

PORTS  
TORONTO

# 2022 Annual General Meeting

June 8, 2023





# Welcome to PortsToronto's Annual General Meeting 2022



AÉROPORT DE TORONTO  
BILLY BISHOP  
TORONTO CITY AIRPORT



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PORT OF  
TORONTO



OUTER HARBOUR  
*Marina*  
DE L'AVANT-PORT





## Land Acknowledgement

PortsToronto operates under its mandate on the traditional territory of many nations, including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples, and is now home to many diverse First Nations, Inuit and Métis peoples.

PortsToronto respects that the Crown and the Mississaugas of the Credit signed Treaty 13, which covers the lands of the City of Toronto, and the Williams Treaties signed with multiple Mississaugas and Chippewa bands. Today, Toronto is still home to Indigenous people and we are grateful to have the opportunity to meet and work on this territory.



# Agenda

Welcome

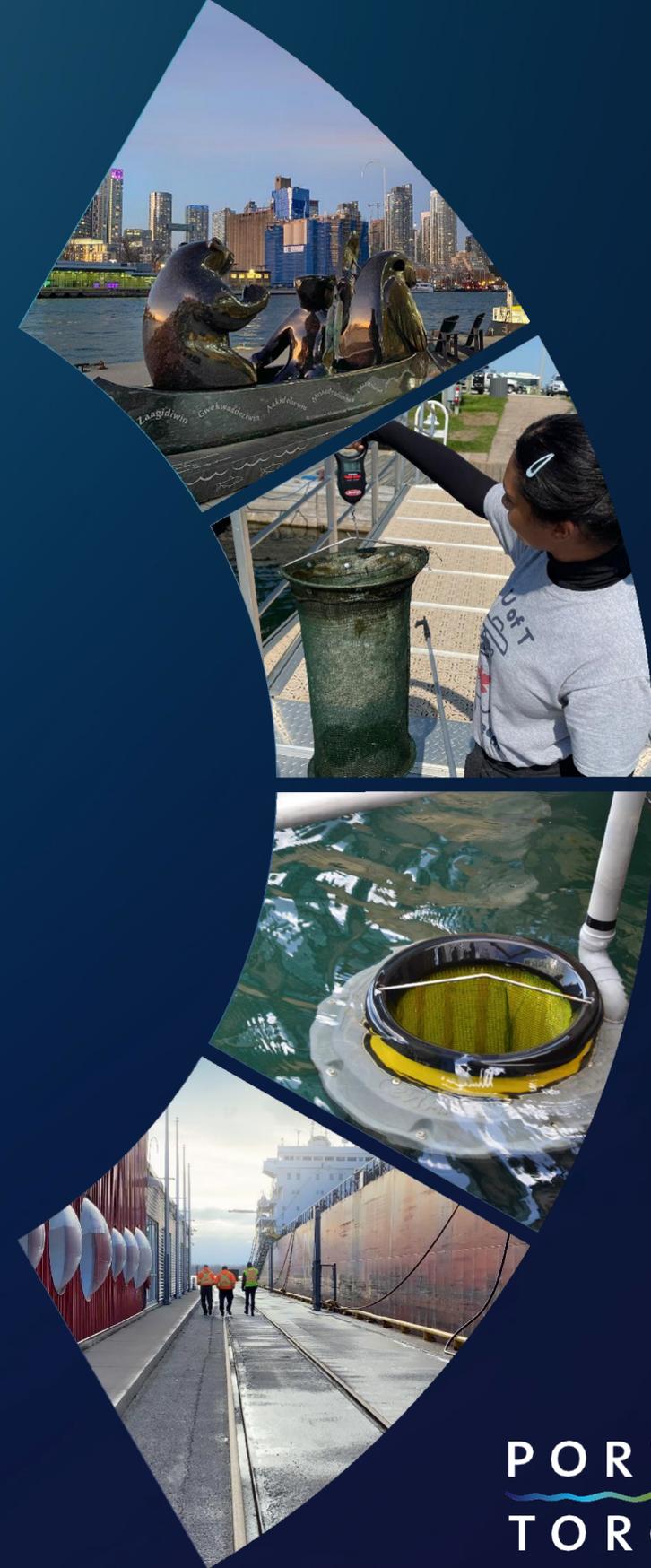
Amanda Walton  
*Board Chair*

RJ Steenstra  
*President & Chief Executive Officer*

Alan Paul  
*Senior Vice President & Chief Financial Officer*

Question & Answer Period

Meeting Adjourns





- Questions can be sent to:  
[Communications@portstoronto.com](mailto:Communications@portstoronto.com)

- 2022 Annual Report available on PortsToronto website as of May 3

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Amanda Walton  
*Chair, Board of Directors*



# 2022

- 2022 was a positive and successful year.
- Recovery and growth as a result of talented Board Members, accomplished leadership team, and the dedicated employees of PortsToronto.



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# Senior Leadership



**RJ Steenstra**  
*President & CEO*



**Will Ramjass**  
*Senior Vice President &  
General Counsel*



**Warren Askew**  
*Vice President of Billy  
Bishop Airport*



**Sylvain Thériault,**  
*Corporate Fire Chief*



**Alan Paul**  
*Senior Vice President  
& CFO*



**Deborah Wilson**  
*Vice President Public  
Affairs &  
Communications*



**Bojan Drakul**  
*Vice President  
Infrastructure,  
Planning and  
Environment*



**Kelly McDonald**  
*Director  
Human Resources*



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# Board of Directors



Amanda Walton  
*City of Toronto  
Appointee*

*Board Chair and Chair  
of Communications &  
Outreach Committee*



Darin Deschamps  
*Federal Minister of  
Transport's Appointee*

*Chair of Audit & Finance  
Committee and Pension  
Committee*



Hellen Siwanowicz  
*Federal Appointee*

*Chair of  
Governance and  
Human Resources  
Committee*



Sandra Pupatello  
*Federal Appointee*



Thomas Ruth  
*Federal Appointee*



Jane McKenna  
*Provincial Appointee*

# Mandate

- PortsToronto's Board provides guidance and oversight, to ensure the financial strength of the organization and to promote strong governance.
- Sets the course for ongoing investments in safety and environmental sustainability, and responsible for participating in, and ensuring the development of, a long-term strategy for PortsToronto.
- Focused on the future to ensure the organization has the business portfolio and vision to remain strong and serve the City of Toronto, province and country.



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# Building Toronto

- PortsToronto has long played an important role in the economic and social fabric of Toronto.
- For more than 110 years, PortsToronto has made significant and material contributions to the City of Toronto.
- PortsToronto remains committed to playing its part in facilitating recovery, supporting the economy, and making meaningful investments in transportation infrastructure to get city moving again.



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# Billy Bishop Toronto City Airport

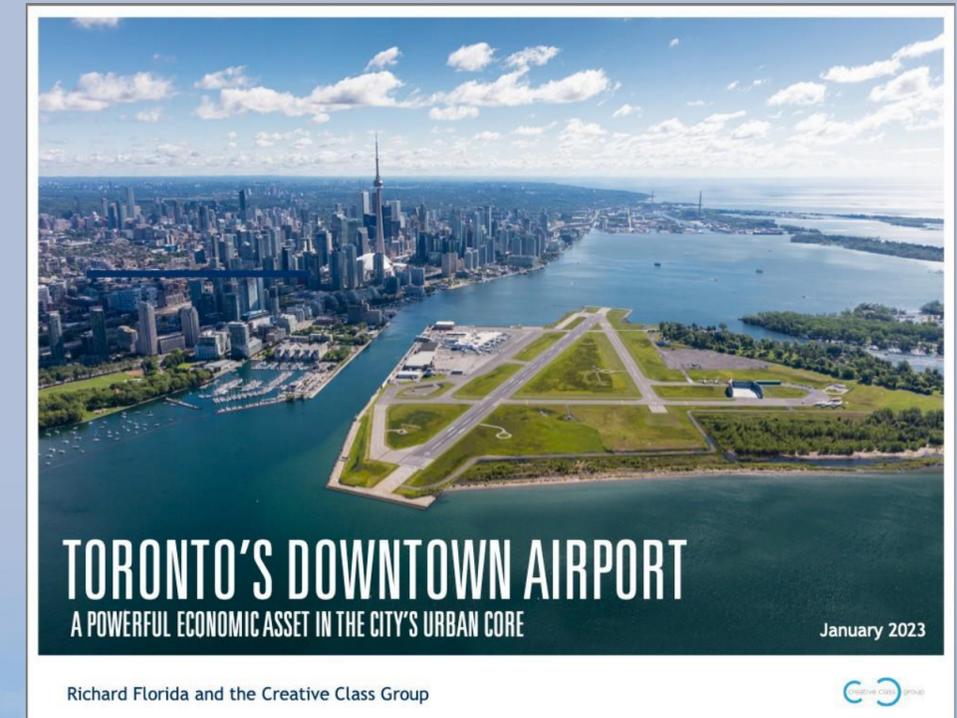
- Billy Bishop Airport is an essential asset that can drive economic recovery.
- Billy Bishop Airport supports trade and tourism by connecting Toronto to global markets such as New York, Ottawa, Chicago, Montreal, Washington and Boston.
- Supports the health of Ontarians by providing a base for Orange Medevac services to facilitate urgent patient care.
- Generates revenue and provides jobs for the region.
- Invests in the community to build infrastructure and support charitable organizations.
- Plays an integral role in servicing Toronto and contributing to what makes this city world class.



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# Dr. Richard Florida: Report

- A centrally located, city airport is critical to Toronto's recovery, growth and ambitions.
- The city and the airport are at an inflection point in terms of optimizing infrastructure and making the intellectual investment to be world-class.
- The airport is an undeniable asset to the City of Toronto and region and should be regarded as such.



# Movement of People and Goods

- Receiving more than 2 million tonnes of cargo each year, the Port of Toronto serves as a vital link for many industries.
- Port also supports tourism and has become an important and successful site for passenger cruise ships over the last few years.
- Welcomed 41 passenger ships, bringing approximately 13,000 passengers to Toronto.



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# Getting the City Moving

- The key to emerging from the pandemic and recovering as a city is getting people and goods moving again.
  - Passengers travelling through Billy Bishop Airport or the cruise ship terminal in the port lands;
  - Boaters cruising through the harbour from the Outer Harbour Marina;
  - Sugar, salt or aggregate coming through the port;
  - PortsToronto is a critical engine for recovery that supports and invigorates the City of Toronto.



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# Legacy of Support

- PortsToronto will continue its legacy of supporting the city and surrounding region and serving as an engine for growth and success.



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Thank You



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RJ Steenstra  
*President & Chief Executive Officer*



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OUTER HARBOUR  
*Marina*

**REAL ESTATE  
AND PROPERTY HOLDINGS**

2022

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*Marina*

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# PortsToronto: 2022

- PortsToronto recorded strong financial results in 2022, while staying true to our commitment of sustainable operations, engaging with our community, and investing in city-building initiatives.



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# PortsToronto: 2022 Results

- PortsToronto reported operating revenue of \$65.4 million in 2022, an increase of \$25.7 million over 2021 revenue of \$39.7 million.
- PortsToronto had a net income from operations in 2022 of \$30.4 million, versus \$10.0 million in 2021, an improvement of \$20.4 million year-over-year.



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# Financial Performance

- Strong financial performance is important to any organization and is one of the key measures of its success.
- PortsToronto is mandated to be financially self-sufficient and self-sustaining.
- PortsToronto's profitability enables reinvestment back into infrastructure and the community.
- Operational activities, infrastructure development projects, environmental initiatives and community investment programs are all entirely dependent on our ability to maintain profitability.
- Profitability is not only a measure of our performance, but also a measure of the degree to which we can reinvest to the benefit of the city of Toronto.



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# Business Units

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BISHOP  
TORONTO CITY AIRPORT



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OUTER HARBOUR  
Marina



REAL ESTATE  
AND PROPERTY HOLDINGS

# Billy Bishop Airport

- Billy Bishop Airport has traditionally been the largest business unit, contributing approximately 70 per cent of revenues to the organization.
- COVID-19 pandemic impacted travel in first part of the year. In early summer travel restrictions were removed and travel demand came roaring back.
- Billy Bishop Airport was largely spared from much of the air travel challenges faced by other airports as a result of this surging demand.
- Passenger numbers climbed to 1.7 million by the end of 2022.
- For the first five months of 2023, Billy Bishop Airport is tracking at approximately 75% relative to the same time in 2019.

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# Port of Toronto: Commercial Shipping

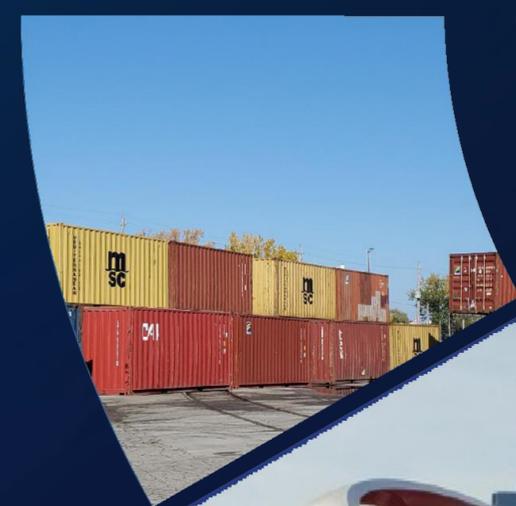
- The Port of Toronto experienced another strong year in 2022.
- For the sixth consecutive year, port moved more than 2 million metric tonnes of bulk and general cargo.
- Welcomed 191 cargo ships bringing sugar, salt, cement, aggregate and steel directly to the heart of the city, reinforcing the Port of Toronto's important role in the national supply chain.
- Arrival of another bridge span from Nova Scotia via tug-and-barge for Waterfront Toronto's Port Lands Flood Protection project and provided berthing for a marine vessel delivering three high-value transformers to the City of Toronto.



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# Port of Toronto: Passenger Cruise Ships

- Welcomed 41 cruise ships to Toronto in 2022, bringing approximately 13,000 passengers to the city to enjoy its attractions, theatre, shopping and restaurants, and contributing to the City's economic recovery.

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# Port Of Toronto: Role

- Port of Toronto plays an important role in the national transportation chain and in supporting the largest economy in Canada.
- As the pandemic affected supply chains and distribution around the world, the port served as a regular and reliable gateway to receive the materials that Toronto and region required to keep the local economy moving.
- Port has an important role to play in environmental sustainability – cargo delivered to the Port of Toronto last year took the equivalent of approximately 54,000, 40-tonne trucks off Toronto’s roads and highways.
- Ship transport is significantly more fuel efficient than trucks, using one-eighth as much fuel to carry the same amount of cargo.



# Outer Harbour Marina

- Demand for winter storage remained strong in the 2022-2023 winter season, and summer berthing renewals resulted in a 100 per cent occupancy level.
- Recreational boating continued to be a favoured activity in Toronto with many new boaters coming from neighbouring residential areas of the city.

OUTER HARBOUR  
*Marina*  
DE L'AVANT-PORT



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# Property and Other

- Fourth business unit, Property and Other, including investments, reported operating income of \$4.0 million in 2022, up from \$2.9 million the year prior.
- Property and Other includes the rental of various properties along the waterfront as well as investment income earned on PortsToronto's cash reserves.



REAL ESTATE  
AND PROPERTY HOLDINGS



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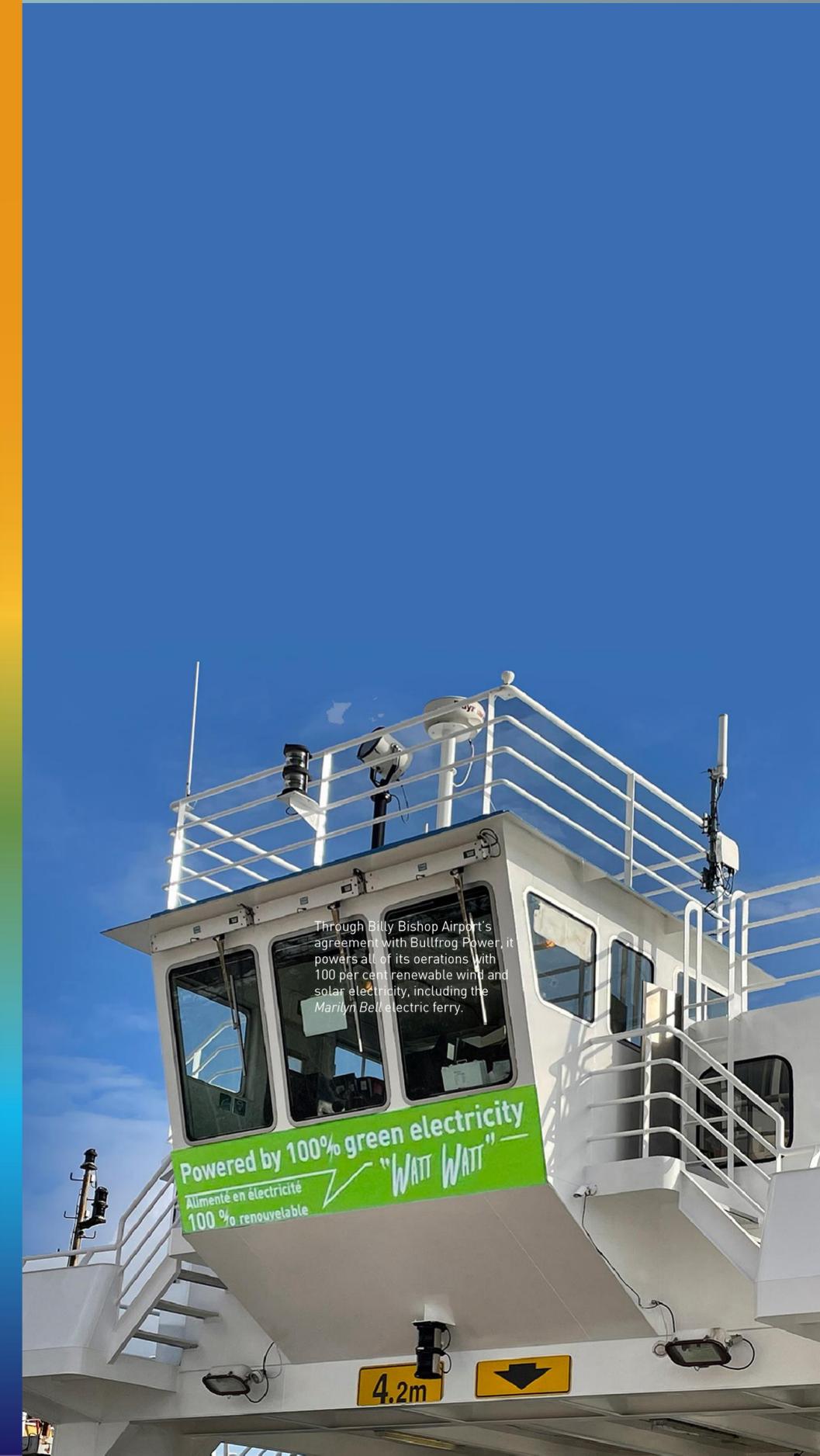
# Taxes & Investments

- Significant payments made to various levels of governments including Payments in Lieu of Taxes (PILTs) and property taxes to the City of Toronto; and the Gross Revenue Charge to the federal government.
- Revenues also enable PortsToronto to make meaningful investments in our sustainability plan that included environmental initiatives and community investments.



# Sustainability: *Marilyn Bell*

- *Marilyn Bell* ferry converted to 100 per cent electric power in December 2021, and the full impact of its cleaner, greener and quieter operations came into effect in 2022.
- Powered entirely by electricity from clean wind and solar sources provided by Bullfrog Power, the retrofitted *Marilyn Bell* has eliminated greenhouse gas emissions from the ferry operation, reducing the airport's direct emissions by approximately 530 tonnes per year.
- Builds on the airport's Noise Management Program, and operates far more quietly, dramatically reducing related noise in the surrounding community.
- This is the first all-electric ferry in Canada setting the standard for the introduction of similar marine vehicles in the future.





## Sustainability: Trash Trapping Program

- PortsToronto further expanded its successful Seabin Program and deployed a record 10 Seabins in 2022, including six new locations on the Toronto waterfront.
- Data collected through the program's research partnership with the University of Toronto Trash Team confirms that Seabins in the PortsToronto network removed more than 90,000 small pieces of plastic pollution from the Toronto Harbour in 2022.



92,891

small pieces of plastic  
pollution removed from the  
Toronto Harbour



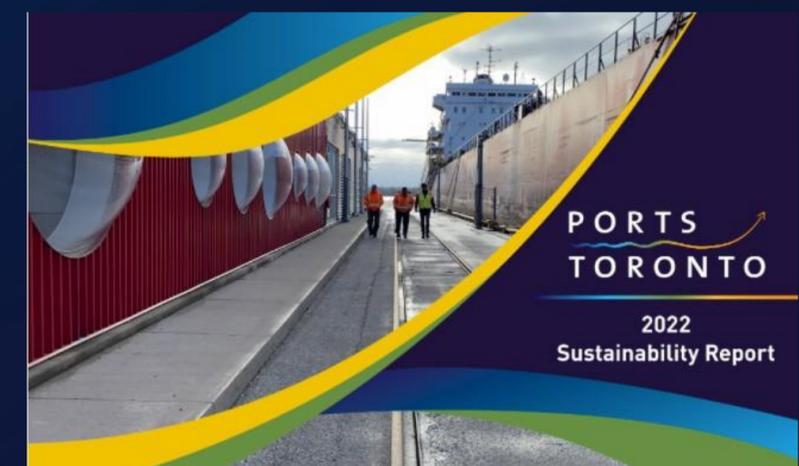
# Sustainability: Reporting

- The 2022 Billy Bishop Airport Sustainability Report was published on April 12; and the 2022 PortsToronto Sustainability Report was published on May 25.
- Each report provides an overview of our efforts and reports on areas such as Greenhouse-Gas Emissions, energy usage, and waste management.
- Purchase 100 per cent of our power needs from renewable sources such as wind and hydro through Bullfrog Power. PortsToronto is one of only a few organizations in Canada to use renewable energy for its entire operations, and the only airport and port authority in Canada to do so.



# 100%

Since 2010, PortsToronto has powered all of its operations with 100 per cent green electricity through Bullfrog Power Canada. In 2022, PortsToronto renewed its agreement with Bullfrog Power until 2026



# Community Investment



ALOHA TORONTO



EVERGREEN SCHOOL  
GROUND GREENING  
PROGRAM



HOPE AIR



NOT IN MY CITY

(Partner in disrupting  
human trafficking)



THE BENTWAY



SWIM, DRINK, FISH



REDPATH WATERFRONT  
FESTIVAL



TORONTO ISLAND PUBLIC  
NATURAL SCIENCE SCHOOL



BLACK AVIATION  
PROFESSIONALS  
NETWORK



ALS CANADA



WATERFRONT  
NEIGHBOURHOOD CENTRE



PROJECT RECOVER



CP24 CHUM  
CHRISTMAS WISH



ARTHAUS EMERGING  
ARTISTS

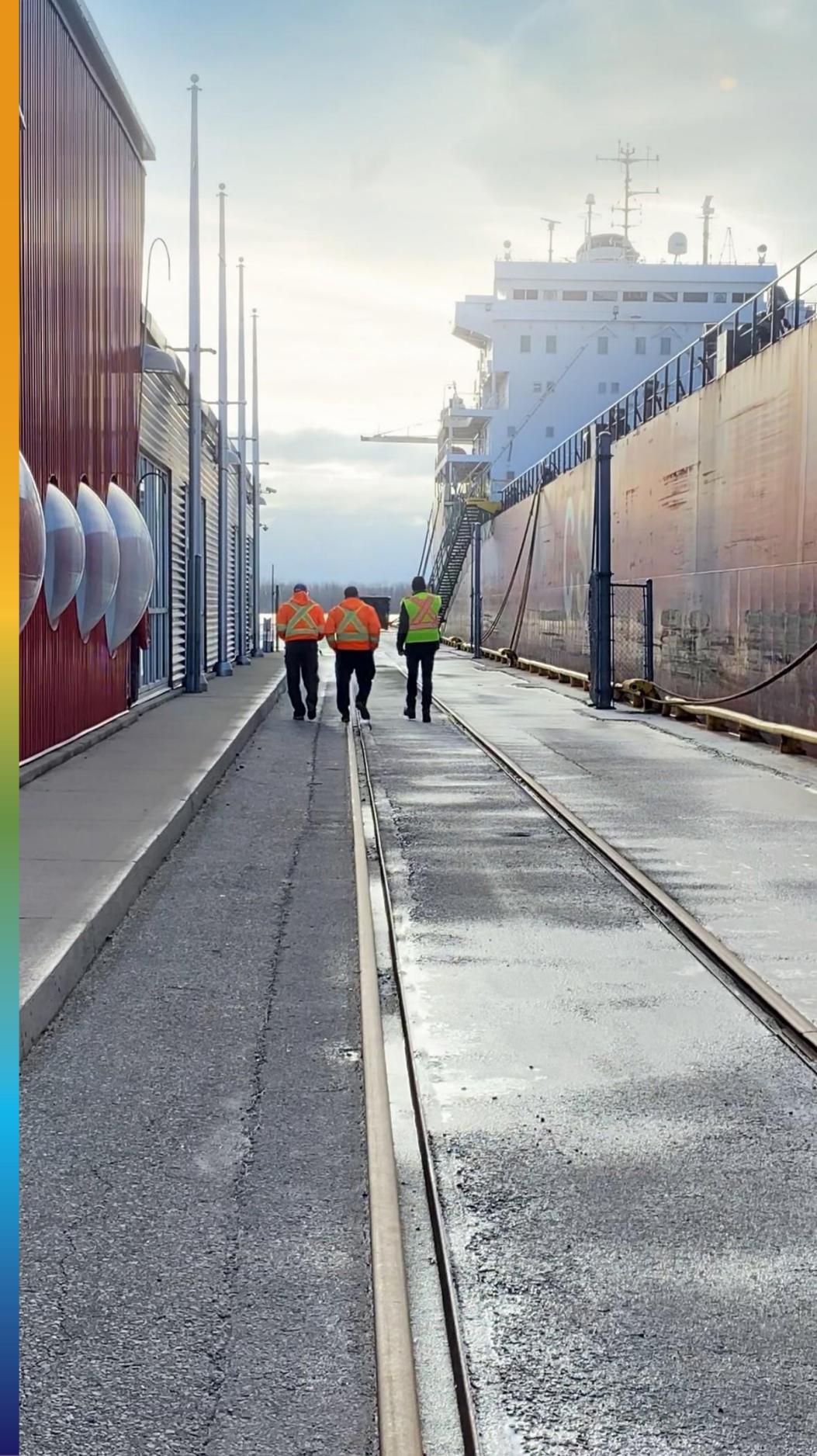
# First Nations Engagement

- In May 2022 partnership with the Mississaugas of the Credit was recognized with a large-scale granite sculpture installed on the island-side dock wall of the Western Gap.
- *Maanjidowin: The Gathering* was created by First Nations artist David M. General



# Looking Ahead...

- PortsToronto will continue to work with our community, partners and stakeholders to actively participate in the recovery of our economy within a sustainable development framework.
- PortsToronto is an economic engine for the city and the region, and plays a meaningful role in facilitating trade and tourism that will spur a resurgence.



# Benefits of Billy Bishop Airport

- Billy Bishop Airport has long played a role in this regard by providing a convenient, effective and award-winning gateway for residents and visitors alike.
- Supports the healthcare system, creates jobs, and attracts talent and global business to our city. It is an undeniable asset to Toronto.
- The benefits of the airport are recognized by the residents of Toronto.



# Environics Polling

- In a poll conducted by Environics in 2022, Toronto residents confirmed the affinity and appreciation held for Billy Bishop Airport.
- Survey results found that of those Torontonians who have flown through Billy Bishop Airport, 97 per cent had a favourable experience and impression of the airport.
- Torontonians who haven't used the airport support its operations with 85 per cent of Toronto residents agreeing that Billy Bishop Toronto City Airport is a valuable asset for the entire city.



# Skytrax Awards



8<sup>th</sup>

World's Best Airports  
(under five million passengers  
category)



9<sup>th</sup>

Best Regional Airports  
(North America category)

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# Looking Forward: Recovery and Growth

- Expecting a record year with 54 ships arriving that will carry a total of 22,000 passengers. These passengers will spend a few nights in our city and enjoy the food, shopping and attractions that Toronto can offer.
- Commercial activity in the port is also shaping up to have another record year, with the port receiving the materials it needs for its food and construction industries.
- All of Ports Toronto's businesses have an important role to play in this recovery as drivers of trade and tourism.



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THANK YOU

Je suis électrique!  
I'm electric

The Canadian  
Economic Outlook

RISE ABOVE  
Airports Canada  
Conference and Exhibition  
May 16-18, 2023 // Edmonton, AB

OPENING REMARKS  
RJ Steenstra

CLEANER  
GREENER  
QUICKER

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Alan Paul  
*Senior Vice President & Chief Financial  
Officer*



# Audited Financial Statements

- PortsToronto's 2022 Audited Financial Statements and 2022 Management Discussion and Analysis (MD&A) were posted to the PortsToronto website on May 3, 2023.
- Auditor's Report can be found on pages 1 and 2. In this section, under the heading of "Opinion," the Auditor's Report from Deloitte is once again an unqualified or "clean" audit opinion.
- PortsToronto presents its financial statements pursuant to International Financial Reporting Standards or ("IFRS").
- 2022 MD&A Report should be read in conjunction with the Audited Financials.



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# Audited Financial Statements

- For 2022, PortsToronto reported operating revenue of \$65.4 million, an increase of \$25.7 million over 2021 revenue of \$39.7 million.
- PortsToronto had a net income from operations in 2022 of \$30.4 million, versus \$10.0 million in 2021, an improvement of \$20.4 million year-over-year.



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# Financial Performance: Billy Bishop Airport

- Billy Bishop Toronto City Airport's performance in 2022 had a material impact on the financial performance of the organization.
- With demand for air travel improving in the second half of the year, operating income for the airport was \$24.0 million in 2022, up from \$5.0 million in 2021 and higher than \$22.1 million recorded in 2019.
- Total passenger volume in 2022 was approximately 1.7 million versus approximately 2.8 million in 2019.



# Financial Performance: Port of Toronto

- The marine Port of Toronto had a strong year.
- For the sixth consecutive year, moved more than 2 million metric tonnes of bulk and general cargo.
- The combination of activities which included commercial shipping and passenger cruises resulted in operating income from all sources of \$6.2 million, up from \$5.5 million recorded in 2021.



**2.3**  
**metric tonnes**

of cargo transited through the  
Port of Toronto in 2022



# Financial Performance: Outer Harbour Marina

- The Outer Harbour Marina benefitted from continued interest in personal watercraft ownership and reported operating income of \$2.8 million in 2022 on revenues of \$6.1 million.



The Outer Harbour Marina achieved the Green Anchors Diamond rating in the Clean Marine Eco-Rating Program in 2022. OHM previously held a Gold rating in the Clean Marine program for 11 consecutive years.



# Financial Performance: Property & Other

- Property & Other, including investments, reported operating income of \$4.0 million in 2022, up from \$2.9 million the year prior.
- Property & Other includes the rental of various properties along the waterfront as well as investment income earned on PortsToronto's cash reserves, which increased in 2022 versus 2021, due to higher interest.



# Payments and Taxes

- Strong revenues across all of our business units resulted in significant payments to various levels of governments including \$1.1 million in Payments in Lieu of Taxes (PILTs) to the City of Toronto, as well as \$2.3 million in property taxes.
- Amounts accrued and paid to the federal government and to the City of Toronto together totaled \$6.6 million for 2022, and \$6.4 million for 2021, representing 10.1% and 16.2% of PortsToronto's Operating Revenue in fiscal years 2022 and 2021, respectively.



# Looking Forward

Optimistic that 2023 will continue along this upward trajectory as we continue to see:

- Recoveries in the aviation sector;
- Increased demand for travel in the air and on water, with cruise ship visits expected to set another record; and,
- The optimization of myriad assets that PortsToronto has within its business portfolio.



# Appointment of Auditor

- Board of the PortsToronto has appointed Deloitte LLP as Auditor for the audit of the fiscal year ending December 31, 2023.

**Deloitte.**

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# Question & Answer Period



# Reach Out

- Submit questions through our [communications@portstoronto.com](mailto:communications@portstoronto.com) mailbox.
- Website is updated daily with news and information.
- Social media platforms are active in providing news and updates to our community.



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