminants ³	kg
Nitrogen oxides (NOx)	6,986
Sulfur oxides (SOx)	121
Particulate matter (PM) ≤2.5 µm	188



Corporate Emissions

In 2010, we reduced emissions associated with energy use at our head office by 3.4 tCO₂e through energy conservation measures. We also invested in 1,265 tonnes of BC-based carbon offsets through the Pacific Carbon Trust. These offsets mitigated the remaining emissions from our corporate activities, thereby rendering our operations carbon neutral¹ for the 2010 calendar year, including our participation in the 2010 Winter Olympics.

Air Action Program

At Port Metro Vancouver, we recognize that the impacts on air quality from port-wide operations reach far beyond our head office. Reducing emissions from port-related activities, including ships, trucks, trains and terminal equipment, as well as industrial processes, is a key component of making the broader port sustainable.

A tremendous opportunity exists to work with our stakeholders, as well as with other ports, the marine industry and government agencies, to reduce port-related air emissions throughout the Pacific Gateway. Therefore, in 2008, we developed our award-winning Air Action Program to improve management of air emissions.

¹ Our emission inventory does not include capital projects or navigational dredging delivered by third parties through contracts.

² Emissions from maintenance waste have been estimated from seven months of available data. Emissions from employee commuting are estimated based on survey responses and have been extrapolated to represent all employees.

³ We primarily have mobile source emissions and use accepted mobile emission models for Canada to calculate our emissions inventory. We have reported the most relevant emissions for our operations. Assurance for air contaminants excludes business travel, employee commuting, waste generation and paper consumption.

Blue Circle Award



Marine carriers that participate in our EcoAction Program are eligible to receive our Blue Circle Award, introduced in 2010. This award recognizes shipping partners with the highest emissions reduction achievements. The 2010 recipients were:

APL (Canada)

Grieg Star Shipping (Canada) Ltd.

Hapag-Lloyd (Canada) Inc.

Holland America Line

“K” Line

Maersk Line

Princess Cruises

Regent Seven Seas Cruises

Seaboard International Shipping Co. Ltd.

Silversea Cruises

Westwood Shipping Lines

100% of container trucks within Port Metro Vancouver meet our stringent environmental requirements



The Air Action Program consists of four primary components:

Northwest Ports Clean Air Strategy— There is a partnership among Port Metro Vancouver, Port of Seattle and Port of Tacoma to reduce port-related diesel particulate matter and greenhouse gas emissions in the Georgia Basin – Puget Sound air shed through voluntary, collaborative means.

EcoAction Program— We promote emissions reduction targets for ocean-going vessels that enter our port by offering financial incentives for those who excel in environmental stewardship. The program is designed to support a wide variety of technology and fuel options in order to promote emission reductions.

Landside Emissions Inventory— By estimating emissions from cargo handling equipment, terminals, trucks, rail and our tenants' activities, this inventory provides vital information about air emissions and energy consumption throughout the Vancouver Gateway. This information enables us to identify opportunities to conserve energy, reduce emissions and promote clean energy technologies.

Truck Licensing Program— In 2008, we introduced increasingly stringent environmental requirements into the Container Truck Licensing Program. These requirements focus on phasing out older trucks, mandatory opacity and idling limits, as well as an awareness program. All container trucks within Port Metro Vancouver must be compliant with the 2010 requirements, and we continue to work with truck operators to reduce truck emissions and bring the fleet up to the equivalent particulate matter emissions of a 2007 truck or newer by 2017.

Our Air Action Program earned an ecoFREIGHT Sustainable Transportation Award at the 2010 GLOBE Conference. The award recognized Port Metro Vancouver for our leadership in addressing the impact of freight transportation on the environment.



Case Study

Shore Power for Cruise Ships

In 2009, Port Metro Vancouver became the first port in Canada, and the third in the world, to install shore power facilities for cruise ships. This system enables cruise ships to shut off their diesel-powered engines and connect to the land-based hydroelectric grid while docked at Canada Place.

The installation of shore power at Canada Place represents a \$9 million collaborative project led by Port Metro Vancouver with support from Transport Canada, the British Columbia Ministry of Transportation and Infrastructure, Western Economic Diversification Canada, Holland America Line, Princess Cruises, and BC Hydro.

The 2010 cruise season was the first full year of operation for this system, and we saw 44 successful shore power connections. These connections delivered significant improvements in local air quality.

2010 Cruise Season

Shore power connections	44 connections
Reduction in fuel use	475 tonnes
Net reduction in GHG emissions	1,521 tCO ₂ e
Reduction in nitrogen oxides (NOx)	31,000 kg
Reduction in sulphur oxides (SOx)	17,000 kg
Reduction in particulate matter (≤2.5 µm)	2,400 kg



We are partners with two important organizations working to improve the environmental quality of ecosystems in the Lower Mainland.

Fraser River Estuary Management Program (FREMP), established in 1985, has worked with its partners to provide a framework to protect and improve environmental quality, to provide economic

development opportunities and to sustain the quality of life in and around the Fraser River Estuary.

Burrard Inlet Environmental Action Program (BIEAP), established in 1991, co-ordinates a joint action program with its partners to improve and protect the environmental quality of Burrard Inlet.

For more information, please visit bieapfrempp.org.

Stewardship of Port Lands & Waters

Protecting biodiversity across land and marine environments remains a core function of our environmental programs department. The lands along our 600 kilometres of shoreline are used for a variety of purposes, ranging from port operations and commercial enterprises to residential developments and parkland. We work with environmental agencies and various governments to identify potential risks to the environment that might be associated with port operations. Where environmental risks are identified, we take action and work with our partners and stakeholders to eliminate or mitigate potential impacts.

Environmental Review

Port Metro Vancouver's Environmental Assessment Procedure meets and exceeds the requirements of the Canada Port Authority Environmental Assessment Regulations. Conducted on all projects or activities affecting our land, air and water, these reviews are carried out by technical staff working in the areas of environmental science, biology, air quality and energy management. Where appropriate, we partner with environmental regulatory agencies to conduct multi-agency reviews to ensure that proponents of projects or activities on port land and water receive the best available advice for the mitigation of potential environmental impacts.

We are subject to the *Species at Risk Act*, and we conduct surveys for endangered species and their habitat, or require our project partners to do the same. Where the environmental assessment indicates that adverse impacts on fish or wildlife

habitat are possible, mitigation of those impacts is a minimum requirement of a project authorization. Whenever possible, we explore opportunities for project development to result in net gain of habitat areas.

In 2010, Port Metro Vancouver did not receive any fines or non-monetary sanctions related to non-compliance with environmental laws and regulations. A warning letter was received from Environment Canada in early 2011 relating to improper disposal of dredged material in 2007 by a third-party contractor. As a result of this incident, we have implemented more stringent monitoring controls on third-party contractors involved in disposal of dredge material.

Management of Our Lands

We require our tenants to conduct baseline environmental assessments to measure the environmental condition of the leased property at the start of their tenancy, and again at the end or renewal of their tenancy. Any reduction in the quality of soil, water, groundwater or sediment detected between the two assessments is required to be remediated in compliance with regulatory guidance. Our staff manages site contamination, including historic contaminated sites, and works collaboratively with responsible parties to plan conversion of brownfield sites into port industrial developments or even into green space.



Case Study

The Adaptive Management Strategy at Deltaport Third Berth

The Deltaport Third Berth project expanded container operations at the Deltaport container terminal in Delta, BC (see page 19 for more details).

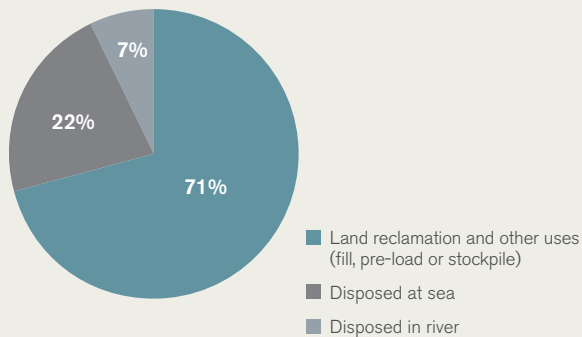
The project was subject to environmental assessment under both federal and provincial legislation. During this review, Environment Canada raised concerns about the project's potential impact on the inter-causeway ecosystem. Port Metro Vancouver developed an Adaptive Management Strategy in conjunction

with Environment Canada to address these concerns and provide advance warning of any emerging ecosystem trends. We also established a Scientific Advisory Committee to provide technical advice and recommendations, and to review quarterly and annual monitoring reports. Based on the results of the first three years of monitoring, no significant negative ecosystem trends have been observed in the inter-causeway area as a result of the Deltaport Third Berth project.

3.7 million

cubic metres of sand and silt removed from navigational channels in the Fraser River

Management of Dredged Material



All oil tankers that call in Vancouver are double-hulled and subject to strict international, national and port authority standards, including:

- crew training requirements for vessels transporting petroleum products and chemicals that are far more stringent than those for other vessels.
- thorough inspection requirements for every vessel, using strict international standards, before they are permitted to call at oil terminal facilities.

View the complete Second Narrows Transit Procedures on portmetrovancover.com

Navigational Dredging

Providing vessels with safe and unimpeded access to terminals is a cornerstone of Port Metro Vancouver’s mandate. The Fraser River is more than 1,300 kilometres in length, and each year when the snowpack melts, millions of tonnes of water, sand and silt drain into the lower Fraser River basin. To address this sedimentation process and ensure safe access to Port Metro Vancouver and berths upstream, we contract annual maintenance dredging along the South Arm of the Fraser River. Without this dredging, key shipping channels would become too shallow for commercial vessels to safely access port facilities.

In 2010, 3.7 million cubic metres of sand and silt were removed from navigational channels along the Fraser River, more than enough to fill Vancouver’s Rogers Arena. Nearly three-quarters of this sand was pumped upland and sold for land reclamation and other activities.

Navigational Safety of Oil Tankers

Port Metro Vancouver has served as Canada’s Pacific Gateway for bulk oil for more than 50 years, and in that time there has never been a navigational issue with an oil tanker.

We have worked closely with our marine industry and government stakeholders over the past five years to further strengthen existing safety procedures when escorting vessels through the Second Narrows. We have implemented a number of modifications to the procedures, leading to a higher standard of safety. The new procedures involve tug escort requirements, installation of new aids to navigation and development of an enhanced training program for tug captains and ship pilots. These procedures and additional aids to navigation are now in place and serve to further strengthen navigational safety within the Port Metro Vancouver jurisdiction.



Case Study

Marine Mammal Observation

To ensure our dredging activities do not impact southern resident killer whales, a trained marine mammal observer is present onboard each dredging vessel. If the presence of a killer whale is detected within 1,000 metres of the dredging site, all dredging operations cease and do not continue until 30 minutes after the whale has left the area. Observation logs are kept and all stoppages are documented to enable year-end reporting. In 2010, three work stoppages occurred due to killer whale sightings within the safety zone of the dredging vessel.



CONNECTING WITH OUR COMMUNITIES

CONNECTING WITH OUR DIVERSE COMMUNITIES MEANS WE CONSIDER THE NEEDS OF OUR EMPLOYEES, NEIGHBOURS, BUSINESS PARTNERS AND CUSTOMERS.



Port Metro Vancouver serves a broad group of stakeholders that we engage with regularly. They are a diverse group, with diverse needs, and as such, we try our best to engage with them in a way that best suits their requirements.

Our stakeholders' concerns range from collaboration around port development, to species and habitat management, to environmental risks related to transportation of goods, to port industry noise and truck traffic in communities.

Our Stakeholders

- Communities
- Customers (marine carriers, major shippers, tenants, terminal operators)
- Employees
- Federal, provincial and municipal governments
- First Nations
- Labour
- Service providers, such as railways and trucking companies

Surveying Port Users

Since 2003, we have conducted annual research among our port users and customers, using independent survey methodology or reputation monitoring, to measure awareness, attitudes and our reputation in five key areas: economic, environmental, social, port operations and leadership-advocacy.

Impression of Port Metro Vancouver

	2008	2009	2010	shift vs. 2009
Mean score (out of 10)	6.9	7.0	6.9	- 2%

Port Metro Vancouver's Importance to the Economy

	2008	2009	2010	shift vs. 2009
Mean score (out of 10)	8.9	8.9	9.0	1%

In 2010, impressions overall of Port Metro Vancouver continued to be stable. Favourable impressions stemmed from positive experiences with engagement/consultation, perceptions of staff competence and service, well-run management and an improvement-oriented approach.

The 2010 findings revealed areas of opportunity, such as continued collaboration on strategic infrastructure that benefits customers and communities.

Port users and customers indicated that we should remain focused on the quality of services and on port competitiveness, and highlighted the importance of these factors as drivers of both customer satisfaction and continued demand.

Strong drivers of reputation were identified as: being perceived as open, honest and trustworthy; having a vision; being an advocate; and engaging with government, port businesses and users.



We engage with the community in a variety of ways — through community liaison groups and at community events, by supporting the outreach efforts of port industry partners, by developing solid relationships with local governments, and by investing in community amenities.



Port 2050 & Long-term Planning

In 2010, we embarked on a strategic visioning and long-term planning process called Port 2050. Through this initiative, we addressed these two core questions:

- What is good growth for the Gateway and its stakeholders?
- What will the port look like in the next 20 and 40 years?

A major component of this process was in-depth consultation with our stakeholders. Participants included leaders from our terminal operators and tenants, railways, industry organizations, government agencies, local municipalities, community liaison groups and local First Nations. Members of our own Board of Directors and our executive team were also involved throughout the process. This partnership sought to capture both the knowledge and aspirations of our industry and community partners.

Going forward, we will be using the scenarios that our stakeholders helped create to develop our strategic vision, which will inform the subsequent development of our comprehensive Land Use Plan.

Community Engagement

Port communities and their leadership want meaningful and ongoing input into the operation and expansion of port facilities and related supply chain infrastructure. By engaging with our neighbours, we learn about the issues and aspirations of the 16 diverse municipalities bordering our operations, and strive to be a part of helping these communities flourish.

Community engagement at Port Metro Vancouver means taking a proactive approach to identify areas of importance and concern for our neighbours, and to build strong relationships to share the benefits of port operations. We engage with the community in a variety of ways — through community liaison groups and at community events, by supporting the outreach efforts of port industry partners, by developing solid relationships with local governments, and by investing in community amenities.

First Nations Engagement

A number of First Nations' traditional territories include Port Metro Vancouver's lands and waterways, and there are many areas of common interest between us and aboriginal communities, ranging from environmental stewardship to economic development.

In response to the need for a co-operative and proactive approach to working with our local aboriginal communities, we launched our Aboriginal Engagement Strategy in 2008. The strategy includes a number of initiatives for reaching out to First Nations, developing shared understanding, and building mutually beneficial relationships with First Nations whose traditional territories include Port Metro Vancouver.



3

Community Liaison Committees established to promote dialogue with our neighbours

ABOUT
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METRO VANCOUVEROUR ECONOMIC
PERFORMANCEOUR ENVIRONMENTAL
PERFORMANCECONNECTING WITH
OUR COMMUNITIESINDEPENDENT
ASSURANCE

GRI INDEX

Our approach includes:

- Continuing to develop our understanding of the importance of First Nations to the future success of the Gateway;
- Encouraging active participation by key departments in the Aboriginal Engagement Program;
- Growing our knowledge of the history and culture of individual First Nations;
- Fostering transparency from Port Metro Vancouver's staff in dealings with First Nations communities in order to earn trust;
- Establishing a process for consultation on port activities;
- Developing port-related business and employment opportunities for First Nations.

Port Metro Vancouver has a long-standing relationship and a Memorandum of Agreement with Tsawwassen First Nation.

In July 2009, representatives of the Tsleil-Waututh Nation and Port Metro Vancouver signed a Protocol Agreement for Communication and Co-operation, formalizing the relationship that exists between the Nation and our organization.

Community Liaison Committees

Port operations and major development projects can have significant impacts on our local communities. We value open, collaborative communication in addressing community concerns and we try to provide opportunities for communities to participate in port development.

Port Metro Vancouver has established several Community Liaison Committees as a mechanism for dialogue and communication between us and our neighbouring

communities. These committees bring together residents, municipal officials, First Nations, industry and Port Metro Vancouver representatives, to identify concerns and recommend potential solutions related to port operations.

The North Shore Waterfront Liaison Committee has focused on ways we can better communicate with North Shore residents, including taking a proactive role on the issue of noise from rail operations.

In East Vancouver, the Burrardview Residents Association, CP Rail and the City of Vancouver participate with Port Metro Vancouver on the East Vancouver Port Lands Liaison Group, focusing on issues related to port operations and development in that community. The work of this group has resulted in improvements to port development projects in the community, in particular, regarding impacts of truck traffic and noise.

The Deltaport Third Berth Project Community Liaison Committee (DCLC) was formed to help the community share their concerns during project construction and the first year of operation. Emerging from the work of this committee was the formation of a container truck traffic working group, with a focus on container truck-related issues in the community. With the completion of the project in 2010, the DCLC's mandate finished. Its success has become a model for future community engagement opportunities — for us and for other major infrastructure projects in the Lower Mainland.

Working with residents on issues they find important and with local governments on providing amenities for local enjoyment are both important ways of engaging with communities. We believe that as we grow, so too should our ability to serve and provide opportunities for our neighbouring communities.



We believe that as we grow, so too should our ability to serve and provide opportunities for our neighbouring communities.

Community Investment

Growing Port Metro Vancouver means helping to improve the communities in which we operate. As a neighbour in 16 Lower Mainland municipalities, we have made a commitment to support the economic, social and environmental aspirations of our surrounding communities, through community investment initiatives and a dynamic community relations program.

Through our Community Investment Program, we dedicate up to one per cent of our net income to administer a dynamic and broad-ranging program based on the pillars of education, community enrichment and environmental stewardship. These three core areas of focus represent the areas where we believe we can make the most difference in our neighbouring communities.

Some of the beneficiaries of the Community Investment Program include the United Way, the YWCA Women of Distinction Awards, Canada Day at Canada Place, the Delta Hospice Society, the Pacific Salmon Foundation and Carnegie Community Centre.

In addition, in 2010, members of the port industry worked together to raise \$160,000 at the 11th Annual Port Gala. Beneficiaries included Mission Possible (for development of a social hub with housing), Harvest Project (for communication and kitchen improvements) and South Fraser Women's Services Society (to help with completion of their community garden and other projects). As of 2010, the Port Gala had raised \$786,000 over the last 11 years for local charities that contribute to a higher quality of life in their communities.

60

**community events attended
by our team in 2010**

\$311,000

**contributed to local events, charities,
students and environmental programs**



\$20,000

**in university and college scholarships
awarded to deserving students each year**

\$786,000

**raised by Port Gala over
11 years for local charities**



\$7 million

**allocated over
10 years for
community-based
dredging**

Community Events

Being a good neighbour also means getting out in the community. In 2010, our Community Relations team, along with our mascot Salty, participated in approximately 60 events within our 16 bordering municipalities, including Party at the Pier in North Vancouver, Fraserfest in New Westminster, West Vancouver's Coho Festival, the Richmond Maritime Festival and the Vancouver International Children's Festival.

At these events, our Community Relations team is equipped with an interactive tent and a full outreach program, including cargo samples and information about environmental initiatives and our business sectors.

Inspiring Future Generations

Port Metro Vancouver has long supported educational programs, through our Partners in Education scholarships and our Leadership Program, offered to secondary and post-secondary students in communities in which we operate.

Every year, we award 15 scholarships and bursaries to help students reach their academic goals. In general, these awards are presented to those pursuing a career in port-related disciplines, such as marine transportation, logistics, geography, the environment and agriculture.

In addition, we have a Leadership Program designed to give high school students an opportunity to develop their leadership skills, gain volunteer experience and learn about Port Metro Vancouver.

We have supported 72 students in five communities in Metro Vancouver since the start of the program in 2004.

Local Channel Dredging Contribution Program

In November 2009, Port Metro Vancouver launched our Local Channel Dredging Contribution Program as part of our long-term dredging strategy for the Fraser River.

We dredge main navigational channels to ensure that tenants and customers have access to terminals for trade and commercial purposes. The Local Channel Program provides financial support for riverfront communities to undertake their own dredging activities beyond those in place for deep sea and domestic shipping channels.

We are the first port in Canada to provide contributions to local communities with waterways falling outside the main domestic and international shipping channels we serve. We have set aside up to \$7 million over 10 years for long-term, community-based dredging plans.

Managing Noise and Nuisance Issues within the Port

Noise management has become an increasingly important issue at Port Metro Vancouver, due to growing urban density adjacent to port lands and the steady growth of industrial activity within the port itself. We are actively working with industry partners and tenants to identify solutions for a number of noise issues linked to operations within the port.

We acknowledge the important role we play in providing a communication channel between port industry and the local community and are working with port operators, tenants and our neighbours to find solutions to noise issues.

In order to understand these issues, we established a Community Complaint Line in 2010.



We established a Community Complaint Line in 2010, providing port communities with a communication channel for port-related concerns or complaints.

To ensure that we manage these issues in a proactive, reasonable and consistent manner, we are developing a Noise and Nuisance Management Plan focused on three key objectives:

- To ensure a consistent and efficient response to all noise and nuisance complaints;
- To improve understanding of noise and nuisance issues;
- To proactively engage with port tenants and users to reduce noise and nuisance arising from port operations.

2010 Olympic and Paralympic Winter Games

One of the highlights of 2010 for Port Metro Vancouver was the Vancouver 2010 Olympic and Paralympic Winter Games. We were proud to be an Official Supplier of the Games, marking the first time in history that a port has participated so closely in the delivery of the Winter Games.

As part of our partnership, we provided services in-kind, including access to facilities like Canada Place and other port properties, as well as support leading up to and during the Games.

The most visible part of our sponsorship was the location of the Main Press Centre on the waterfront at Canada Place. From this hub, journalists filed stories to a global audience of three billion people, connecting the world to the Games.

Another example of our role in the Games was our participation in the Olympic Marine Operations Centre, which played a key role in security. This was the first time a port authority had been authorized to participate in a government-controlled, integrated security unit.

Together with the Vancouver 2010 Integrated Security Unit, Transport Canada, Department of National Defense, RCMP, Vancouver Police Department and Canada Border Services Agency, we provided our resources and expertise to ensure that the Games were safe and secure for all participants.

We also worked with transportation partners to ensure goods continued to flow through the port during the Games — part of our ongoing commitment to support long-term and sustainable growth in Canadian trade.



Looking Forward

We hope you have enjoyed learning about Port Metro Vancouver and have taken interest in our sustainability performance. In 2011, we will continue to work to understand, monitor and advance our sustainability performance and the performance of the Gateway. In particular, we aim to focus on the following priorities in the areas indicated:

Our Operations	
People	<ul style="list-style-type: none"> ■ Embed new corporate values into our business processes ■ Support employees in completing training identified in development plans
Corporate	<ul style="list-style-type: none"> ■ Deliver Infrastructure Stimulus Fund capital projects on time and budget ■ Complete the scenario development phase of the Port 2050 planning process
Energy	<ul style="list-style-type: none"> ■ Reduce energy consumption at our maintenance facilities ■ Conduct a study to identify further energy conservation opportunities ■ Extend energy reporting to include maintenance facilities
Waste	<ul style="list-style-type: none"> ■ Implement the Sort Smart program at our maintenance facilities ■ Perform an audit to identify further opportunities to divert waste from landfills ■ Extend waste reporting to include maintenance facilities and recycled waste
Materials	<ul style="list-style-type: none"> ■ Develop a Sustainable Purchasing Program for implementation in 2012 ■ Transition to 100 per cent post-consumer recycled content copy paper
The Gateway	
Air Emissions	<ul style="list-style-type: none"> ■ Increase the number of vessel calls utilizing the EcoAction Program ■ Deliver an updated Landside Emissions Inventory
Noise	<ul style="list-style-type: none"> ■ Conduct an acoustic monitoring study of noise within the port



Independent assurance statement

To the Board Members and Management of Port Metro Vancouver,

Our Responsibilities

Our assurance engagement has been planned and performed in accordance with the International Standard on Assurance Engagements ISAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, the Canadian Institute of Chartered Accountants Handbook Section 5025 ("CICA HB Section 5025"), standard for assurance engagements and ISO 14064-Part 3 Specification with guidance for the validation and verification of greenhouse gas assertions.

Scope of our Engagement

We have carried out a combined 'reasonable' and 'limited' assurance engagement over specified performance information appearing in Port Metro Vancouver's ("PMV") 2010 Sustainability Report (the "Report") for the period January 1, 2010 to December 31, 2010 prepared by PMV management. The scope of our engagement, as agreed with management, is as follows:

- To obtain a limited level of assurance on the fair presentation of the specified performance information, as identified in Attachment A to this statement and to express an opinion thereon.
- To obtain a reasonable level of assurance on the fair presentation of PMV's 2010 greenhouse gas assertions for the following specified performance information as presented in the Report and to express an opinion thereon:
 - Total direct and indirect greenhouse gas ("GHG") emissions by weight (EN16 and EN17)
 - PMV's carbon neutral assertion
- To obtain a limited level of assurance that PMV's Report has achieved the Application Level of B+ in accordance with the Application Level Criteria set out in the GRI G3 Guidelines.

Criteria

The Specified Performance Information and the greenhouse gas assertions have been prepared and reported in accordance with the GRI G3 Guidelines or where relevant, internally developed criteria as disclosed in the Report.

PMV Board's and Management's Responsibilities

The Report was prepared by management of PMV, who is responsible for the collection and presentation of the specified performance information, statements, and claims in the Report, and the criteria used in determining that the information is appropriate for the purpose of disclosure in the Report. In addition, management is responsible for the identification of stakeholders, determination of material issues and definition of targets and commitments with respect to performance information.

Management is also responsible for maintaining adequate records and internal controls that are designed to support the reporting process.

The Board is responsible for the integrity of non-financial reporting, and for reviewing and approving the Report format and content.

There are currently no prescribed requirements relating to the preparation, publication and verification of sustainability reports.

Work we Performed

In order for us to provide conclusions in relation to the above scope of work, we have sought to answer the following questions for the three selected subject matters:

Specified Performance Information

- Has PMV provided fair representation of their Specified Performance Information and greenhouse gas assertions, with respect to the organizational boundaries and time period defined in the Report?
- Has PMV accurately collated corporate data relating to the Specified Performance Information and greenhouse gas assertions?
- Are the data for the Specified Performance Information and greenhouse gas assertions accurate and sufficiently detailed for stakeholders to assess PMV's performance?

Assurance Procedures

Our assurance procedures at PMV for concluding on the specified performance information included, but were not limited to:

- Interviewing selected personnel, including the GRI Reporting Team to understand the reporting process
- Interviewing selected personnel to understand the materiality assessment process and identify key sustainability issues
- Interviewing personnel responsible for the specified performance information and understanding processes for the collection and reporting
- Where relevant, performing walkthroughs of systems and processes for data aggregation and reporting
- Verifying the accuracy of calculations performed
- Verifying that data and statements had been correctly transcribed from corporate systems and/or supporting evidence into the Report
- Verifying key assumptions and the evidence to support the assumptions
- Re-performance of a sample of the GHG emissions calculations to assess the correct calculation of emissions based on the source data and emissions factors selected
- Review of receipts and records for carbon offset purchase

Limitations

Our scope of work did not include providing conclusions in relation to:

- The completeness or accuracy of information relating to areas other than the specified performance information
- Information reported by PMV other than in its Report, such as information contained on its website
- Management's forward-looking statements
- Any comparisons made by PMV against historical data
- The appropriateness of definitions for internally developed criteria applied to indicators other than the specified performance information.

Our Conclusions

Subject to the limitations noted above and on the basis of our procedures for this assurance engagement, we provide the following conclusions:

Specified Performance Information

Nothing has come to our attention that causes us to believe that the specified performance information is not, in all material respects, in accordance with the GRI G3 Guidelines or with the criteria internally developed by management.

Greenhouse Gas Assertion

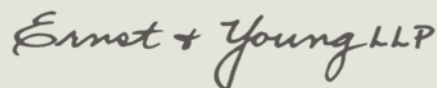
In our opinion, the Report presents fairly, in all material respects, the greenhouse gas and carbon neutral assertions for the year ended December 31, 2010 in accordance with GRI G3 Guidelines or with the criteria internally developed by management.

Application Level

Nothing has come to our attention that causes us to believe that the Report does not, in all material respects, achieve the application level B+ in accordance with the GRI G3 Guidelines.

Independence, Competence and Experience

All professional personnel involved in this engagement meet the independence requirements in accordance with the ethical requirements of ISAE 3000 and CICA HB Section 5025. Our team has been drawn from our Climate Change and Sustainability Services Practice and has the required competencies and experience to perform this engagement.



Vancouver, Canada

6 June 2011

ATTACHMENT A**Reported specified performance information is for the period 1 January 2010 – 30 December 2010.**

GRI Ref	GRI Indicator	2010 Value
EN1	Materials used by weight or volume.	5,176 kg of paper
EN2	Percentage of materials used that are recycled input materials	99 per cent of paper contains 30 per cent post-consumer recycled content
EN3	Direct energy consumption by primary energy source.	Diesel–3,620 GJ Natural Gas–1,224 GJ Gasoline–786 GJ Propane–89 GJ
EN4	Indirect energy consumption by primary source	Natural Gas–3,127 GJ Electricity–15,116 GJ
EN5	Energy saved due to conservation and efficiency improvements	134 MWh
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions as a result of these initiatives.	1 initiative: Reduction in fuel use of cruise vessels through shore power 475 tonne reduction in fuel use
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	7 initiatives: 1. TransLink employer pass program 2. Provision of bike storage, drying area and shower facilities 3. Guaranteed ride home program 4. Commuter challenge 5. Waiving of Zipcar enrolment fee 6. Transit passes for business travel 7. Use of hybrid fleet vehicles 1,925 litres of fuel saved through use of hybrid vehicles
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	1 initiative focused on energy efficiency improvements 3.4 tCO ₂ e reduced
EN20	NO _x , SO _x , and other significant air emissions by type and weight.	NO _x –5518 kg SO _x –80 kg PM25–114 kg Note: NO _x , SO _x and PM25 emissions exclude indirect sources (waste, paper usage, business travel, employee commuting)
EN22	Total weight of waste by type and disposal method.	2,970 kg composted 7,600 kg landfilled
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	6 initiatives: 1. Northwest Ports Clean Air Strategy 2007 2. Shore power initiative – Shore power connections (44) – Reduction in fuel use (475 tonnes) – Reduction in GHG emissions (1,521 tCO ₂ e) – Reduction in NO _x (31 tonnes) – Reduction in SO _x (17 tonnes) – Reduction in PM25 (2.4 tonnes) 3. Truck Licensing Program 4. Adaptive Management Strategy for Deltaport Third Berth 5. Navigational dredging – 3.7 million cubic metres of sand and silt removed 6. Marine mammal monitoring program – 3 work stoppages
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	PMV has not identified any non-compliance with environmental laws and regulations in 2010
LA1	Total workforce by employment type, employment contract, and region.	Total workforce–206 employees Permanent employees–188 Term employees–16 Representatives in China–2

GRI Ref	GRI Indicator	2010 Value
LA2	Total number and rate of employee turnover by age group, gender, and region.	Employee turnover—8% (permanent employees) Turnover rate by gender <ul style="list-style-type: none"> ■ Males—5% (10 employees) ■ Females—3% (5 employees) Turnover rate by age: <ul style="list-style-type: none"> ■ Under 30—0% (0 employees) ■ Between 30 and 50—5% (9 employees) ■ Over 50—3% (6 employees)
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	The health and safety committee is composed of 11 staff that represents all employees and contractors
LA9	Health and safety topics covered in formal agreements with trade unions.	6 key topics covered: <ol style="list-style-type: none"> 1. Personal protective equipment 2. Safe working procedures 3. Joint management-employee health and safety committees 4. Training and education 5. Internal complaint resolution process 6. Reporting and investigating refusal to work
LA10	Average hours of training per year per employee by employee category.	\$261,650 spent on training and development
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	All internal security personnel are trained in our human rights policies and our contracted security providers complete basic security training that covers human rights legislation
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	6 programs listed: <ol style="list-style-type: none"> 1. Community Liaison Committees 2. First Nations engagement program 3. Community Complaint Line 4. Preserving and enhancing community amenities 5. Navigational safety of oil tankers 6. Local channel dredging
SO2	Percentage and total number of business units analyzed for risks related to corruption.	100% (15) business units analyzed
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	PMV did not provide any financial contribution to political parties
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Port user reputation monitor: <ul style="list-style-type: none"> ■ Impression of Port Metro Vancouver in 2010 – 6.9 out of 10 ■ Port Metro Vancouver's importance to the economy in 2010 – 9.0 out of 10
EC1	Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	(expressed in thousands of Canadian dollars) Total value generated—\$181,085 Total value distributed—\$108,059 Economic value retained—\$73,026
EC3	Coverage of the organization's defined benefit plan obligations.	2 defined benefit plans Solvency ratios—0.79 (Legacy Vancouver Port Authority) and 1.01 (Legacy North Fraser Port Authority) Employee / employer salary contribution range—4.0% to 7.5%
EC4	Significant financial assistance received from government.	\$1,782,818 received in capital project funding
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Standard entry level wage at PMV \$23.29-per-hour (approximately 3 times the minimum wage in British Columbia)

Global Reporting Initiative Index

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¹ We have not identified externally developed charters or principles to which we have subscribed or endorsed.

² We are a member of a range of organizations related to the marine sector; for example, read about BIEAP and FREMP on page 28.

GRI Indicator	Level	Page Reference
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Key	Level of reporting
AR Annual Report	• Fully reported
IFC Inside Front Cover	o Partially reported
IBC Inside Back Cover	N/A Not applicable

For our first Sustainability Report, we elected to print a limited number of paper copies to distribute to our key stakeholders. We plan on publishing future reports in web-format only. We are proud to support sustainable forestry practices and responsible paper consumption through selection of Forest Stewardship Council (FSC)[®] certified, 100% post-consumer, process chlorine-free paper. The following summary outlines the environmental benefits associated with the paper we selected for this report. Calculations are based on 100 copies or 31.75 kg of paper. For more information on FSC visit, fsc.canada.org.



1 tree preserved for the future



1,078 litres wastewater flow saved



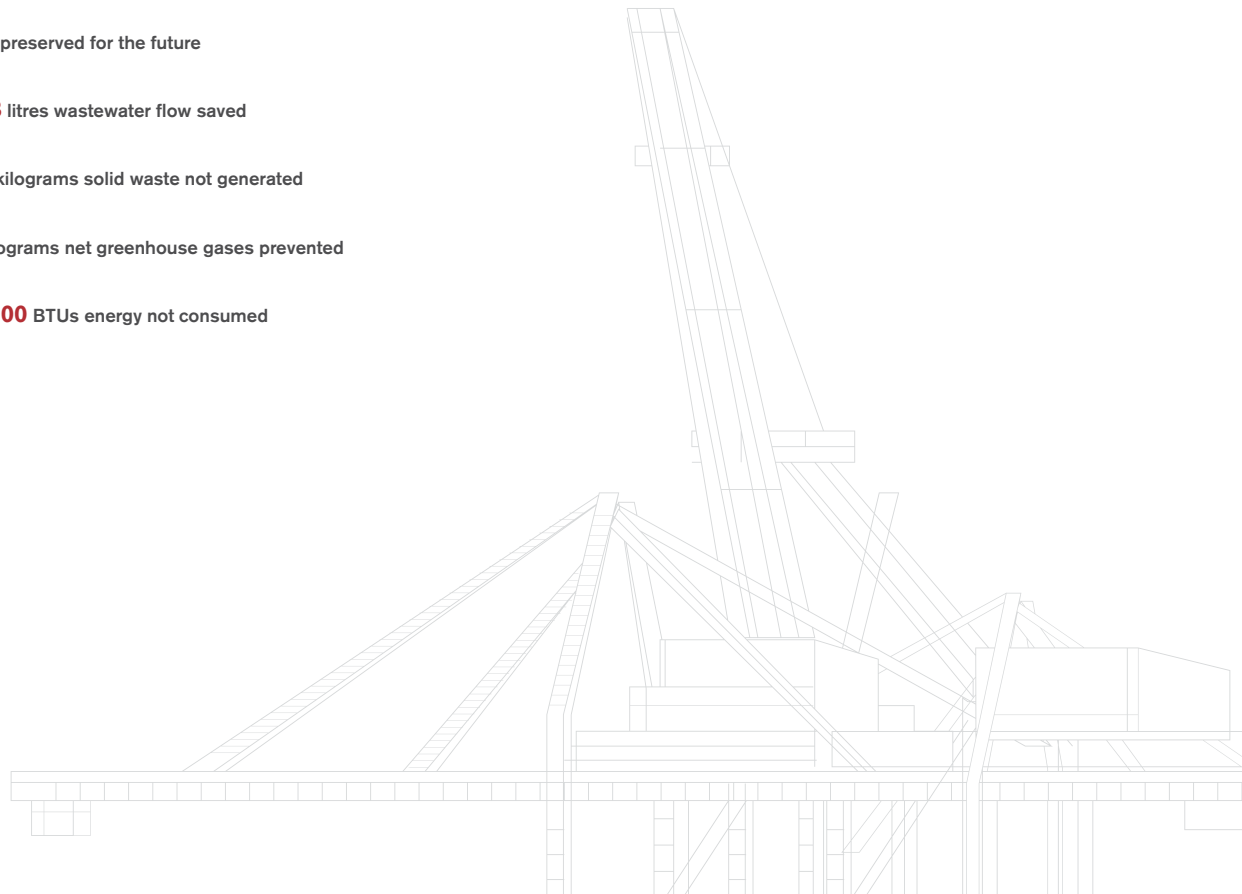
14.5 kilograms solid waste not generated



28 kilograms net greenhouse gases prevented



467,000 BTUs energy not consumed



We would like to hear from you

To provide your comments and feedback on our 2010 Sustainability Report and our ongoing sustainability efforts, please contact:

Ronan Chester

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