







Investor Overview

February 2026



BC Ferries Investment Profile

-  One of the world's largest ferry operators, serving nearly **23 million** passengers and **197,000** sailings per year.
-  Provider of an essential service that connects British Columbia's coastal communities.¹
-  Robust traffic and utilization growth, with proven operating history since 2003.
-  Established regulatory framework and track-record of Provincial support.
-  Investment grade credit ratings and strong covenant protections for investors and lenders.



¹ "Essential Service" designation under the BC Labour Relations Code means our services are considered necessary for the protection of the health, safety and welfare of the residents of BC.

Delivering Essential Service in British Columbia

- The British Columbia (BC) coastline is essential to the province's economic vitality, social equity and environmental stewardship.
- Over 70% of BC's 5.7 million residents live along the coastal region of BC.
- BC Ferries are an integrated and critical part of the transportation system in the province.
- The BC Ferry system stretches across **1,600 kilometers** of coastline, operates **37 vessels** and **47 terminals** across **25 routes**.
- BC Ferries is the primary ferry operator in the province, delivering the majority of passenger ferry service and 100% of all major personal vehicle transportation.



Sailing Routes

37

Vessels

47

Terminals

25

Routes

1,600 kilometers of coastline, connecting:

- ▶ Metro Vancouver
- ▶ Vancouver Island
- ▶ Sunshine Coast
- ▶ Southern Gulf Islands
- ▶ Northern Gulf Islands
- ▶ Central Coast
- ▶ North Coast
- ▶ Haida Gwaii

[Click here to see a detailed route map](#)





Executive Team



Nicolas Jimenez

President &
Chief Executive Officer



Stephen Jones

Vice President,
Engineering



Lindsay Mathews

Vice President,
Public Affairs & Marketing



Brian Anderson

Vice President, Strategy &
Community Engagement



Melanie Lucia

Vice President,
Customer Experience



Cameron Brine

Vice President &
Chief People Officer



Dallyn Willis

Vice President & Chief
Financial Officer



Darren Johnston

Vice President,
Marine Operations



James Tan

Vice President &
Chief Information Officer

Corporate & Governance Structure

BC Ferries is an independent regulated ferry services company delivering an essential service along the coast of British Columbia (B.C.) and operating under the *Coastal Ferry Act (2003)*.

BC Ferry Authority (BCFA) is the sole voting shareholder which oversees the company's strategic direction in the public interest.

BC Ferry Commissioner is the independent regulator responsible for monitoring service levels, major capital investments, and regulating average fare increases using a price cap mechanism for each four-year performance term. Regulation follows principles defined the Coastal Ferry Act, including:

- ✓ Balancing the interests of ferry users, taxpayers and the financial sustainability of ferry operators.
- ✓ Encouraging reductions in greenhouse gas emissions in line with Provincial targets.
- ✓ Encouraging innovation and minimizing expenses without adversely impacting safety.

The Government of BC has a contract with BC Ferries ("Coastal Ferry Services Contract") to provide minimum ferry service levels in BC. Originally signed in 2003, it is a binding 60-year agreement. Fees and service levels are reviewed and updated for each four-year Performance Term.



F2025: Key Accomplishments



196,500 (F2024: 195,700)
Sailings per year



90,700 (F2024: 90,500)
Round trips



22.7M (F2024: 22.6M)
Passengers per year



9.7M (F2024: 9.6M)
Vehicles per year, record-setting level



84.0% (F2024: 83.2%)
On-time Performance
(% sailings departing within 10 minutes of schedules departure times)



66.6% (F2024: 66.1%)
Capacity utilization system-wide
Major 78.0%, Northern 75.8%, Minor 54.9%

Other Trends:

- ✓ Safety track record
- ✓ Performance improvements (reliability, on-time and round trips)
- ✓ Capacity utilization improvements
- ✓ New vessels and terminal upgrades in-service and underway
- ✓ Transition to cleaner fuel alternatives, carbon credit monetization

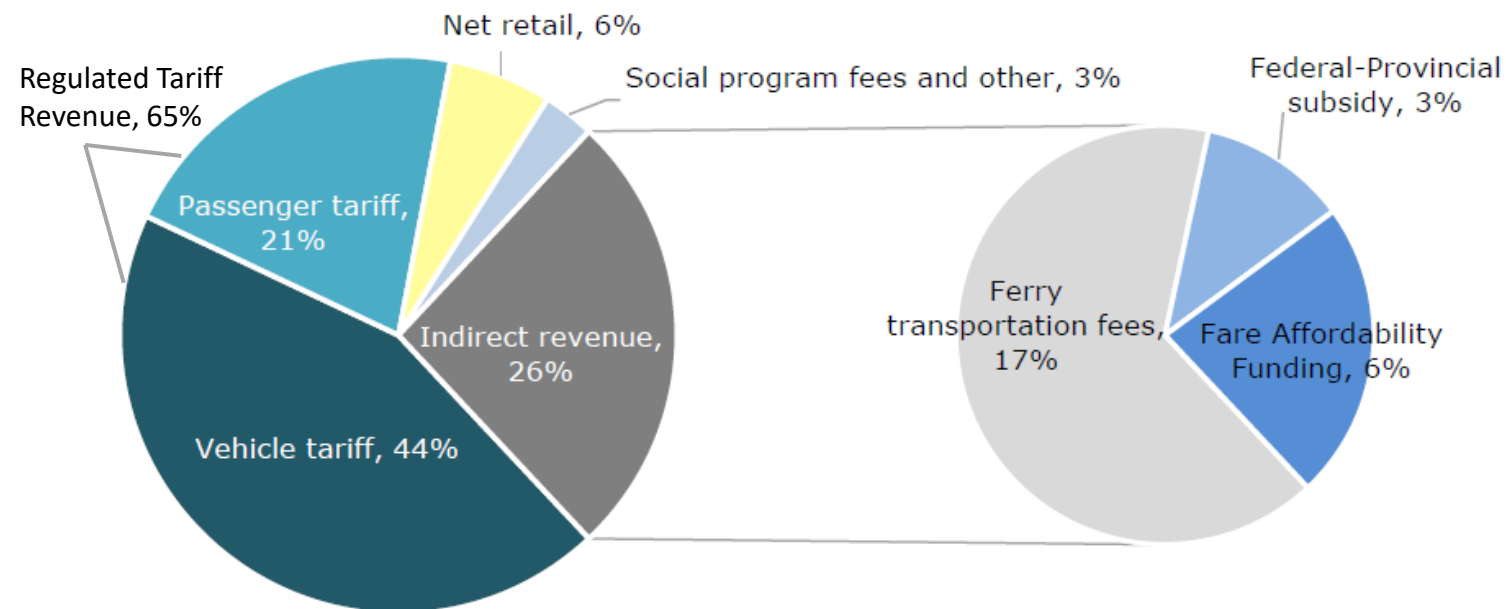


Ferry Tariffs, Regulated Price Cap

Price Cap of 3.2% per year for Performance Term 6:

- The BC Ferry Commissioner establishes price caps for designated ferry route groups for the purpose of regulating tariffs.
- A price cap is a regulatory mechanism that establishes a maximum allowable annual average fare increase in each year over the term.
- Commissioner Order 23-04 dated September 30, 2023 (“Order 23-04”) established price cap increases of **3.2% per year** for Performance Term Six (“PT6”), commencing April 1, 2024 and ending on March 31, 2028.

Revenue by Source for the Year Ended March 31, 2025



Ferry Transportation Fees: The Coastal Ferries Service Contract (CFSC) with the Government of BC has a term of 60 years, commencing on April 1, 2003. It stipulates the number of round trips that must be provided for each regulated route in exchange for specified fees (ferry transportation fees).

Federal-Provincial Subsidy: Under the terms of the CFSC, BC Ferries receives an annual subsidy from the Province based on its agreement with the Government of Canada to fulfill the obligation of providing ferry services to coastal British Columbia (“Federal-Provincial subsidy”). The amount of this payment is adjusted annually based on the Consumer Price Index (“CPI”) (Vancouver).

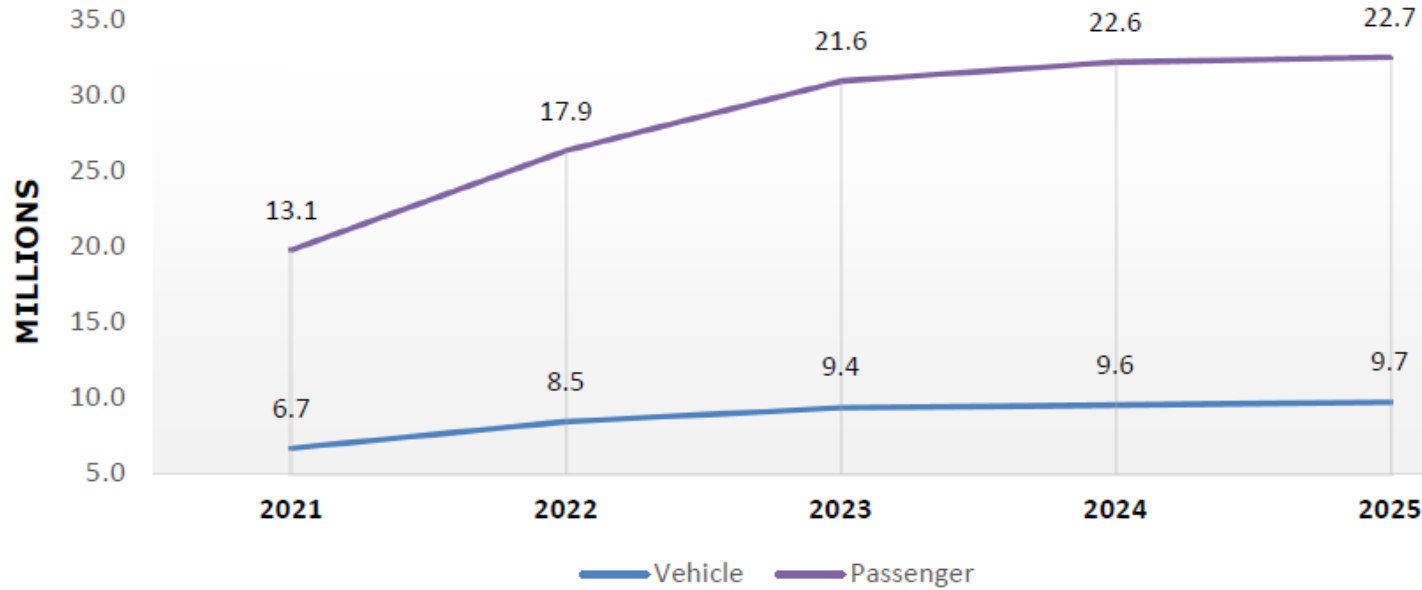
Fare Affordability Funding: \$500M provided over the four-year term of PT6 by the Province to support the fare affordability initiative of keeping fare increases around 3% and to support GHG emissions reduction initiatives.

Social program Fees: reimbursements from the Province for discounted fares provided to students travelling to and from school, persons with disabilities and persons travelling under the Ministry of Health Medical Travel Assistance Program (“MTAP”).



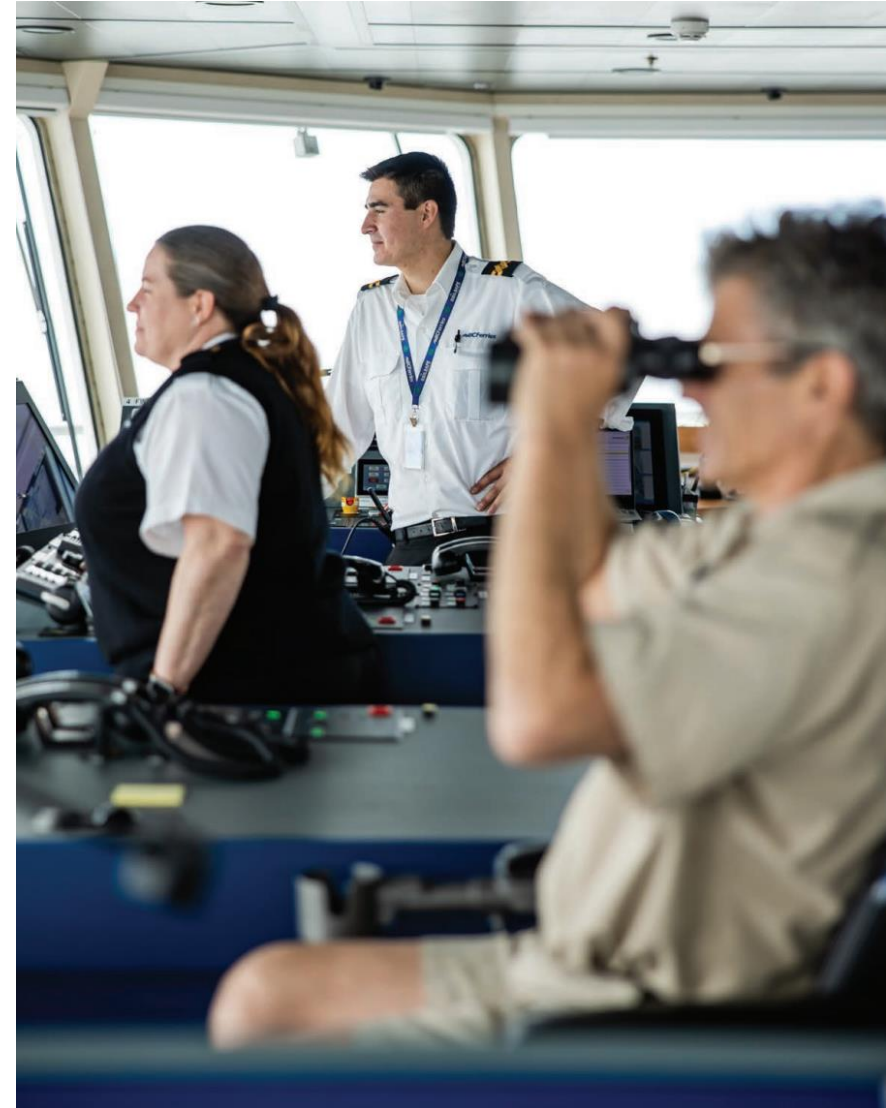
Traffic by Fiscal Year

Traffic by Fiscal Year



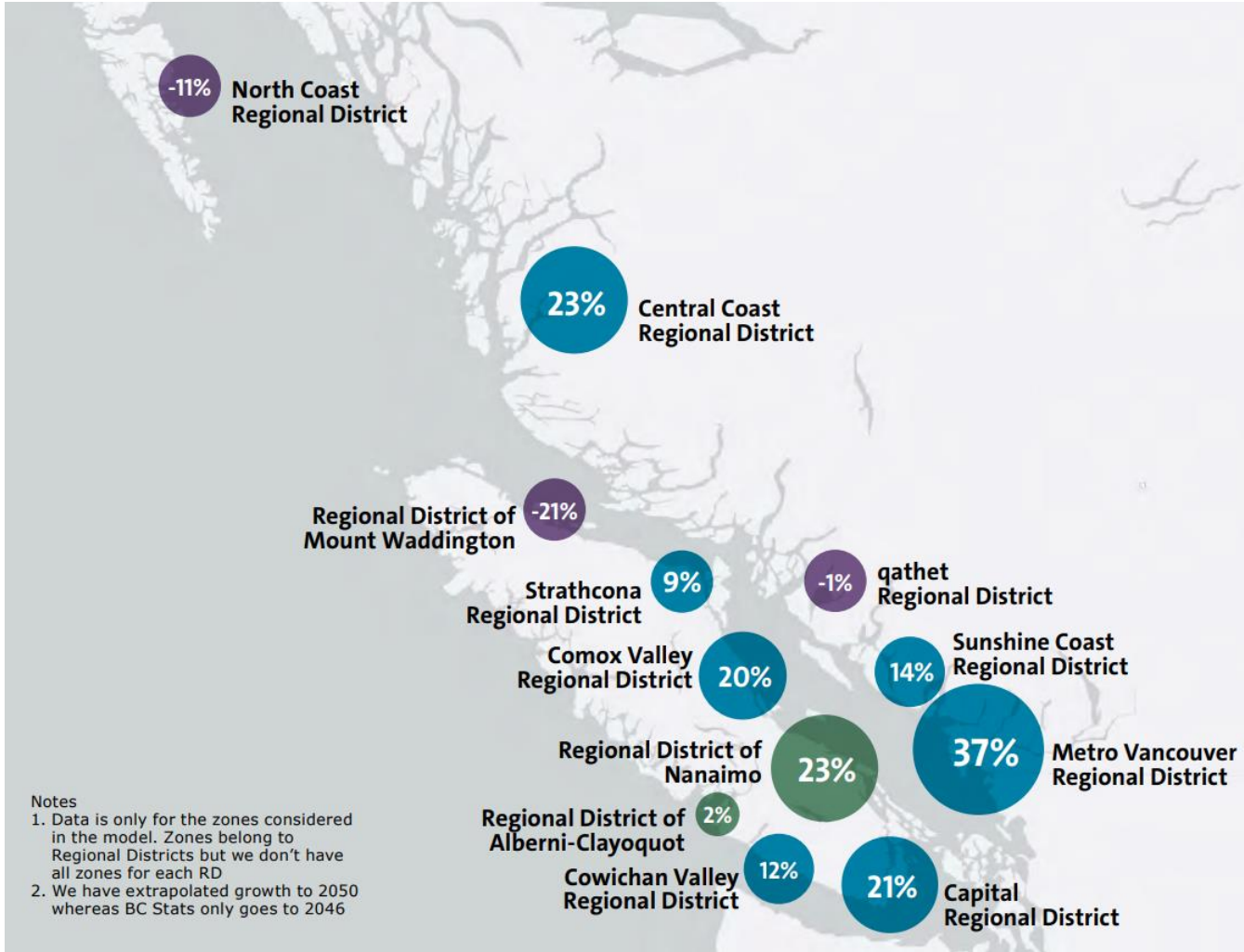
Traffic by Fiscal Year

	2021	2022	2023	2024	2025
(in thousands)					
Vehicle	6,704	8,467	9,371	9,552	9,739
(Decrease) Increase to prior fiscal year	(24%)	26%	11%	2%	2%
Passenger	13,083	17,880	21,558	22,610	22,746
(Decrease) Increase to prior fiscal year	(40%)	37%	21%	5%	1%



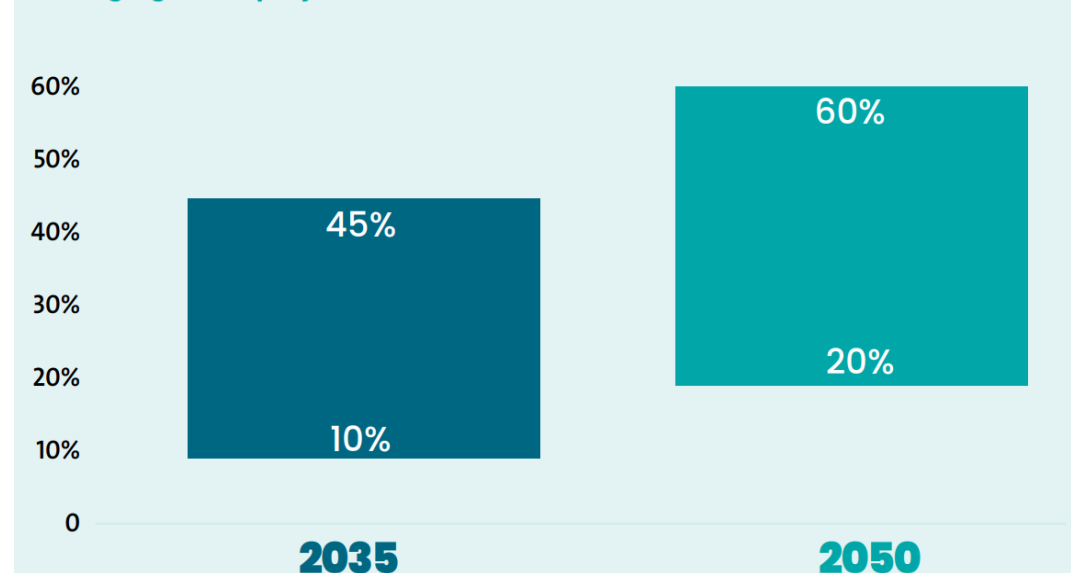
Growing coastal region, increasing demand for service

Regional District (RD) population growth estimated between 2022 and 2050:



Population growth of 1.4 million to 2.7 million in coastal regions by 2050. Majority of routes will likely require some form of expanded service over the next 25-years.

Average growth projections for BCF network





Reliable and
Available



Convenient
and Integrated



Safe and
Comfortable



Environmentally
Sensitive and
Resilient



Affordable
and Efficient



Investing in Reliability, Capacity and Environmental Sustainability

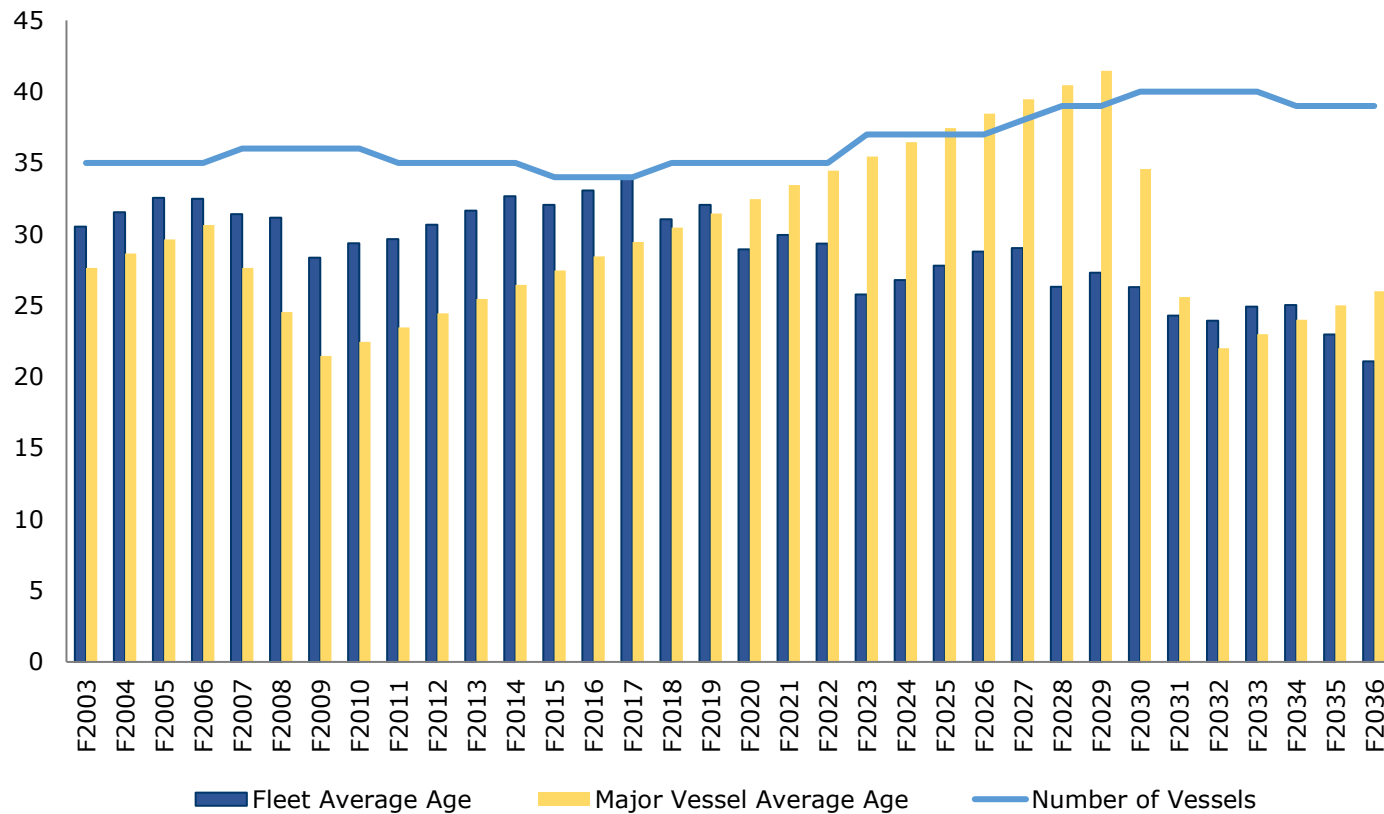
'Charting the Course' provides the long-term vision for the coastal ferry system in BC

[Click here to read](#)



Fleet Resiliency

Fleet Average Age and Vessel Count



- Fleet average vessel age: **28 years.**
- Major vessels average: **35 years.**
 - NMV program will replace aging major class vessels, improving system resiliency.
- Typical lifespan of our vessels is approximately **45 years.**
- Well established maintenance program is in place for terminal and fleet assets.
- As vessel retirement dates approach, we review their condition to determine potential candidates for life extension rather than replacement.
- Additional asset management program investments are planned to strengthen:
 - Data driven lifecycle decision making,
 - Insights into risks and ability to align maintenance spends, and
 - Operational technology to enable continuous condition monitoring.



New Vessels – Strategy

Strategy

- New vessels include inter-operability and standardization, where possible, to provide more flexibility, consistent customer experience, and organizational efficiencies while enhancing operational safety.
- Standardizing vessel design, layout, operating characteristics, systems, procedures and equipment across a wide variety of applications to achieve operational and maintenance efficiencies and enhance reliability.
- Designing vessels for low energy consumption and reduced environmental imprint.
- Adopting alternative fuel sources to lower carbon-intensive options, such as LNG, renewable fuels, biodiesels and electrification, where economically and technically feasible.
- Vessel design and modifications incorporate new proven technologies to address key environmental considerations, such as noise and light pollution, waste management, emissions, and on-board water consumption.



Construction of the Salish-Class vessels (2016), at Remontowa Shipbuilding S.A. in Gdansk Poland.



New Major Vessels Program

Largest shipbuilding program in BC Ferries history:

Fuel & Environmental Benefits

- Shipbuilding is underway for four new major vessels (NMVs) to replace four end of life major vessels. Deployments begin in 2029. Additional vessels will also be required in future phases as part of fleet renewal.
- The NMV's are designed to operate on low carbon fuel blends including low emissions 100% biodiesel. With terminal electrification and battery installations, the vessels can be operated 100% electric.
- The design also reduces underwater radiated noise, mitigating disturbance to marine and shoreline habitats and wildlife.



Higher Capacity and Greater Efficiency on the Major Routes

- The NMV's will serve the busiest routes between Greater Vancouver and Vancouver Island.
- Each vessel will be able to carry up to **2,100 passengers** and **360 vehicles**, significantly improving service and capacity (materially larger than the current capacity of 1,200-1,500 passengers and 250-310 vehicles of existing replacement vessels).
- The combination of increased ridership, reliability and efficiency is expected to support EBITDA growth in the long-term.
- New vessels will also improve customer experience with improved amenities and more room.





Island Class Vessel Program

Four new 100% hybrid electric vessels:

Fuel & Environmental Benefits

- BC Ferries is constructing four new plug-in diesel-battery hybrid Island Class vessels, including electrifying terminal infrastructure serving Routes 19 (Nanaimo Harbour – Gabriola) and 23 (Campbell River – Quarter Island).
- By running the vessels on electricity instead of fuel, the program reduces GHG emissions and noise. The introduction of electric vessels, and the impact of quieter, cleaner vessels on local waterways, aligns with local First Nations' interests in protecting the health and productivity of the local marine environment.

Lower Maintenance Costs, Higher Reliability

- The new vessels have modifications to improve energy efficiency with full battery-electric service and significantly improved hydrodynamic performance (i.e., hull shape).
- Standardized design reduces maintenance, training and inventory costs, as well as greater operational efficiency.
- Lower generator maintenance costs are expected due to significantly reduced operating hours for the diesel-generator sets (new vessels will be run in full battery electric mode).
- The electrical interconnection upgrades required for this program may support future electricity load growth in surrounding areas, and potentially will improve the access to electricity in remote communities
- Improved customer experience with more room and better amenities



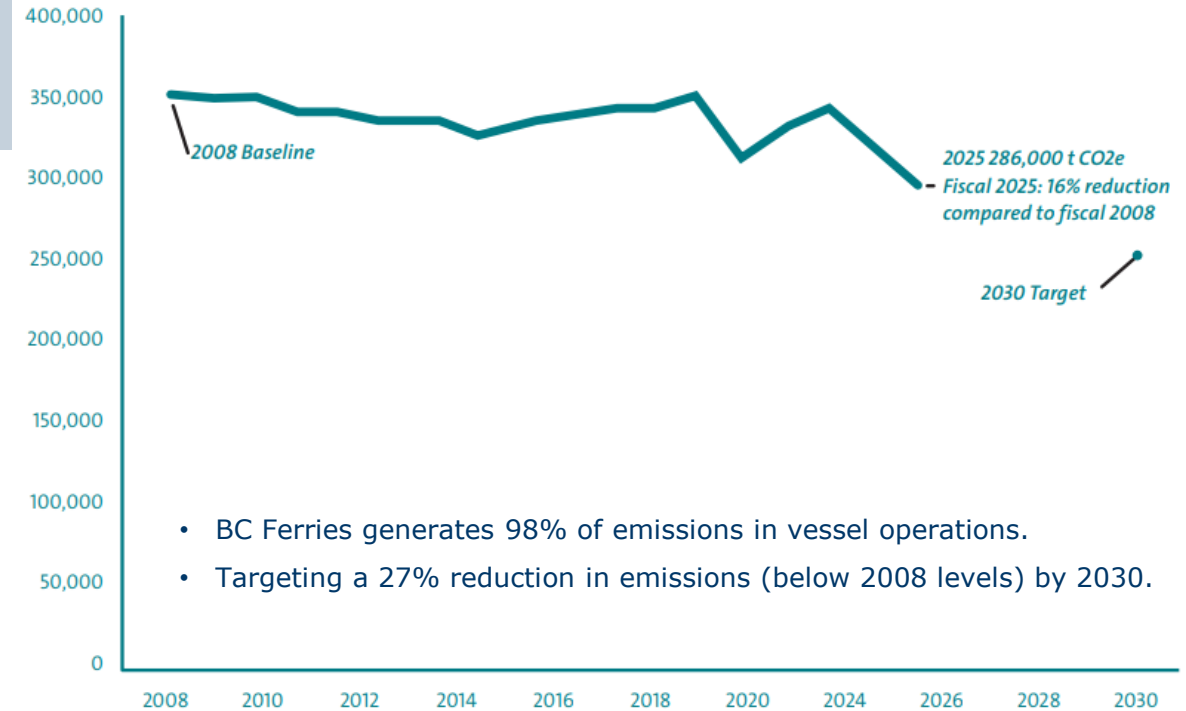


A Greener Future

We remain focused on reducing GHG emissions from our operations by:

- Adopting low carbon intensive energy sources into the fleet, including biofuels, renewables and electrification.
- New Major Vessels: Designed for future sustainability, including 100% biodiesel compatibility and potential for fully electric operation. Four vessels underway with additional vessels planned in future phases as part of fleet renewal.
- Island Class Vessels: Constructing four new hybrid-electric Island Class Vessels and terminal electrifications to enable 100% electric operation.
- Transitioning commercial services to renewable fuels and electric vehicles to modernize shore-based fleet

Total Greenhouse Gas (GHG) Emissions:



BC Ferries received the **2023 Blue Circle Award** for the Eco Action Program by the Vancouver Fraser Port Authority for the **7th consecutive year**, recognizing its investment in technologies and practices that reduce emissions and the carbon footprint of its fleet



BC Ferries was one of only three companies recognized by the **2023 Prince Rupert Port Authority Green Wave** program for its continued investment in sustainable transportation and proactive efforts to reduce its environmental footprint



In 2014, we joined Green Marine—a voluntary environmental certification program for the North American marine transportation industry—for all of our ferries and terminals. In 2017, we expanded our certification to include our fleet maintenance facility.



Strategies to Address Increasing Demand for Service Capacity

Step 1 Increase share of foot and bike passengers	Step 2 Spread peak vehicle demand	Step 3 Increase efficiency to increase capacity	Step 4 Increase capacity with existing vessels	Step 5 Increase capacity with new vessels
1. Inform, incent, discount	1. Inform, incent, discount	1. Increase boarding efficiency	1. Extend peak season service	1. Expand passenger-only ferry service
2. Improve active and shared modes	2. Price and manage products	2. Reduce run-time	2. Extend span of service	2. Replace with higher-capacity vessels
3. Improve transit experience	3. Manage goods movement	3. Reduce out-of-service vessel time	3. Deploy larger vessel	3. Increase frequency
			4. Increase frequency	

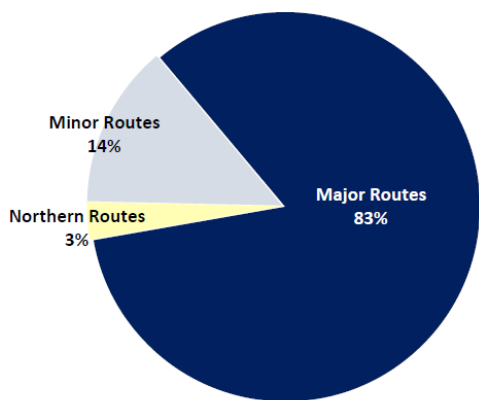




Financial Profile

MV Northern Expedition

Income Profile



83% of revenues from direct routes is earned from the major routes that connect Greater Vancouver and Vancouver Island.

Seasonal trends in traffic and tariff volumes (by quarter)



Performance Term (PT):	PT5	PT5	PT6	PT6
Fiscal year ending March 31:	2023	2024	2025	2026
	Actual	Actual	Actual	Forecast
Revenue	1,043	1,111	1,171	1,254
Operating Expenses	810	901	981	1002
EBITDA	233	210	190	252
Net Financing (<i>accrual basis</i>)	51	39	47	60
Amortization	181	187	202	203
Loss (Gain) on Disposal	2	15	13	8
Net (Loss) Earnings	-2	-31	-72	-19

- Expenditures in fy2025 and fy2026 have increased from higher maintenance, labour and contracting costs, primarily as a result of the cyclical nature of vessel refit activity, unplanned vessel repairs, increased labour rates and other inflationary cost increases.
- Work has begun on our regulatory submission for the upcoming Performance Term 7 (PT7) the four-year period April 1, 2028-March 31, 2032, the Company is engaging with relevant parties on long-term funding options while pursuing efficiencies. BC Ferries will submit its PT7 application to the Commissioner by September 30, 2026.

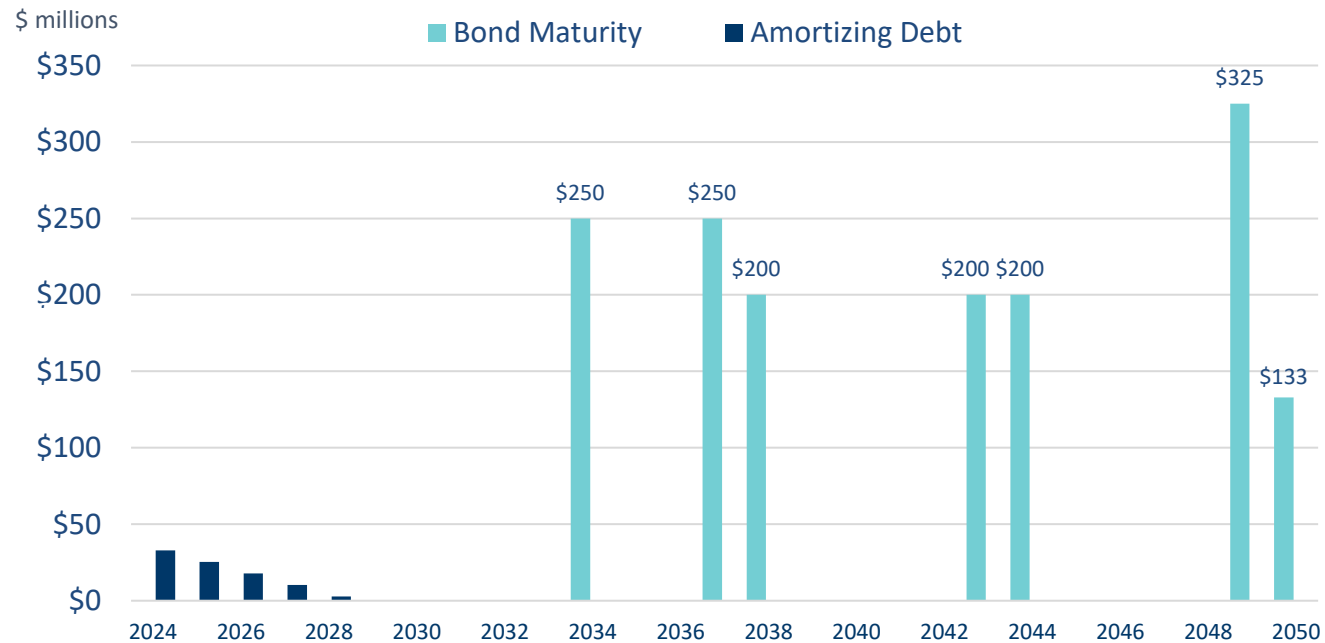
Credit Profile

Credit Ratings:

S&P **A+ (Stable)**

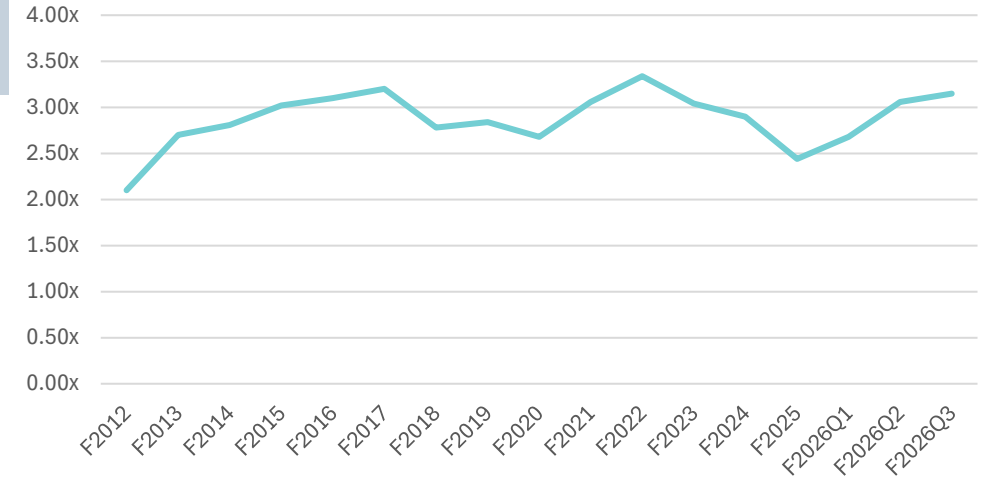
DBRS **A(High) (Negative)**

Long-Term Debt: \$1.6B as at December 31, 2025



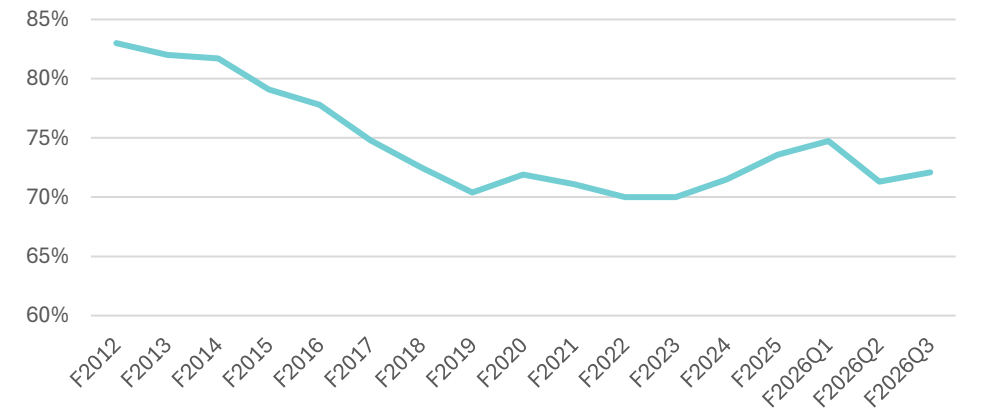
Credit Facility of \$105 million (4-year revolving credit line, undrawn)

Debt Service Coverage Ratio



12-mos. ending December 31, 2025: **3.2X**

Leverage Ratio



Aggregate Borrowings / (Aggregate Borrowings + Consolidated Shareholder's Equity)

12-mos. ending December 31, 2025: **72.1%**



Capital Markets Platform

BC Ferries Master Trust Indenture (MTI) establishes common security and a set of common covenants for a variety of debt instruments, including obligation bonds and pledged bonds securing its credit facility, privately placed loans, and hedging instruments.

Summary Terms – Master Trust Indenture dated May 19, 2004

Rank

- Senior obligation ranking pari passu with all other senior indebtedness

Security

- First mortgage and charge over all leased or owned terminals (unregistered) & vessels (registered)
- Floating charge over all other property interests
- Guarantees by all designated subsidiaries

Key Covenants

- Additional indebtedness test (debt service coverage ratio ("DSCR") $\geq 1.5x$)
- Restriction on distributions (DSCR $\geq 1.3x$; leverage $\leq 75\%$ if the common shares of BC Ferries are not wholly owned by BC Ferry Authority, Province of BC, or any other government corporation under the *Financial Administration Act* (British Columbia))
- Limitation on asset sales, sale/leasebacks, lease/leasebacks, liens, guarantees and investments
- Restrictions on capital lease obligations, capitalized operating lease obligations and purchase money obligations relating to vessels

Debt Service Reserve Fund

- Minimum 6 months debt service reserve (cash and/or LC funded)

Acknowledgement Agreement

- The Province of BC consents to the assignment of the Coastal Ferry Services Contract and Ferry Terminal Leases, granting the Trustee certain cure rights and providing that, upon acceleration of the Bonds, the Trustee may exercise the rights of BC Ferries under the Coastal Ferry Services Contract and the Ferry Terminal Lease

Provincial Purchase Option

- The Province of BC has the right at any time to purchase all, but not less than all, of the Bonds outstanding under the Trust Indenture at their applicable redemption price



Delivering Safe and Efficient Service



MV Salish Heron

Employees and Operations

A woman with dark hair, smiling, stands in the center of the frame. She is wearing a bright yellow high-visibility safety vest over a white short-sleeved shirt and dark blue cargo pants. The vest has reflective orange and silver stripes and a logo on the left chest that reads "ferries". She is standing in front of a large, complex industrial structure with a white metal framework and blue accents, possibly a ferry terminal or a large bridge under construction. The background is slightly blurred, emphasizing the woman.

5,700

Employees in peak
Season

1,800

Casual & fixed term

3,900

Regular full and
part-time

Key Safety and Operational Metrics



		Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025 Results	Fiscal 2025 Targets	Fiscal 2026 Targets
Employee Safety Index (frequency x severity) / 1,000	TARGET	0.62	0.60	0.70	0.90			
	RESULT	0.52	0.95	1.15	0.94	0.85	0.88	0.85
Passenger Safety Index # passenger injury incidents / 1,000,000 passengers	TARGET	6.95	6.90	3.50	2.50			
	RESULT	3.07	1.79	1.58	0.84	0.84	1.30	1.13
Technical Availability scheduled # trips less technical cancellations / scheduled # of trips	RESULT	99.57%	99.57%	99.64%	99.65%	99.34%	99.7%	99.7%
On-time Performance departures within 10 minutes of scheduled departure time	TARGET	88.0%	88.0%	88.0%	86.0%			
	RESULT	89.1%	85.6%	85.0%	83.2%	84%	85%	83.5%
Customer Satisfaction	TARGET	4.12	4.05	4.12	4.05			
	RESULT	3.97	4.07	4.00	4.03	4.10	4.05	4.08

Employee Safety Index – Employee injury frequency rate times severity rate divided by 1,000 full-time equivalents.

Passenger Safety Index – Number of passenger injuries per one million passengers.

Technical Availability – Scheduled trips less technical cancellations divided by the scheduled number of trips. Beginning in fiscal 2025, the Technical Availability metric replaced the previously reported Reliability Index. Technical Availability was introduced to more accurately reflect the reliability of the ferry system by distinguishing cancellations that are within BC Ferries control. The Technical Availability metric specifies cancellations due to technical reasons (vessel or terminal).

Customer Satisfaction – Rating on a scale of 1 to 5, based on three surveys performed during the year.



Supporting our People

- Resources & funding to support long term health and wellness
- International recognition of our **SEA Program** for customized marine training
- **SailSafe** program launched in 2007, joint commitment by the Company and Union
- Simulator Training Centre
- Incorporating a diverse and inclusive workspace, reflecting the communities we serve



Investor Relations Contact

investor.relations@bcferries.com

Dallyn Willis

Vice President & Chief Financial Officer

Frank Cholette

Treasurer

Carmen Arnsdorf

Assistant Treasurer

The logo for BC Ferries, featuring a stylized white wave icon to the left of the text "BC Ferries" in a bold, white, sans-serif font.

Disclaimer

This presentation contains certain “forward looking statements”. These statements relate to future events or future performance and reflect management’s expectations regarding our growth, results of operations, performance, business prospects and opportunities and industry performance and trends. They reflect management’s current internal projections, expectations or beliefs and are based on information currently available to management. Some of the market conditions and factors that have been considered in formulating the assumptions upon which forward looking statements are based include population and demand growth estimates, shipbuilding demand and cost projections, timing of completion of new ship builds and entry of new ships into service, ship reliability estimates, expected levels of economic activity generated from delivery of new ships, tariff impacts, traffic trends, the Canadian Dollar, inflation, interest rates, fuel costs, construction costs and timelines, cyclical demand, the state of the economy, fluctuating financial markets, demographics, tax changes, and the requirements of the Coastal Ferry Act and the Coastal Ferry Services Contract.

In some cases, forward looking statements can be identified by terminology such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue” or the negative of these terms or other comparable terminology. Specific forward looking statements in this presentation include statements with respect to: capital investments, timing of completion of capital projects, capital plans, major capital initiatives (including fleet renewal programs and asset management programs) and anticipated benefits therefrom, vessel replacement programs and anticipated impacts on system resiliency, vessel replacement timing including timing of completion of new vessel construction and delivery under the Island Class and New Major Vessel programs, terminal structures and technology, the transition to alternative energy sources, timing of implementation of vessel electrification capability, traffic levels, anticipated demand and impact on service, operational needs, outcomes of PT7 review, capacity constraints, cash requirements, sources of cash flows and funding, projected fleet resilience and maintenance, projections with respect to future demand for services and increased ridership, emissions reduction targets and other performance targets, economic conditions and their impact on financial performance, future investment strategies, and the business plans and strategies of British Columbia Ferry Services Inc., among others.

A number of factors could cause actual events or results to differ materially from the results discussed in the forward looking statements. In evaluating these statements, readers should specifically consider various factors including, but not limited to, the risks and uncertainties associated with: vendor non-performance, capital market access, interest rates, foreign currency, fuel prices, traffic fluctuations, the implementation of major capital projects, security, safety, and environmental incidents, confidential or sensitive information breaches, changes in laws, vessel repair facility limitations, economic regulatory environment changes, tax and tariff changes, and Indigenous rights.

Actual results may differ materially from any forward looking statement. Although management believes that the forward looking statements contained in this presentation are based upon reasonable assumptions, investors cannot be assured that actual results will be consistent with these forward looking statements. These forward looking statements are made as of the date of this presentation, and British Columbia Ferry Services Inc. assumes no obligation to update or revise them to reflect new events or circumstances except as may be required by applicable law.

Moreover, there is no assurance that any credit rating disclosed in this presentation will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgement, circumstances so warrant. Downgrades in credit ratings could adversely affect our business, cash flows, financial condition, operating results and debt prices. Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor.

Non-IFRS Measures: In addition to providing measures prepared in accordance with International Financial Reporting Standards (IFRS), we present certain financial measures that do not have any standardized meanings prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other companies. These supplemental financial measures are provided to assist readers in determining our ability to generate cash from operations and improve the comparability of our results from one period to another. We believe these measures are useful in assessing operating performance of our ongoing business on an overall basis.