



ANNUAL REVIEW

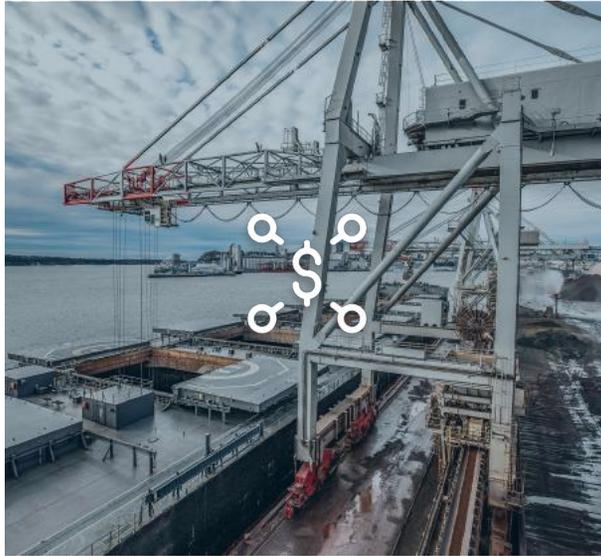
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ANNUAL REVIEW 2020



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GETTING ENGAGED

- Committed to the environment
- Committed to the environment much more than a place to work : A place to thrive
- Anchor in your community

INTRODUCTION





**MARIE-HUGUETTE
CORMIER**

Chair of the Board
of Directors

MESSAGE FROM THE CHAIR OF THE BOARD OF DIRECTORS

BETWEEN AGILITY AND PROSPERITY

2020 has been a year of great personal, family and professional adjustment for each and every one of us. On behalf of myself and all the members of the Board of Directors of the Port of Québec, I want to express to all the people of greater Québec and of greater Lévis our full solidarity in the face of the new global reality.

Over its long history, the Port of Québec has been both an actor and a witness to several difficult episodes that have impacted our community and humanity.

The year 2020 marked 10 months when we had to adapt everything, or nearly everything, and revise our habits and work styles.

Today, more than ever, the Port gives us assurance as a pillar at the heart of our economy, our society, and our lives. A vehicle of prosperity. An organization we can trust.



AGILITY AS A WATCHWORD

In the midst of this upheaval, I was able to see how the Port of Québec immediately became agile and favoured business continuity, and, because of the circumstances, even decided to add a community assistance component to it.

The troops, with our CEO at the helm, have not only been very nimble, but they have been working hard with the users to ensure that regional supply chains were never broken.

Today, as every year, this annual report is an opportunity to take stock of our results, our decisions and to highlight the key milestones that marked the year. This meeting remains a privileged forum to take stock of our community involvement and to remind us of the Port's role and crucial presence in the development and future of our great region and those around us.

On a more personal note, the year 2020 marks my arrival as Chair of the Board of Directors, a board of seasoned directors. I am fortunate to be working with highly qualified people, citizens who are involved in the community and who are firmly committed to the success of the Port of Québec. They are all motivated by the desire to maintain the Port's sustainability through development that contributes directly to the quality of life of our community. I sincerely thank them.

Despite an economic slowdown in the transportation sector directly attributable to global confinement measures, the Port's financial health remains strong. Being at the heart of the vital Quebecer and Canadian supply chain to which we contribute every day, we must constantly evolve in order to maintain our competitiveness and our attraction.

Collectively, we have all recognized this year, more than ever before, the crucial aspect of being at the heart of the global supply chain.

THE ROAD TO GROWTH

A port remains an organization that must at all costs position itself on the best sea, rail and land routes to offer the best value proposition in terms of the competitiveness and efficiency of the various customer chains, based on the origin and destination of the goods. Like any organization, a stagnant port is a declining port.

Whether it is through our renewed partnerships, the constant improvement of our infrastructure, or the diversification of our activities, so clearly embodied in the Laurentia project, we strive to continuously improve our vision and our actions to sustainably grow and contribute to the social and economic advancement of our community. In this regard, Laurentia has the support of 188 municipalities in central and eastern Québec, precisely because of its structuring effect on the regional economy. In the same vein, more than 130 businesses in the same region have also expressed the importance of this project for their development.

The dramatic impact of the pandemic on our 2020 cruise season and the cancellation of all cruises was, for the tourism industry in Québec City, a reminder of the extent to which port activities must be based on several complementary business pillars.

As a result of this activity, we are closely monitoring the recovery of this major global industry. But clearly 2021 will not be a dramatic recovery year in the cruise world.



In terms of achievements related to the environment and sustainable development, we have taken concrete steps in the past year by continuing to advance our action plan.

Before I conclude, I would like to extend my heartfelt thanks to all board members for their solidarity, professionalism, and commitment to the Port's reputation and to its sound management and growth. The Board of Directors and its committees met 22 times in 2020. We also enthusiastically approved and implemented the strategic directions in collaboration with the management team.

I would also like to acknowledge the outstanding work of all QPA employees, whose constant dedication and expertise were once again remarkable during this very disruptive year.

I would also like to point out the great collaboration that takes place on a daily basis and the critical work done by the users and partners involved in Québec City's port environment.

I would also like to thank the President and CEO, the tireless Mario Girard, for his extraordinary determination, his will to take us further and his responsible governance of the organization.

Many thanks to the entire team for the admirable work and accomplishments in 2020, for their amazing ability to adapt and for the optimism instilled since the beginning of this year.

A handwritten signature in black ink, appearing to read 'MH', with a long horizontal flourish extending to the right.

Marie-Huguette Cormier



MARIO GIRARD

President and CEO

Being at the heart of the essential supply chain in Québec, the country, and the continent, it became an immense responsibility that imposed discipline and rigour on every player in the port and marine environment.

MESSAGE FROM THE PRESIDENT AND CEO

NAVIGATING IN ACTIVE WATERS WITHOUT EVER LOSING TRACK

In recent human history, 2020 has been the year of superlatives, certainly a year of great change and profound disruption. It was the year of resilience too, and of the revelation of the absolute need for ports in the supply chain, which has been well highlighted in these times of pandemic. In fact, 80% of the goods consumed by Quebecers or the medical protection equipment that is so critical for everyone will arrive by ship.

Despite this unexpected upheaval, the maritime community in Québec City has shown remarkable adaptation, enabling the Port of Québec to pursue its mission and its essential role in the utmost respect for the precautionary rules prescribed by public health authorities.

I would therefore like to express my deep appreciation to the many partners active in the Port's area, their employees and the crews of the ships that docked in Québec City. I would also like to express my deepest respect to all the employees of the Québec Port Authority and tell them how remarkable their personal and professional agility and adaptability have been and how dedicated they are to the mission of the Port of Québec, as it remained intact and even grew during that period.

This critical supply chain is alive and well thanks to :

- ▶ The Sollio Fertilizer Import Terminal, which serves the entire agricultural basin of the south shore of Québec and the eastern part of the province and feeds Quebecers;
- ▶ QSL, which transships several types of goods, including sugar used by Canada's largest plant;
- ▶ The large G3 and Sollio terminals that export our Canadian grain around the world;
- ▶ Cement imports by Béton Provincial, which, thanks to its entire network, are at the heart of construction sites throughout the province;
- ▶ Our docks where nickel matte is transported to Norway, where it will be processed by Glencore and come back here as surgical instruments;

and so it is for many other commodities of primary use in our lives.

2020 reminded us all that a port is a major strategic economic asset for a city, a province and a country.

While 2020 was difficult for many, we handled 27 million tonnes of goods (compared to 29 million tonnes in 2019), a slight drop of 7% mainly explained by the economic slowdown and lower consumption in the hydrocarbon sector. During the same period, other sectors experienced positive changes, including goods related to the construction industry such as gypsum and cement. For its part, traffic related to the agri-food industry increased significantly (56.5%), which helped offset the declines in other sectors.

We are pleased, as an organization and as an industry essential to the functioning of a healthy and organized economy, to have been able to maintain a high level of activity thanks to the 8,000 direct and indirect jobs generated by the Port in the Greater National Capital Region, including Québec City and Lévis. In times of crisis or uncertainty, the Port's economic activity remains a major asset for the region, Québec, and Canada. Given its unique role, it is clear that the Port of Québec has helped protect and support the economy and the well-being of the region and the province during this difficult time.



SOLIDARITY WITH THE CRUISE INDUSTRY

For us and the greater Québec City area, the brutal shock of the 2020 pandemic was the cancellation of the cruise season. No fewer than 155 ships and 250,000 cruise participants and crew were expected. None of them came.

The absence of cruises and other business activities, including the many events typically held at the Port, also had an impact on our results, but nothing comparable to the economic impact on our beautiful city, which is usually flooded by many international visitors during the summer and fall.

As soon as the cruises resume, we will be there, first on the starting line, to support businesses dedicated to this sector of activity. For the time being, we must all do the best we can with the circumstances.

However, we remain active and connected to the global cruise industry. In 2020, we completed the construction of the second cruise ship terminal. In 2021, we will add a mobile bridge between the dock and the terminal and we will be ready when the cruises resume.

In terms of investments, in 2020, the Québec Port Authority invested more than \$45 million in its long-term assets, not to mention the tens of millions of dollars invested by our partners.

LAURENTIA: A NECESSARY CARBON NEUTRAL PROJECT

In 2020, we also devoted a lot of energy to advancing and enhancing the Laurentia project. Laurentia is fundamentally a good, well-thought-out project in which the balance of advantages clearly outweighs the disadvantages. It is an innovative, modern and environmentally friendly industrial port project. Laurentia will be the greenest container terminal in North America. We have made numerous improvements and significant environmental progress. We can therefore be even more certain about the exceptional environmental framework of the project.

Laurentia's economic and strategic relevance has been demonstrated repeatedly. Businesses of all sizes and sectors, municipalities, the Government of Québec : the support is significant.

Laurentia will be carbon neutral. The environmental clauses binding the Laurentia Consortium will ensure that the Laurentia Consortium will not generate any off-site particulate matter emissions throughout its construction phase. In the operational phase, there will be zero off-site emissions. Laurentia will offer infrastructure for shore electrification, which is expected to benefit 25% of the container ship fleet visiting the terminal. Laurentia will offset any residual impacts to the ecosystem at a ratio of 1.4 to 1.



In the final phase of submitting ecological studies and mitigation measures to the Impact Assessment Agency of Canada (IAAC), which ended on March 31, 2021, we detailed 40 additional environmental proposals, all of which were substantial. These additions reinforce our belief that the integration and operation of the project will be harmonious — both from a marine ecosystem perspective and from a host community perspective, and which we hope will also convince the IAAC.

On a larger scale, Laurentia offers a replacement for more than seven million kilometres of trucking annually on Québec roads. Of all the trade routes that could transport the 700,000 containers that will transship here, Laurentia is certainly the greenest. All in all,

the environmental impact of implementing the project will be very positive for the region, especially since 90% of these containers will be rerouted by rail. In addition, the project will reduce greenhouse gases (GHG) associated with the transport of these goods by 18.5%.

Not only does Laurentia place the Port of Québec in the major players league, but it also places it at the crossroads of major maritime trade routes. Laurentia will be a global showcase for the terminal of tomorrow. Its innovative character allows us to project with confidence into the future, in addition to attracting organizations that will be able to enhance existing marine activities by adding a new value chain to Québec City and the region.

We also began our work in 2020 to create, in collaboration with PortXL, the first-ever marine innovation accelerator in North America. The Québec antenna will be added to the PortXL network, which is currently being developed in Antwerp, Singapore, Rotterdam and Auckland. This federating project for the maritime community and start-ups in Québec City will enable access to new international networks, stimulating innovation for the benefit of the entire regional industry and our community.

The Port of Québec is fully capable of carrying out a major industrial project that respects the environment in which it operates. Stockholm, Rotterdam and Barcelona have done it; Québec will do it too. The Port of Québec has joined with exceptional partners for this project, CN and Hutchison Ports. They have a vital role to play and they have demonstrated their capability since the beginning of the project.

The world will soon emerge from this pandemic, an event unprecedented since the Second World War. There will be a whole economy to rebuild, rethink and enrich, here and around the world. We sincerely believe that Laurentia can be at the heart of the economic recovery of the greater Québec City area, through its role as an outstanding innovator and its incomparable position in the regional and national logistics chain.

A handwritten signature in blue ink, which appears to read 'Mario Girard'. The signature is stylized and fluid.

Mario Girard

BOARD OF DIRECTORS

STRONG GOVERNANCE FOR A SUCCESSFUL ORGANIZATION

The Québec Port Authority (QPA) is governed by a board of directors composed of seven directors. The Board of Directors has a legal responsibility to act with care and diligence in the best interests of the QPA, to approve the QPA's strategic directions and to ensure their implementation, in collaboration with the management team. In order to properly structure its work, the Board of Directors relies on three committees, composed of at least three directors. It sets out the mandates of each committee and delegates oversight powers to them in various areas of activity. The Board of Directors and its committees met 22 times in 2020.

Environment and Citizen Responsibility Committee

The mandate of the Environment and Citizen Responsibility Committee is to support the Board of Directors in monitoring environmental policies, programs and management practices. The committee ensures that environmental best practices are implemented and respected. In carrying out its mandate, the committee may call upon third parties to conduct an internal review to assess objectives, operating rules and make recommendations to improve policy performance, internal environmental processes and practices. Finally, the committee also regularly monitors the environmental operations of the QPA and its tenants.

The Port Authority plays an active role on the intersectoral committee on environmental contamination in the borough of La Cité-Limoilou (CICEL). In this regard, the Committee on Environment and Citizen Responsibility offers ongoing collaboration in the work of this committee.

Audit Committee

The Audit Committee is mandated to support the Board of Directors in its responsibilities to monitor financial reporting and the adequacy of internal control mechanisms to established standards. The Audit Committee oversees the external audit activities, reviews the budget and annual financial statements, and recommends their approval to the Board of Directors. The Audit Committee monitors the effectiveness of risk management and the management of the QPA pension plans. In addition, it reviews the Administration's long-term projections and the impact of each investment project on the organization's long-term financial situation in order to inform the Board of the financial risks that must be taken into account in planning multi-year.

Governance, Human Resources and Public Communications Committee

The Governance, Human Resources and Communications Committee is mandated to support the Board of Directors, including governance and ethics. The committee is also responsible for monitoring the appointment process for directors, as well as for the remuneration of directors and senior officers of the QPA. The committee also ensures that best governance practices are continually put in place to ensure a high level of integrity and ethics in the organization. In 2020, the committee also added public communications to its responsibilities in order to take a second look at the organization's communications activities.

ADMINISTRATION BOARD



Marie-Huguette Cormier

Chair of the Board of Directors
Chair of the Governance,
Human Resources and
Public Communications
Committee



Olga Farman

Vice-Chairman of the Board
of Directors
Member of the Governance,
Human Resources and
Public Communications
Committee



Denis Desbiens

Member of the Audit
Committee



Edwin Bourget

Member of the Environment
and Citizen Responsibility
Committee



Esther Gaulin

Member of the Audit
Committee
Member of the Governance,
Human Resources and
Public Communications
Committee



Marie-Soleil Tremblay

Chair of the Audit Committee
Member of the Governance,
Human Resources and
Public Communications
Committee



Richard Savard

Chair of the Environment
and Citizen Responsibility
Committee

BOARD OF DIRECTION



Mario Girard

President and Chief Executive Officer



Anne-Marie Gaudet

Vice-President Public Affairs and Social responsibility



Patrick Robitaille

Vice President, Business Development



Réjean Picard

Vice President, Infrastructure Development



Manon Bélanger

Vice President, Organizational Development and Human Resources



Pascal Raby

Vice President, Operations



Marc Drouin

Director, IT and Telecommunications



Geneviève Lemaire

Vice President, Head of Finance



Karine Hébert

Corporate Secretary and Director, Legal Affairs and Compliance



Richard Savard

Senior Project Manager, Laurentia

MANAGEMENT TEAM



Anick Métivier

Director, Community relations



Cathy Ménard

Accounting, Property
and Purchasing Director



Nancy Houley

Cruise Development Director



Dominique Tanguay

Director, Maintenance



Marie-Ève Lemieux

Director, Environment



Kathleen Paré

Marina Director



Patrick Turcotte

Cruise Operations
and Events Director



Geneviève Dupont

Director, Health and Safety



Michel Petit

Harbour Master and Port
Services Director

FINANCIAL STATEMENTS



[Consult the document >](#)

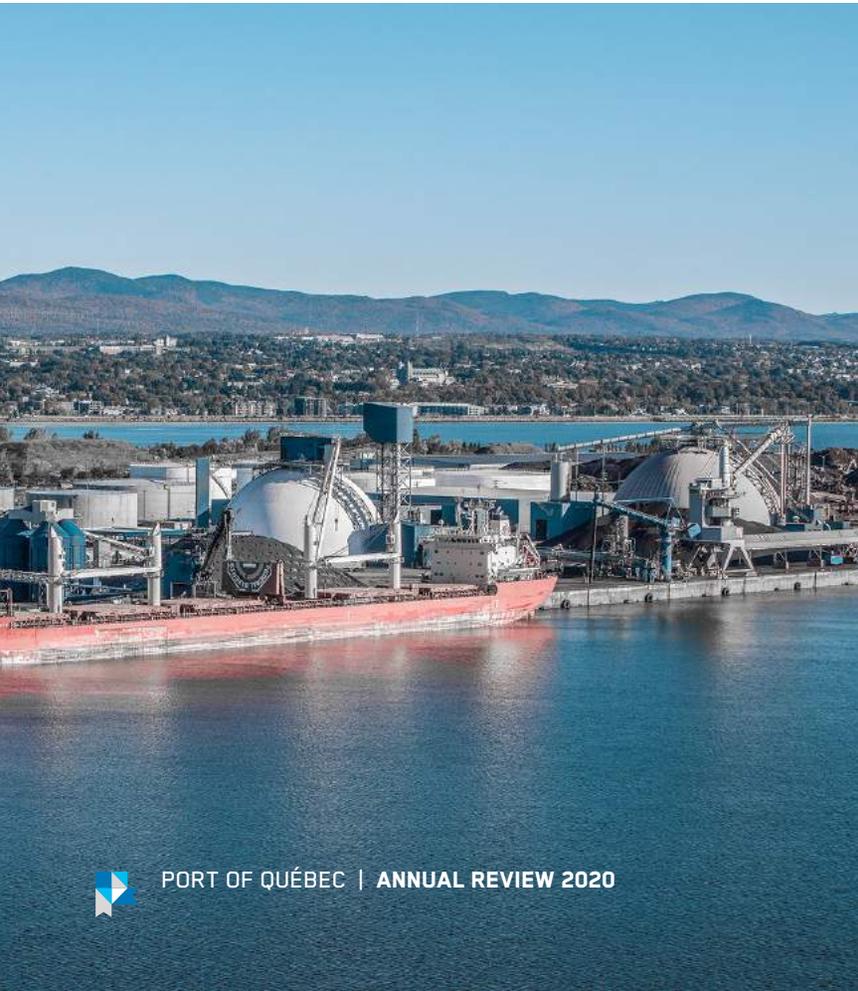
ECONOMIC AFFAIRS



MUCH MORE THAN WHARVES AND SHIPS

Total global marine traffic decreased by almost **10%** in 2020.

Meanwhile, in Québec City, it fell **6.8%**.



Logistics hub to promote trade, handling and warehousing of goods; miscellaneous infrastructures at the heart of companies' import and export strategies; continuous marine services in supply chains that connect about 50 countries; the Port and the Québec-Lévis marine industry are closely linked to the economic vitality of the greater Québec City area.

In fact, under the Canada Marine Act, the Port of Québec is at the service of Canadian foreign trade and generates significant economic benefits through its undeniable strategic advantages and significant economic spinoffs, particularly because of its role as a transshipment point for many cargo movements between the Great Lakes market and the rest of the world.

As a result, all the trade in goods that goes through Québec and that was produced in major North American industrial centres generates wealth and spinoffs in our region. For example, the agri-food industry in western Canada or the steel industry in the Great Lakes creates quality jobs here, without the Québec City region having the impact associated with the physical presence of these industries.

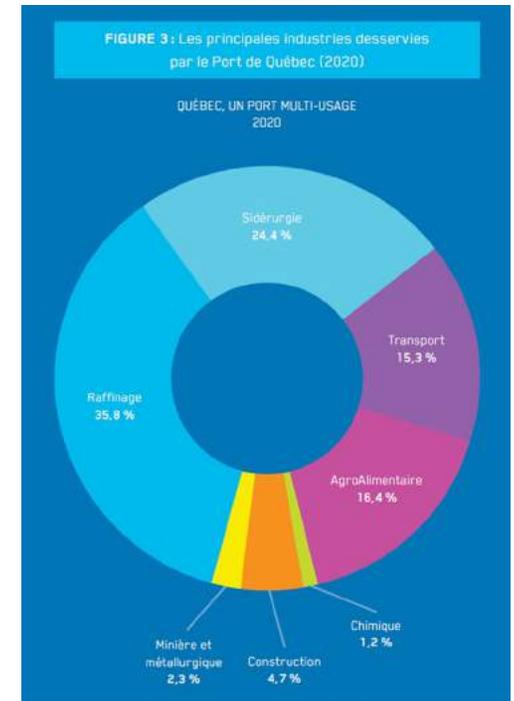
We must also remember that ports are vital to the economic development of a trading nation like Canada. A very small market requires that certain inputs come from outside and that part of those markets also be served by ships. This is the mode of transportation that remains the most environmentally efficient.

Although the pandemic has severely weakened the cruise ship industry, port activities — although disrupted — have been proved more relevant than ever. Port infrastructure meets a basic need and provides local wealth generation, while making users more competitive.

CHANGED PORT OPERATIONS, BUT STILL VERY NEEDED

Highlights

- At the height of the pandemic, the QPA and its operating partners were able to preserve well-functioning supply and logistics chains. The global (-4.2%) and North American economic slowdown brought uncertainty throughout the year. Nevertheless, the impact on the Port's overall operations in terms of tonnes handled was relatively modest and localized over specific areas.
- Twenty-seven million tonnes were transferred in 2020, despite the particular context of the pandemic, representing a 6.8% decrease from 2019.
- In comparison, globally, the marine industry as a whole decreased by 4.1% in 2020. The container market was the most affected (-6%), followed by petroleum products (-1%).
- The petroleum products industry has been one of the most affected sectors here. Confinement periods that reduced labour force displacement and the fact that borders were closed reduced demand, particularly for aircraft fuel, for all of these products significantly in 2020.
- Meanwhile, the agri-food sector has been on a reverse track, registering a significant 56.5% increase over 2019. This sector of activity was strengthened with the construction of the Sollio Agriculture grain export terminal. The presence of Sollio and G3 makes Québec City the only port in the eastern part of the country with two dedicated terminals offering full intermodality, a water depth allowing for fully loaded Panamax vessels and year-round access to foreign markets.
- The minerals and concentrates sector (including steel) had a very good year. It was particularly spared from the impact that the COVID-19 case outbreaks might have had on certain supply chains. QSL had a good year with large volumes of steel products exported to Asia and Europe. According to the 2018 Baltic and International Maritime Conference (BIMCO) list, QSL with its facilities at the Port of Québec ranks 2nd in the world for solid bulk handling!
- The cruise industry, as well as event activities, were hit hard.



Key industries served by the Port of Québec in 2020

Terminals and customers

- ▶ The year 2020 marked the commissioning of Sollio Agriculture's new grain export terminal, thus strengthening the already strong agri-food vocation of the Port of Québec.
- ▶ In the fall of 2020, Glencore received from Asia its new port equipment dedicated to unloading nickel concentrate from Northern Québec and began operations, thereby increasing the efficiency of its port operations.

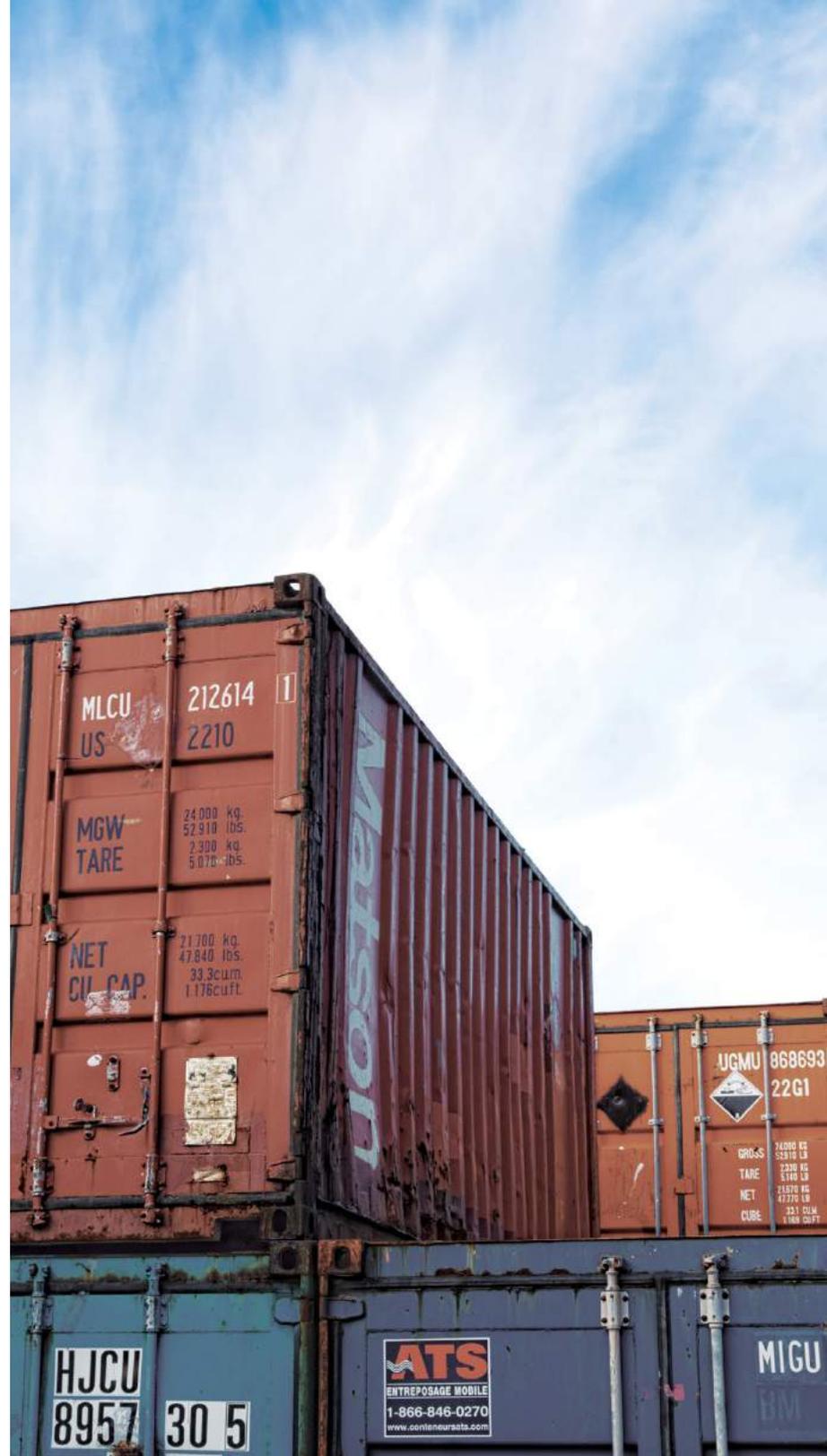
Health measures

- ▶ As soon as COVID-19 became a global pandemic, all maritime activities related to the supply chain were immediately considered by the authorities as essential and priority services.
- ▶ In terms of health, preventive and enhanced measures have been implemented. In addition to coordinating the implementation of the measures recommended by the authorities, the QPA, with the help of its partner operators, has been able to maintain the exploitation of its activities and the integrity of the logistics chain through excessively rigorous health protocols.
- ▶ As a port authority, the QPA has shown leadership in everything under its control (security, enforcement of measures by various levels of government, proactive decision-making). The QPA also acts as a reference for the decision-making processes of various stakeholders in the supply chain.

LAURENTIA: A PROJECT WITH A BRIGHT FUTURE

The year 2020 was dedicated to achieving certain milestones, both technically, environmentally and financially.

- ▶ The QPA worked with its partners to finalize the preliminary project design to inform the environmental process conducted by the Impact Assessment Agency of Canada (IAAC).
- ▶ In parallel, the QPA and its partner Terminal de Conteneurs Québec Limited (TCQL) issued a call for bidders to invite consortia to participate in the construction of the terminal. This process was successful and confirmed the interest of top-level designers and builders in carrying out the Laurentia project. The QPA and TCQL also prepared the documents for the call for proposals and identified the parameters of the future contract between the parties. Both partners will be ready to restart the process at the appropriate time, should approvals be obtained.
- ▶ On the environmental side, significant steps have been taken. First, the QPA submitted, in September 2020, all the documents and information required by the IAAC in order to complete the review of the file and the drafting of the draft report. The draft report was then released for public consideration in November 2020, triggering the public consultation phase of the IAAC's report. As part of this consultation, the QPA submitted its own brief outlining several proposals to improve mitigation measures and proposed an additional time to the IAAC so the QPA can meet with the public to hear the concerns raised and propose improvement measures additional. The QPA submitted these final information and documents on March 31, 2021.



Here is a list of the most discussed topics :

Air quality and human health

The current baseline state of air quality in the borough of La Cité-Limoilou was the focus of discussions and it highlighted that exceedances, if Laurentia were to become a reality, would be largely dependent on current conditions. In other words, the contribution of the Laurentia project would be negligible. Nevertheless, the QPA has proposed ambitious mitigation measures for the project and for all other emissions from port activities in its territory. The overall air quality situation must now be managed at the various levels of government, and the QPA is offering its support to participate in this overall effort. A major step was taken by the City of Québec with the recent announcement of a progressive ban on non-compliant wood stoves, which contribute mainly to the release of fine particles in the area in question.

Fish habitat

With respect to fish habitat, the Port enhanced its mitigation measures, in consultation with the Department of Fisheries and Oceans (DFO). The QPA will continue to work with DFO on the striped bass and other species offset programs to ensure that the project fully meets the requirements of the Species at Risk Act and the Fisheries Act. In December 2020, the Port of Québec submitted an enhanced offset plan that would create 1.4 hectares of aquatic habitat for each hectare disturbed or destroyed.

Ground transportation

The QPA is working with a number of partners to enhance mitigation measures related to ground transportation. Ninety percent of the container volume will be transported by rail, compared to 10% for trucking, making it the second most sustainable container terminal after Prince Rupert. More specifically, the QPA is working to accelerate the use of greener technologies, particularly through more efficient combustion engines (group 4) and the electrification of trains and trucks.

- ▶ **Trucking** : The QPA has proposed important measures to mitigate the impacts of ground transportation and to properly inform citizens of the nature of the anticipated impacts. On the trucking side, Laurentia's maximum contribution will be only 90 trucks per day, a small number compared to other similar terminals that can generate 500 to 1300 trucks per day in urban areas. Nevertheless, the QPA proposed a bypass measure for vehicles by using the highway system bordering the Beauport port area instead of the urban transit routes. These measures must be legislated and the QPA is working on the question with the City of Québec and Transport Québec.
- ▶ **Rail** : The QPA worked with CN to properly document the impact of the Laurentia project on rail traffic in the area. It has been determined that the quantity of freight trains in the La Cité-Limoilou borough will remain the same as it is today; two to six trains per day, even after Laurentia. Intermodal container trains will gradually lengthen to a maximum of 12,000 feet. Laurentia will generate just over two full train crossings per day, which would increase wait times at crossings. CN will adapt its operational plan to limit impacts of this nature.

On the financial side, the Government of Québec, through the Ministère de l'Économie et de l'Innovation and the Ministère des Transports, has confirmed its interest in supporting up to 50% of the public funding needed. Discussions are still underway with the Government of Canada in this regard.

Business for potential future terminal customers has been slowed due to the prevailing context of the global pandemic. Nevertheless, in November 2020, more than 188 cities and municipalities across the province expressed support for Laurentia. The majority of RCMs in the central and eastern regions of Québec would benefit from significant competitive gains as soon as the Laurentia project is operational.

This project will have a major impact for the economy for a number of reasons and on a number of levels.

First, it is primarily private investment that generates significant economic benefits during construction, as do most infrastructure projects. If we exclude the health investments made by the government, the Laurentia project would be the most important non real estate project in the Québec City region in the past 10 years. Although it has important spinoffs for Québec City and Québec as a province, both in terms of employment and increased value added, more than \$500 million would come from private investments. Unlike a number of other projects, there is no opportunity cost to balance with this project in the sense that there will not be another project that could replace the Laurentia project.

Once built, this project will continue to generate economic benefits in the operational phase through stable, well-paying jobs. Its real economic contribution lies in its ability to increase user productivity in terms of time and transportation costs. These productivity gains are the source of a country's economic prosperity and reduce the costs of inputs materials for businesses that need them. They also provide consumers with more reliable and less expensive access to consumer products. Better access to foreign markets is also crucial if Canadian businesses are to continue to be globally competitive.



Second, the project is primarily aimed at a domestic market that cannot be adequately served with existing Canadian infrastructure. These markets are increasingly turning to American ports. The traffic that Laurentia will capture will generate real economic benefits for the country, with no channelling effect. A real net gain.

Moreover, because of its excellent location and the small volume that will be devoted to trucking, the Laurentia container terminal would eliminate seven million kilometres of trucking annually, on Québec roads alone. This would also result in a significant reduction in GHG emissions. Within the complete supply chain, a Deloitte study clearly demonstrates the environmental gains that will result from the project.

In short, the year 2020 reconfirmed the viability and soundness of Laurentia's business model, which is essential to ensuring the economic recovery of Québec and Canada, while respecting the environment.

CRUISES : WAITING FOR RECOVERY

The Port of Québec is closely associated with tourism vitality. When the cruise industry can get back on its feet, we will be there to help it recover.

- ▶ With the COVID-19 pandemic, the cruise industry has collapsed internationally. It goes without saying that 2020 slowed the QPA's momentum and did not allow sustained growth to continue. The forecast was for 155 ships and an estimated 250,000 visitors, including 185,000 passengers. Not only would this have had a major impact on our port activities, but the cruise season would have generated economic benefits for the Québec City region and Québec as a province.
- ▶ The QPA is working upstream to adapt its infrastructure to the guidelines set by public health authorities and is making sure to work together with the various stakeholders in the tourism industry to be ready, when the time comes, to restart this activity.
- ▶ The QPA has completed the construction of its second cruise ship terminal at Pier 30, which would have been ready for its first passengers in 2020. The 100,000-square foot Pier 30 terminal is the largest in eastern Canada. This new terminal will provide the required space for all types of ships and will comply with the distancing rules if they are ever maintained beyond the authorized recovery.

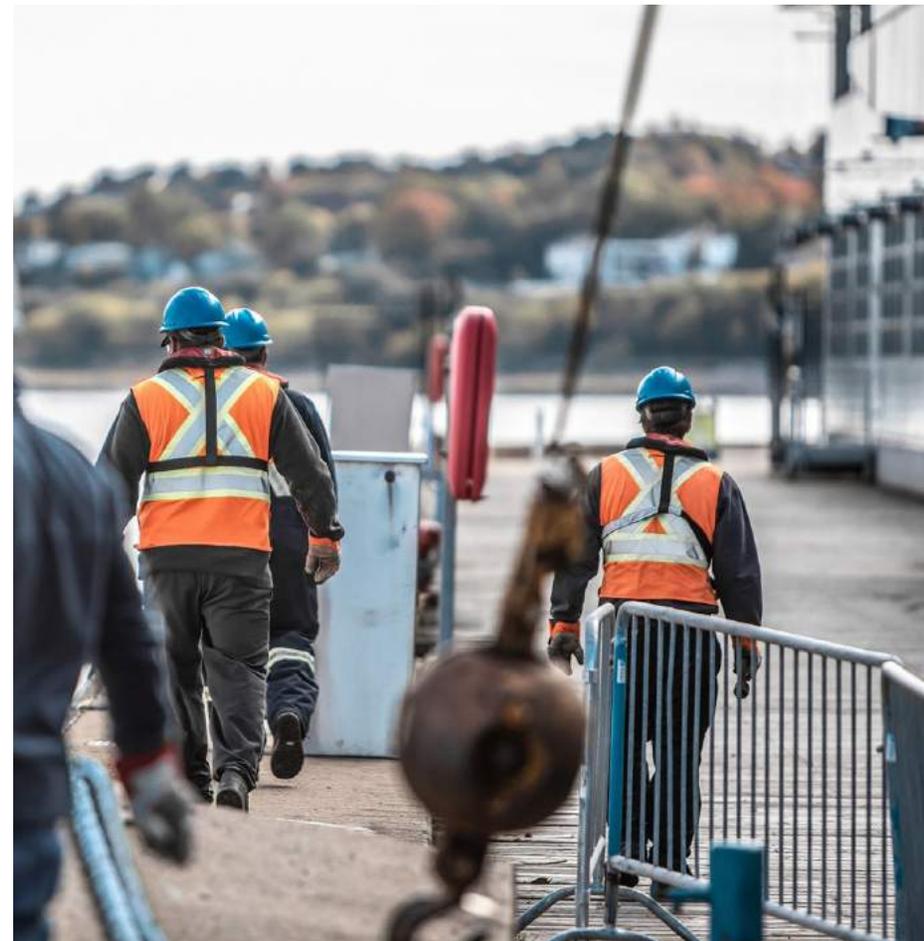


INFRASTRUCTURE : BUILDING THE TOOLS FOR SUCCESS

In 2020, we reached a record high with more than \$45 million invested by the QPA in its territory for the rehabilitation, repair and development of new infrastructure. The latest work includes :

- ▶ Construction of a new rail yard in the Anse-au-Foulon sector
- ▶ Completion of new cruise terminal at Wharf 30
- ▶ Complete the rehabilitation of the drawbridge
- ▶ Stabilization and development work on Wharves 14 North and 5 (Mole)
- ▶ Major repair to the structure of Wharf 49
- ▶ Completion of repairs to the cope wall, dock ladders and caisson keys for the Beauport sector
- ▶ Lighting upgrades on some of the wharves

All this work contributes to the sustainability of existing infrastructure and the development of the Québec Port Authority's port activities.





THE TERMINAL HAS A NEW TEMPORARY PURPOSE

Due to the pandemic and the ban on gatherings, activities and events were not able to take place at the Ross Gaudreault Terminal, a space that was generally sought after. Nevertheless, this infrastructure has been put at the service of the community in accordance with current health standards, particularly for community support and food projects detailed in the Community Implications section.

THE MARINA: AN EXCITING YEAR

Despite a delayed start to the season due to the pandemic environment, a lot of excitement will have been recorded at the Marina in 2020. Following all sanitary procedures — and implementing new procedures to make as many services and facilities as possible accessible — the boating season will have been intense and busy. Visiting boats increased by 10% compared to 2019.

The Marina Port de Québec is proud to offer a new service: indoor storage of pleasure craft. The service is highly prized by boaters and it allows the boat to be kept in ideal conditions and to be safe during the winter months.

In addition, a number of actions have been taken to raise awareness among boaters to adopt safe and responsible practices:

- ▶ Participating in the “Follow the Wave” campaign
- ▶ Conduct a courtesy pleasure craft inspection day with the Canadian Coast Guard Auxiliary.
- ▶ Organization of various information sessions (refresher courses of marine radio best practices, how to properly prepare your pleasure craft for winter, etc.)
- ▶ Participated in World Cleanup Day with waste collection in Louise Basin and on its shores

On the environmental front, the Marina has been particularly successful, notably with the Seabin waste collector and the Performance Certification of the ICI on recycle + program from Recyc-Québec. These two initiatives will be presented in Section 4.1.



THE MARINA BY THE NUMBERS:

415

BERTHS

265

MEMBERS

Nearly
1 000
/year

VISITING BOATS

525
/year

BOAT HANDLERS

25

EMPLOYEES

GETTING ENGAGED





While the Port of Québec embodies this vital vector of economic development, its commitment to the community is noteworthy. As a responsible corporate citizen, the Port carries out numerous initiatives, not only with users of its facilities and services, but also with stakeholders and the community.

Whether it is occupational health and safety, environmental initiatives, civic participation, stakeholder relations or outreach with community organizations, the Port balances its economic and social missions.

COMMITTED TO THE ENVIRONMENT

The Port of Québec's environmental commitment is sincere and involves all levels of the organization. This includes structuring initiatives to promote greening, the protection of water and shorelines, better management of noise levels, air quality, soils and waste materials.



3 118

HERBACEOUS PLANTS, SHRUBS
AND TREES WERE PLANTED TO DATE



155

VOLUNTEERS HAVE CONTRIBUTED



GREENING

Bank stabilization and erosion prevention

In June 2020, ZIP Québec, in collaboration with GESTEV and the QPA, carried out revegetation work on the Beauport Bay beach. The result of these tree plantations is to counter shoreline erosion, while greening the landscape. Willow, sand oak, poplar and juniper are some of the plants that enhance our spaces.

Strøm spa nordique parking lot development

To camouflage the parking lot and brightness of car headlights and streetlights, a plantation of native species specially selected for growth in an urban setting took place on the edge of the spa in 2020

Protection of Ash Trees in Good Condition

To help curb the emerald ash borer invasion, the QPA gave GDG Environment a mandate for a second consecutive year. This company is working on a research protocol to slow the spread of the devastating insect. This protocol involves installing traps to capture the emerald ash borer and cover it with an organic fungus that eliminates the insect within days. This insect becomes a vector and can transmit the fungus to other adult insects. In 2020, 15 traps were set in Beauport Bay (where there are many ash trees in good condition). Analysis of the results shows that this action has been beneficial to the sector.

Beauport Bay Tree Plantation

This project was developed, in partnership with the Association forestière des deux rives and the St. Lawrence Action Fund, to promote the deployment of a green framework and educational program in the Beauport Bay area.

This project aims to vegetate the Beauport Bay and promote the connectivity of the site's natural and developed environments, the protection of biodiversity, the integration of port activities in the community, environmental awareness, the interpretation of environmental and social components and the reduction of the QPA carbon footprint. The project creates naturalized terrestrial environments by developing and densifying vegetation, while respecting areas.

In 2020, 1225 herbaceous plants, 524 shrubs and 15 trees were planted in Beauport Bay. To date, 1515 herbaceous plants, 1181 shrubs and 422 trees have been planted and 155 volunteers have contributed. The QPA would like to thank the St. Lawrence Action Fund (FASL), the TD Friends of the Environment Foundation (TD FEF) and Earth Day (Forest Tomorrow), as well as the employees of Siemens, Englobe and the Association forestière des deux rives (AF2R) for their involvement in this project.

Cutting dead and diseased ash trees affected by the emerald ash borer

The QPA planted 50 trees in October 2020. The trees were planted to replace the 50 ash trees that were cut due to being killed or diseased in 2019. Native species of selected trees were selected, in part due to their resistance to disease and environmental conditions.

WATER AND SHORELINE PROTECTION

Water Management Plan

Over the past year, the QPA has continued its efforts to complete and implement a comprehensive water management plan. In particular, the QPA continued its biennial campaigns to monitor runoff and groundwater quality on its property.

Shoreline and Louise Basin Cleanup

In September 2020, on World Cleanup Day, the QPA and its partners, including the Blue Organization, the G3E and numerous volunteers, joined forces to clean up the shoreline in the Beauport area, the tip of Île Sainte-Pétronille and the Louise Basin. The cleanup of the Louise Basin was carried out thanks to the participation of 40 volunteers, including 18 free divers, who managed to remove no less than 700 kg of debris of all kinds from the basin in three hours. This brings the total amount of debris removed from Louise Basin since 2019 by volunteer divers and free divers to 1536 kg.

Seabin Pilot Project

A Seabin waste collector was installed at the Marina Port in Québec City, the first of its kind in Québec. With its submersible pump, it collects floating waste and retains thin hydrocarbon films on the surface of water and plastic residues as small as two millimetres. Its establishment in the Louise Basin is the result of one of the many commitments made by the Marina Port of Québec to reduce plastics and protect the biodiversity of the St. Lawrence River.



NOISE LEVEL, AIR AND SOIL QUALITY, WASTE

Noise Level Management

A consulting firm has been contracted to develop and implement a sound level management plan for the port territory. This management plan will ensure better noise control for the surrounding area associated with port activities. In addition, in fall 2019, all of the QPA's rolling stock back-up alarm systems were converted to white noise alarm systems. This new system allows a more directed signal, which fades quickly outside the danger zone. This action contributes to the reduction of potential noise from the direct activities of the QPA.

Soil Management

Following analysis conducted in 2017 to determine the best way to manage contaminated soils in port territory, the QPA conducted toxicological and ecotoxicological studies in 2018 as part of a risk management approach.

This new approach, which respects the environment and the health of workers, enables the QPA to develop a project-specific soil management plan, with the objective of maximizing the reuse of excavated soils on site and limiting, wherever possible, transport and off-site disposal. This method reduces the production and emissions of greenhouse gases and air pollutants associated with excavation equipment and soil transport.

Reducing volumes also helps to avoid the long-term storage of contaminated soils in landfills, thereby reducing their environmental footprint. In 2020, two project-specific land management plans were completed, based on the risk management methodology.

Air Quality

Publication of PM2.5 particulate matter data for a second measurement station (8th Avenue)

Flora and Fauna

In 2020, the QPA continued to monitor bank swallow nest boxes in its territory. The two nest boxes designed by the QPA were used and a total of 84 nests were counted. Interestingly this year, the nesting rate was higher in the most recent nest box.

Waste Management Plan

In 2020, the QPA obtained the ICI on recycle performance and performance level plus certifications for all of its establishments. This Recyc-Québec program recognizes and honours organizations that are proactive and committed to improving their waste management performance. In addition, the Marina Port de Québec, Beauport Bay and Espaces Dalhousie have been awarded Level 4 of the Défi Saint-Laurent program, a program launched by Stratégie Saint-Laurent aimed at reducing the consumption of plastic products in recreational tourism establishments.

Recyc-Québec highlights the efforts of the Port of Québec, which has resulted in the implementation of 63 measures, including a number of measures aimed at reducing use, reusing and recycling at the Marina!

Fiers d'être un établissement attesté
du programme ICI on recycle +
Performance ♻️♻️♻️♻️



COMMUNICATIONS WITH THE PUBLIC AND GOVERNANCE

Green Marine

The QPA attaches great importance to the respect and safeguarding of the environment. As such, the QPA is a member of the Green Marine organization, which has an ambitious environmental agenda for the marine industry in Canada and the United States. To learn more about this organization and the QPA's ranking, we invite you to visit the Green Marine website at <https://green-marine.org/>.

The Québec Port Authority is proud to implement environmental and sustainable development practices and technologies that have a direct impact on the ground. These practices and technologies have brought the company to the level of excellence and leadership for the third consecutive year in 2020. It should be noted that the Port of Québec was the first port to reach Level 5 on all applicable indicators since the addition of the waste management indicator in 2018.

[See the complete Green Machine analysis](#)

Four new information signs

In collaboration with the St. Lawrence Action Fund (FASL), a mandate was granted to the Québec City and Chaudière-Appalaches zone d'intervention prioritaire (ZIP) for the design and production of four information signs, for swimming in the Beauport Bay, fish and waterbird species found in the Beauport area and the Gilmour Cove revitalization project. Designed in 2019, these signs were installed in the affected areas in 2020.

Implementation of Regulation NQ-11 – Tariff of Fees for Environmental Protection

Regulation NQ-11 — Tariff of Fees for the Protection of the Environment is now applicable to all goods handled within the QPA's jurisdictional limits as well as to all cruise lines (tariff per passenger). These duties are applied in order to contribute to the improvement of operations related to the respect and protection of the environment, in particular for the acquisition and maintenance of monitoring and control equipment, the management of contaminated soil and sediment, spill response, etc.



MUCH MORE THAN A PLACE TO WORK: A PLACE TO THRIVE

The Québec Port Authority is a work environment to grow, develop and become a better citizen. No wonder the Port of Québec has been awarded as an Exceptional Work Environment.

The QPA maintains regular contact with some 250 regional stakeholders, a dialogue that the organization intends to preserve and even strengthen.



Occupational Health and Safety

Despite the global pandemic, the QPA was able to meet the challenge that COVID-19 created in terms of occupational health and safety. To do this, the team not only reviewed its ways of doing things and modified the organizing of the work, but also developed additional tools and documentation on the rules to be followed. The context required close communications with employees as well as ongoing monitoring with the government. The goal is to secure and comply with protocols from health authorities, both during confinement and during resumption of operations to ensure the health and safety of employees.

In addition, the team continued to develop and deploy its Occupational Health and Safety Management System (OHSMS), as well as maintain its Arc flash, Zero Energy, and Confined Space programs and its Asbestos Registry, which remain ongoing priorities.

The QPA benefits from an active local committee that participates in the development and reinforcement of an occupational health and safety (OHS) culture with a view to continuous improvement. Despite the pandemic, and thanks to concerted internal work, situations of non-compliance can be corrected quickly when reported.

As the pandemic disrupted face-to-face activities, the team modified its programming offered through Rendez-vous santé to better meet the mental and physical health needs of employees. Training was provided through videoconferencing or remote activities.

It will be recalled that in 2019, the QPA and members of the port community who sit on the Prevention, Environment, Health and Safety Committee (PEHSC) participated in the deployment of the port territory access procedure which includes the requirement to view The Port Welcome Video presenting the hazards and risks in the territory covered by the QPA. In 2020, the team ensured continuity in its collaboration with all Administration departments as well as with the PEHSC. At the end of 2020, the QPA had nearly 21,000 views since the start of the new procedure.



ANCHOR IN YOUR COMMUNITY

The year 2020 has been a busy one for the Civic Responsibility Directorate (CRD). Maintaining a regular and effective link that meets everyone's expectations and needs during a pandemic was not an easy task.

Thanks to technology and a great deal of collaboration from the interest groups involved, virtual meetings have been set up and discussions have been able to continue quite quickly despite this pandemic, which has changed our daily lives and our usual approaches.

A sustained presence in the community

Among the many implications of the QPA within the community (committees, working tables, citizen meetings, etc.), the QPA's contribution and participation in the Comité de vigilance des activités portuaires du Port de Québec, the Comité intersectoriel sur la contamination environnementale dans l'arrondissement de La Cité-Limoilou (CICEL), the working table with the Jardins Mérici consortium and the Table de concertation du Vieux-Québec. Although the CICEL did not meet in 2020 because of the pandemic, the QPA remains an active and involved member of this important working group led by the Direction régionale de la santé publique de la Capitale-Nationale. The work of this committee will resume in spring 2021.

The QPA's Port-Communauté Cohabitation Committee (CCPC) continued its work in 2020. The members met seven times, which allowed them to be informed about activities and projects taking place in the port territory. The discussions resulting from these meetings are rich and constructive, and they enable the QPA to continuously improve its activities, projects and various environmental and social innovations. The minutes of the CCPC meetings and the various information documents are available on the QPA website under the "Community" tab. Among the topics discussed this year is the Laurentia project, which is still the subject of a statutory item at committee meetings, in addition to special meetings as required to ensure that members receive all existing and relevant information. As often as possible, this information is transmitted upstream to discuss any concerns, questions and potential areas for improvement.

Other topics covered by the CCPC include :

- 2020 Cruise Season at the Port of Québec and Cruise Forum (in preparation for the pandemic that began at the time of this meeting)
- Port of Québec operations in a time of pandemic
- Virtual tour of the Port of Québec
- Presentation by the Communauté métropolitaine de Québec (CMQ) — Green and Blue Framework
- Presentation of the Université Laval research project involving the QPA in relation to cruise activities on the St. Lawrence: Perception et modélisation des impacts potentiels dans la logistique des transports – Chaire de recherche en partenariat sur l’attractivité et l’innovation en tourisme – Université de Laval (Québec – Charlevoix).

Laurentia : an opportunity to strengthen dialogue

As part of the Laurentia project, the QPA continued its meetings with stakeholders and First Nations in 2020 as part of the assessment process conducted by the IAAC. These meetings enabled the QPA to gather and understand concerns and questions with a view to substantially improving the project and minimizing its potential negative impacts. Over 70 meetings involving the Civic Responsibility Directorate (CRD) will have been held in 2020 with First Nations representatives, various committees, interest groups (environmental, social, economic) and local elected officials from all levels, etc.

We would also like to point out that the QPA was proud to receive the support of the Huron-Wendat Nation (HWN) for the Laurentia project in June 2020. This support was recently reiterated unanimously by the new Council of Elected Officials that has been in place since the fall of 2020. The relationship between the QPA and the HWN, based on trust and collaboration, will continue throughout all phases of the Laurentia project. The QPA’s environmental commitments and opportunities for partnerships involving HWN’s knowledge and expertise remain at the heart of the exchanges between the QPA team and its neighbours in Wendake.

Green Framework

The continued deployment of the green framework represents an important commitment for the QPA as part of its sustainable development plan. By 2022, the QPA has committed to vegetating more than four hectares on its property. In 2020, efforts continued and several organizations and volunteers joined the QPA to contribute to the success of this action.

The QPA would especially like to thank the Association forestière des deux rives (AF2R) for its collaboration and expertise in all these efforts to achieve revegetation. We would also like to acknowledge the contributions of QPA employees and several volunteer organizations that have been involved in this project since 2017.

In short, a total of 1225 herbaceous plants, 524 shrubs and 15 trees will have been planted as part of the greening activities conducted by the AF2R in 2020. Since 2017, the deployment of the green framework has allowed the planting of 3118 trees, shrubs and grasses in the Beauport Bay area.

The QPA would also like to acknowledge the work of the Québec City and Chaudière-Appalaches ZIP team as part of the restoration and revegetation plan for the Beauport Bay beach. This year, work was done in collaboration with the St. Lawrence Action Fund and the Port of Québec, which also included the involvement of Ecogénie’s field expertise. The development of this plan will have resulted in the vegetation of approximately 2,000 m² of the beach area.

St. Lawrence Action Fund : A Successful Partnership

For a third year, the QPA continued its collaboration with the St. Lawrence Action Fund (FASL). Whether as a funder or promoter of shoreline rehabilitation and protection projects, the QPA is proud to collaborate with the FASL. This organization is dedicated to supporting projects that promote the conservation of the ecosystems and biodiversity of the St. Lawrence River and its Gulf, as well as the maintenance and enhancement of its uses.

The collaboration between the QPA and the FASL has so far led to projects carried out with the contribution of the Québec and Chaudière-Appalaches zone d'intervention prioritaire (ZIP-QCA) and the Groupe d'éducation et d'écosurveillance de l'eau (G3E), as well as the AF2R. These successful collaborations have led us to improve our knowledge of the environment and its biodiversity, while incorporating an educational component that allows the QPA to share the wealth of all this knowledge with the public through interpretive panels and "bio-blitz" activities. The QPA will continue to collaborate on this type of project in the coming years.

Noise Level Management Plan

The first action identified in the Sustainable Development Action Plan 2017–2022 was for the QPA to continue to develop and implement continuous management of the sound environment in 2020. The objective is to assess the impact of port operations on the noise level at the QPA facility boundaries and implement measures to reduce the impact, when required.

Accompanied by SNC Lavalin's team of experts, the QPA continued this year's intensive analysis of the Anse-au-Foulon port sector. Marine and port operators and users in this area have been called upon to collaborate in the various actions undertaken, as well as members of the surrounding community, notably through the Jardins Mérici consortium. The QPA also approached the Centre de recherche industrielle du Québec (CRIQ) in 2020 to benefit from their expertise in industrial diagnostics. The work of the CRIQ will complement the work done by SNC Lavalin's experts in order to optimize and maximize the efforts made under the sound level management plan.

Involvement in the Community

The pandemic did not slow down the QPA's social and financial involvement in the community. The QPA has continued to work with a multitude of organizations. It would be difficult to make an exhaustive list, but we would be remiss if we did not acknowledge the Patros, the Nostre Dame de Kebec Heritage Foundation, the Élan Foundation, the Québec Winter Carnival, the Club Lions de Sillery/Sainte-Foy/Québec, Laura Lémerville, the Défi Kayak Desgagnés for the benefit of Jeunes musiciens du monde and dozens of other important implications.

Each fall, during its fundraising campaign, United Way works with partners to support hundreds of workplace campaigns. For example, employees from a multitude of companies are loaned to United Way, which forms the Group of Partners. From September to December, the Port of Québec took part in this initiative by lending a full-time employee.

In this year of generosity and solidarity, the Port of Québec teams have stepped up on the ground to support the community.

In the context of the pandemic, the QPA has set up a community support project. In March 2020, the Port of Québec set up a team of staff volunteers with vehicles to support these organizations, in an effort to contribute more to its community and lend a helping hand to front-line community organizations, especially those delivering food to families and citizens in need. In addition, the QPA also provided food storage and rotation space at the Ross Gaudreault Cruise Terminal. In the end, the QPA's volunteer team worked with more than 20 organizations on a regular basis between March and August 2020, including :

- ▼ Ressource Espace Familles
- ▼ Centre Multi-Services Le Complice
- ▼ Croix Blanche
- ▼ Service d'entraide Saint-Rodrigue (CIUSSS de la Capitale-Nationale)
- ▼ Solidarité Famille
- ▼ Société Saint-Vincent-de-Paul – Saint-Sauveur (CIUSSS de la Capitale-Nationale)
- ▼ Pignon Bleu (par l'entremise du Patro Laval)
- ▼ Patro Laval
- ▼ Frigo Saint-Sauveur (CIUSSS de la Capitale-Nationale)

The QPA would like to recognize the work of all these organizations that are so essential to our community. Congratulations also to the QPA's staff and volunteers who have been dedicated to the cause with dynamism and generosity.