

Fiscal Year 2024 – 2025

Performance & Sustainability Report



BC Ferries acknowledges the enduring ancestral connections of the coastal First Nations, on whose beautiful lands and waters we are privileged to operate every day.



Forward-looking statements

This Performance and Sustainability Report contains certain forward-looking statements. All statements other than statements of historical fact are forward-looking statements. Statements that include the words believe, expect, may, will, should, potential, estimate, anticipate, aim, goal, target, plan, predict or other comparable terminology and similar statements of a future or forward-looking nature identify forward-looking statements.

Forward-looking statements relate to future events or future performance and reflect management's expectations, beliefs and internal projections regarding our growth, financial and business risks, results of operations, performance, business prospects and opportunities, and industry performance and trends. These statements 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 expected global and regional economic activity, demographic and ferry traffic trends, Canadian currency fluctuations, inflation rates, financing rates, fuel costs, construction costs, and the requirements of the *Coastal Ferry Act* and the Coastal Ferry Services Contract.

Examples of forward-looking statements in this document include, but are not limited to, statements with respect to: fare and reservation models, future traffic volumes, future economic conditions and their impact on our financial performance and future investments, anticipated customer demand, expected capacity constraints, anticipated outcomes of the *Charting the Course* engagement, expected outcomes of investments in employees and related technologies to improve employee experience and service reliability, expected staffing requirements and the impact of retention strategies, expected fuel prices and fuel sources, impacts of vessel electrification on operating costs, the timing and success of transition to alternative energy sources, GHG emission reduction strategies, vessel replacement, repair and planning strategies (including the expected role that BC-based shipyards will continue to play in the ongoing maintenance, engineering, and logistics of our vessels), anticipated impacts of vessel standardization efforts on costs, reliability and capital plans, expected completion dates of major capital initiatives including the Island Class and New Major Vessel programs, the impact of inflation on capital investment costs, expected reduction of vehicle space during upcoming construction at our Horseshoe Bay terminal, expected outcomes of Performance Term (PT) 7 review, and future investment strategies, among other statements.

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, prospective investors should specifically consider various factors including, but not limited to, the risks and uncertainties associated with: impact of economic recession, impact of fare increases or unforeseen events on customer demand, reliability of aging assets, vendor non-performance, constraints on operations or necessary capital expenditures imposed by the Ferry Commissioner, capital market access, interest rate fluctuations, foreign currency fluctuations, rising fuel prices, traffic fluctuations, the potential for delays in completion of major capital projects, inflation of capital and operating costs, security, safety, or environmental incidents, confidential or sensitive information breaches (including cyber security incidents), changes in laws, vessel repair facility limitations, regulatory changes, changes to taxes, tariffs or duties impacting the company or its suppliers, impacts of sanctions and other compliance legislation on the company or its suppliers, climate change, risk of global pandemics in the future and the assertion of Indigenous rights over land use in the province.

Actual results may differ materially from any forward-looking statement. Although management believes that the forward-looking statements contained in this Performance and Sustainability Report 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 Performance and Sustainability Report, 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.

Non-IFRS measures

In addition to providing measures prepared in accordance with 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 include, but are not limited to, EBITDA (net earnings adjusted for the impact of regulatory assets and regulatory liabilities (or "rate regulation") and before interest, taxes, depreciation and amortization), and average tariff revenue per vehicle and per passenger. 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.



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Message from the Chair & CEO



Salish Heron

As one of the largest ferry systems in the world and an essential public service, we're proud to connect people, communities and economies along the BC Coast every day. Last year, we carried a record 22.7 million passengers and 9.7 million vehicles, and transported an estimated \$8 billion in cargo. For our customers, our routes are lifelines that enable daily commutes, vital medical travel, tourism, and the movement of goods.

This growing demand is welcome but it comes at a time when our assets and finances are under real pressure. Much of our fleet and terminal infrastructure is aging, with some vessels and facilities reaching end of life. This is driving higher maintenance costs and putting reliability at risk. At the same time, inflationary pressures on operating costs – fuel and labour in particular – are increasing route losses across much of the network. Of our 25 routes, only one recovers its full cost of service from fares; the rest depend on cross-subsidization, provincial service fees, and other government funding.

The release of this year's Performance and Sustainability report coincides with the release of *Charting the Course*, a 25-year vision document created in partnership between the BC Ferry Authority Board and BC Ferry Services Board. This vision defines the key interests of the public for both BC Ferries and the broader BC ferry coastal network. It helps to identify both current and future system needs, with a particular focus on BC's growing population. Investments in future service must be built on a strong financial foundation that requires a resolution of funding gaps within the existing ferry service system. In coming years, BC Ferries must partner with all levels of government – provincial, federal and local – to determine new sources of revenue that will ensure long-term fiscal sustainability of the existing ferry network, keep fares affordable for customers and advance the broader public interest.

In the meantime, we have been making strategic choices to maximize the resources we have. These include delivering \$30 million in savings through efficiencies, deferring some capital projects, and focusing investment where it matters most for safety, reliability, and customer experience. At the same time, we are preparing for Performance Term 7 (PT7) – our submission to the BC Ferry Commissioner in 2026 that will outline the funding, fleet renewal, and service plan for the next four-year cycle. Without a sustainable long-term funding model, the pressures on our system will only grow, with our customers facing potential fare increases well in excess of 30% starting in 2028.

This past fiscal year saw important progress:

- **Approval of four New Major Vessels** to serve our busiest routes, which is a key step in replacing aging ships and adding capacity.
- **Launch of our Horseshoe Bay Infrastructure Renewal Program**, with major construction scheduled to begin in 2025 to improve safety, efficiency, and on-time performance.

- **Introduction of Let's Connect**, our new community engagement framework that strengthens how we listen to and work with the communities we serve.
- **Expansion of Saver fares** and other demand-management tools designed to improve travel certainty and spread traffic more evenly.
- **Significant workforce gains**, including a 71 percent drop in crew-related cancellations, through improved planning, scheduling, and training.

Looking ahead, our strategic goals will guide us:

- **Deliver safe, affordable, and reliable service** every day as an essential public service for coastal BC.
- **Renew and modernize our fleet, terminals, systems and tools** to meet today's needs and prepare for future demand.
- **Invest in our people** to recruit, develop, and retain a highly engaged workforce while developing a strong workplace culture.
- **Achieve financial sustainability** through partnership with the provincial government and effective cost management.
- **Build trust** with our people, customers and communities, and advance reconciliation.
- **Strengthen customer experience** by focusing on affordability, simplifying trip planning, enhancing transit integration, and using customer insights and feedback to guide improvements.

We know our customers expect and deserve a ferry service that is safe, reliable and affordable. This report shows the progress we are making, the challenges we face, and the steps we are taking to ensure BC Ferries continues to support the customers and communities we serve for decades to come.



Joy MacPhail

Joy MacPhail
Board Chair
CM, O.B.C.



N. Jimenez

Nicolas Jimenez
President & CEO

Introduction

This Performance and Sustainability Report summarizes our achievements from April 1, 2024 to March 31, 2025 (fiscal 2025) and outlines key areas of focus in our plans for the year ahead. While we have more to do, the report highlights the progress we have made when it comes to the service we provide our customers, the workplace we create for our employees, and our social and environmental impacts. Our goal with this report is to transparently share how we are performing, and how we intend to align with our business and sustainability objectives for the year.

In fiscal 2025, we saw a continuing trend of increased ferry traffic with more people choosing to travel with us through the essential public service that we provide. Like others in the transportation industry, we continued to experience rising costs.

Rising maintenance, fuel and labour costs have challenged our financial performance and have increased estimates for our planned investments in terminals and vessels.

We are working both to mitigate some of these financial pressures and make strategic investments in our aging assets. Through it all, we remain committed to:

- Delivering a safe and reliable ferry service to our customers – today and for the future.
- Listening to the feedback provided.
- Engaging and working with the communities we serve, including First Nations communities.
- Caring for the environment and reducing our carbon footprint.

Our goal is to continue to build a ferry service we can all be proud of.



Island Discovery



About BC Ferries

For more than six decades, BC Ferries has been serving customers, connecting communities, moving essential goods, supporting tourism and strengthening the economy.

From our early beginnings with just two vessels operating on a single route, today we have grown to be one of the largest and most complex ferry systems in the world, with 37 vessels supporting 25 routes along 1,600 kilometres of coastline.

During fiscal 2025, we transported more people, vehicles and goods than ever before – and those numbers continue to grow. As we look to the future, we are focused on creating a resilient, reliable and affordable ferry service.



37
vessels



25
ferry
routes



47
terminals spread
over 1,600
kilometres
of coastline

Transporting in 2024-25



Over

5,500

employees deliver
196,465 sailings –
about 538 each day



22.7

million
travellers



9.7

million
vehicles

Learn more about us...

BC Ferries is an independent, regulated ferry service contractor that serves the public interest according to the Coastal Ferry Services Contract, the *Coastal Ferry Act*, and the oversight of the British Columbia Ferry Commission.

- **Our Executive Team** provides leadership over the operation of the ferry service. Collectively, they ensure ferry services continue to provide an essential transportation link for British Columbia, connecting communities and supporting the movement of vital goods and services. [Read their bios.](#)
- **Our Board of Directors** are stewards of BC Ferries and set the strategic direction of the company. The Board of Directors exercises its fiduciary responsibilities by overseeing the conduct of the business, supervising management responsible for the day-to-day conduct of the business and endeavouring to ensure that mitigation plans are in place to address all major risks affecting the business and affairs of the company. [Learn more.](#)
- **The B.C. Ferry Authority** is established and governed by the *Coastal Ferry Act*. The Authority is responsible for overseeing the strategic direction of BC Ferries in support of the public interest, appointing the Board of Directors of BC Ferries and for establishing compensation plans for the Directors and Executives of BC Ferries. [Learn more.](#)
- **The British Columbia Ferry Commission** is an independent regulator that oversees BC's coastal ferry operators, including BC Ferries. The regulator's role is to balance the interests of ferry users and taxpayers with the financial sustainability of the ferry operator. Its primary responsibility is to regulate fares by setting the price cap and to approve major capital expenditures.
- **Our governance structure** - [Learn more.](#)
- **BC Ferries by the numbers** - [Learn more.](#)

Our purpose – connecting people & places

We are more than a marine transportation company – we are British Columbia’s marine highway. It is our vision to be trusted and valued, as we deliver our mission of connecting communities and customers to the people and places important in their lives.

We do this by focusing our core operations on delivering safe, reliable, efficient, and affordable service.



Our Vision

Trusted, Valued



Our Mission

To connect communities and customers to people and places important in their lives.



Our Values

Safe

Safety is our highest value.

Caring

We operate from a position of kindness and empathy for those who travel and work with us.

Honest

We conduct business with integrity, honesty and accountability.

Collaborative

We collaborate with others to enhance the customer experience.

Respectful

Respect is paramount in our interactions with others.

Sustainable

Our environmental, social and economic impacts are central to business decisions.

Charting the Course

The B.C. Ferry Authority supports BC Ferries by overseeing its strategic direction in support of the public interest; however, a formal vision for the interests of the broader ferry system in coastal BC has never been established. In 2023, the boards of BC Ferries Services Inc. and the B.C. Ferry Authority began collaborating on the development of *Charting the Course*.

The coastal transportation network is made up of a number of companies that together provide service to coastal BC. *Charting the Course* will establish a vision for a sustainable, resilient and forward-thinking broader ferry system that not only addresses today's challenges but is also prepared for the future.

As the largest service provider in the coastal transportation network, BC Ferries supported this multi-year process to frame its role in delivering on the expectations of ferry users and ferry-dependent communities. This process involved understanding and integrating community insights to shape services and policies that reflect the evolving needs of customers, people and the communities served.

Through a series of engagement efforts, including workshops and public surveys, feedback was gathered on the goals and priorities of diverse communities for the coastal ferry service. This feedback was used to create the *Charting the Course* vision and define what is needed to keep people, goods and services in coastal communities connected and moving through to 2050 and beyond. Recognizing the challenges and opportunities posed by long-term trends in population growth, affordability, technological advances and climate change impacts, the vision aims to establish a framework for a ferry system that's sustainable and resilient.

To support the new long-term planning framework, public feedback helped define the public interest by establishing five broad goals to guide future planning and investment for the coastal ferry system:

- Reliable and available.
- Safe and comfortable.
- Convenient and integrated.
- Affordable and efficient.
- Environmentally sensitive.

In addition to a vision for the ferry system, *Charting the Course* also includes insights on BC Ferries' prospective actions to deliver that vision. Our corporate goals and priorities have been established to support achieving the vision set by *Charting the Course*.

Learn more about [*Charting the Course*](#).

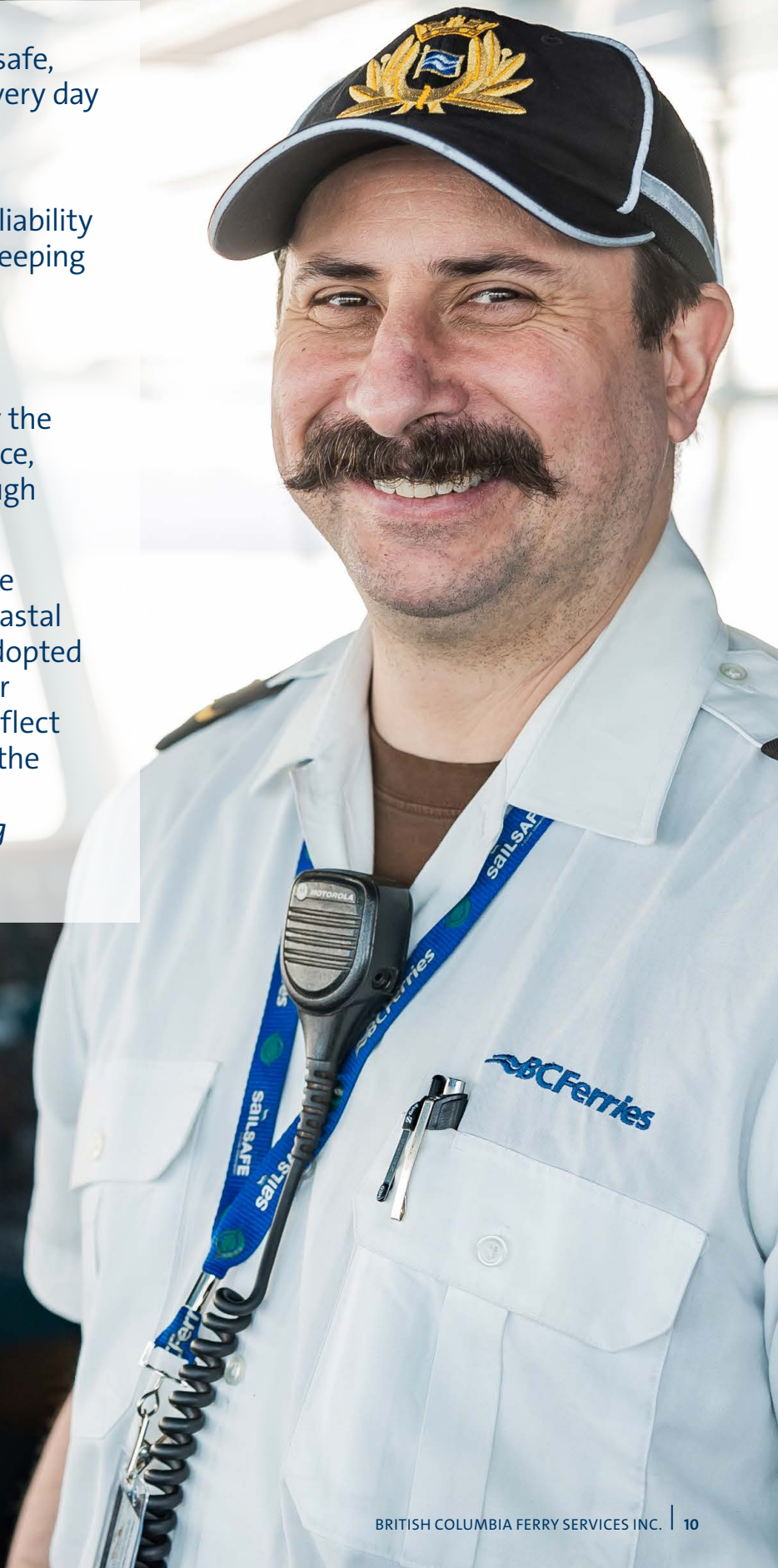


We are committed to delivering a safe, comfortable and reliable service every day as an essential transportation link for coastal communities.

We're focused on improving the reliability and capacity of our service while keeping costs as affordable as possible.

It's a complex task, but our aim is clear: meet the growing demand on many of our routes, particularly the major routes, provide reliable service, and ensure financial stability through careful planning.

To meet our commitments, and the needs of customers and diverse coastal communities we serve, we have adopted six new strategic goals to guide our plans and decisions. These goals reflect our current operating climate and the key priorities of our organization, all while aligning with the *Charting the Course* vision.



Our strategic goals

Our strategic goals set the direction for all activities at BC Ferries.

Safety | Affordability | Reliability

Deliver safe, affordable, and reliable service every day as an essential public service for coastal BC.



Renew and modernize

Renew and modernize our fleet, terminals, systems and tools to meet today's needs and prepare for future demand.



Invest in our people

Invest in our people to recruit, develop, and retain a highly engaged workforce while developing a strong workplace culture.



Achieve financial sustainability

Achieve financial sustainability through partnership with the provincial government and effective cost management.



Build trust

Build trust with our people, customers and communities, and advance reconciliation.



Strengthen customer experience

Strengthen customer experience by:

- Focusing on affordability.
- Simplifying trip planning.
- Enhancing transit integration.
- Using customer insights and feedback to guide improvements.

Our service delivery & operations

Year in review summary (2024-25)

Earning the trust of our customers and the communities we serve is a key priority and we're taking steps toward restoring trust through our commitment to making investments in our fleet, terminal and technology systems to support service delivery and ensure a consistent and enjoyable customer experience.

In fiscal 2025, we remained focused on our commitments while carrying more passengers and vehicles, on more sailings, with a higher percentage of sailings leaving on-time, while balancing the challenges of an aging fleet and terminal assets.

22.7
million passengers
up from 22.6 million
the year prior.



9.7
million vehicles carried
up from 9.6 million
the year prior.



196,465

number of sailings

up from 195,731
the year prior.



66.6%

**capacity utilization
system wide**

up from 66.1%
the year prior.



84%

on-time performance

percentage of sailings departing
within 10 mins of scheduled departure
time, up from 83.2% the year prior.



\$8

**billion cargo carried
(estimated).**



\$73.3

**million in food and retail
revenue (after costs)**

up from \$70.1 million
the year prior.



90,685

round trips

2,101 more than the annual
number contractually required
and 205 more than year prior.



Supporting record traffic in fiscal 2025

In fiscal 2025, we travelled with record numbers of passengers and vehicles for the second year in a row, particularly on routes between the Lower Mainland and Vancouver Island – this increase in traffic is part of an ongoing trend in higher demand on BC’s ferry system.

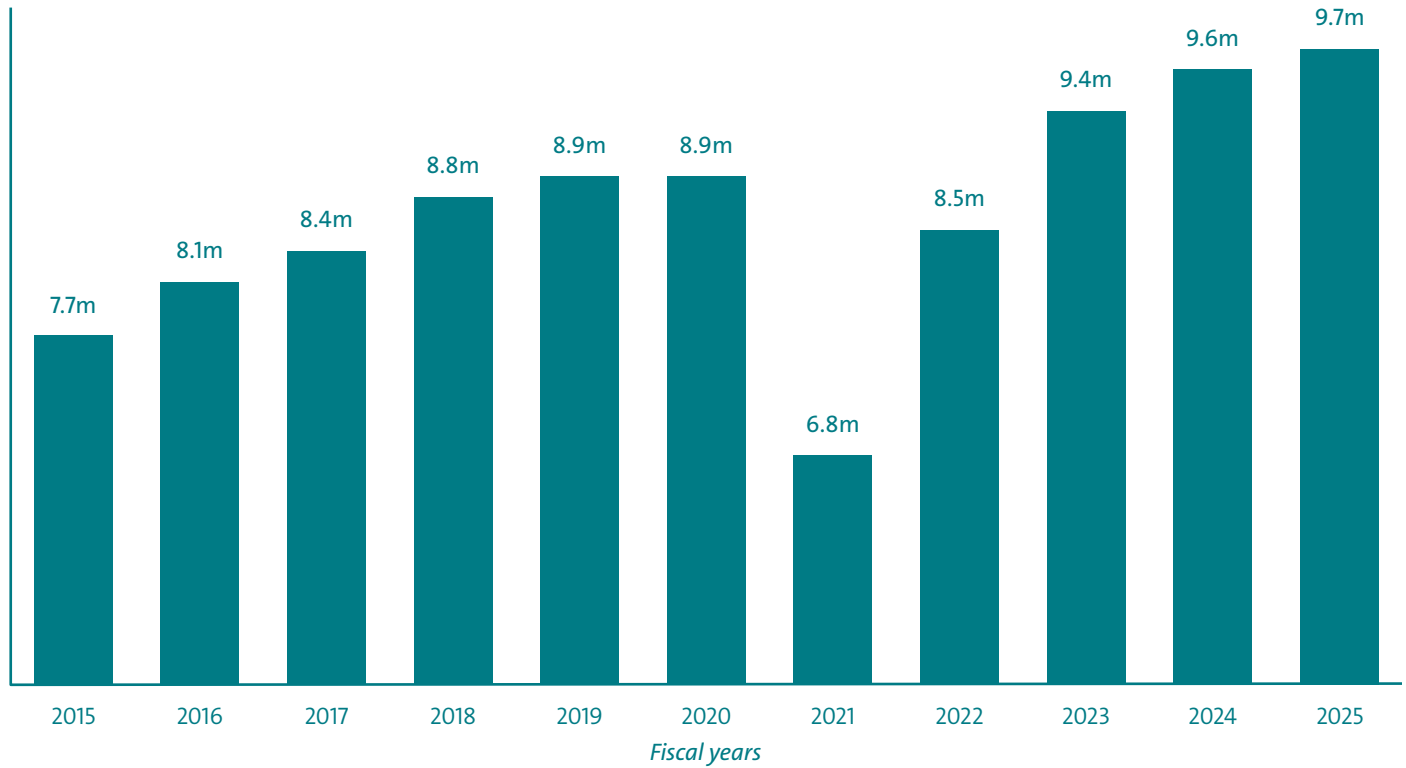
Last year, we offered 196,465 sailings, carrying 22.7 million passengers and 9.7 million vehicles. This represents an increase from the 22.6 million passengers and 9.6 million vehicles we carried in fiscal 2024.

Key areas of focus in enabling this record traffic included supporting fare affordability and incentivizing off-peak travel through discounted fares, offering more reservable spaces enabling more customers to book in advance and travel with certainty, and ensuring system reliability through improved on-time sailings, and scheduling and loading adjustments.

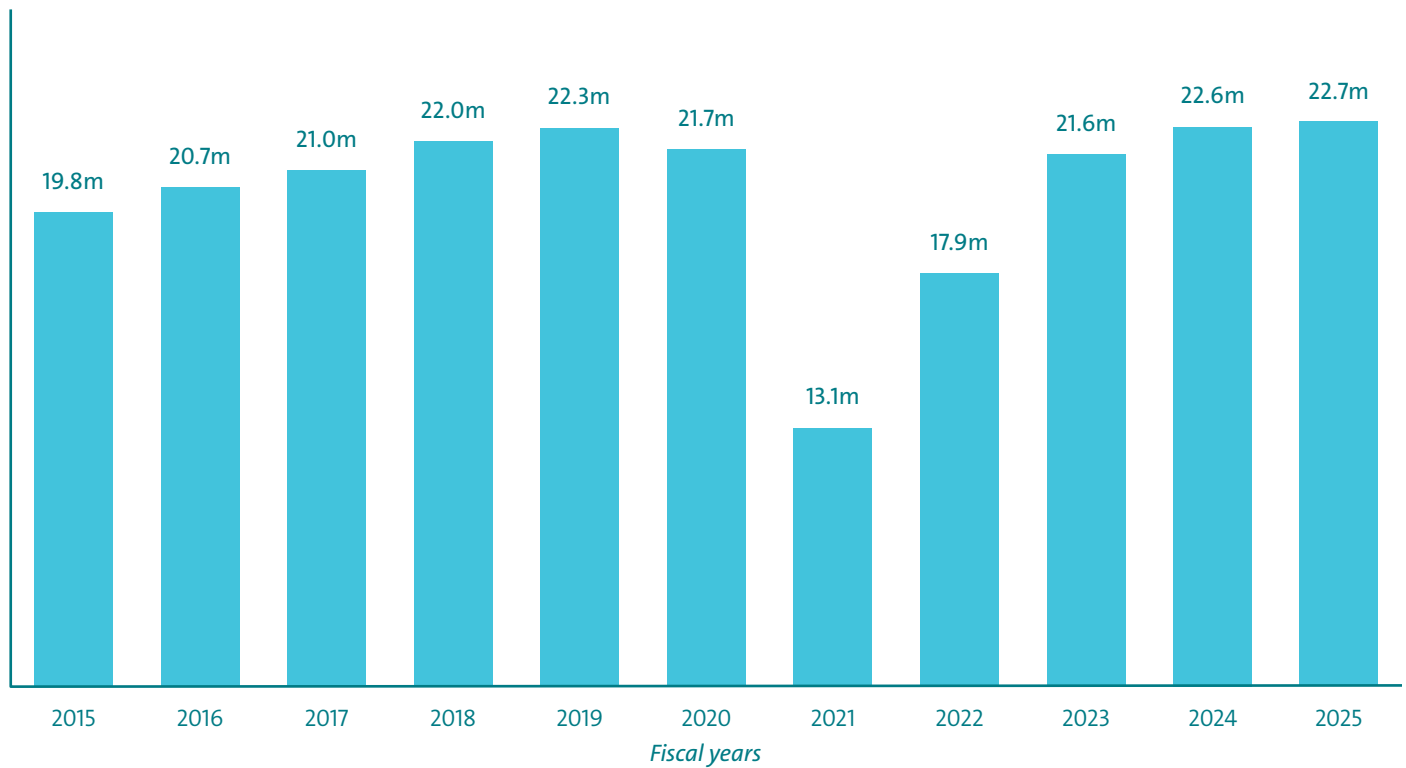


System traffic for fiscals 2015 to 2025

Vehicles



Passengers





Supporting affordability with Saver fares

In fiscal 2025, we increased Saver fare spaces by 30% – that’s an addition of 350,000 Saver fares. These discounted fares encourage vehicle-based customers to book ahead and travel during off-peak times including early morning and late evening sailings or midday sailings during the week, improving availability on popular sailings and making better use of fleet capacity. While offering customers discounts on select sailings, these offers also support reducing congestion and wait times by spreading out demand and distributing traffic across sailings on our major routes. While we face challenges with maintaining an aging fleet, we will continue to use every tool we have available to offer a broad range of fare options to better accommodate demand and meet customer expectations.

While discounted fares and incentives have successfully shifted some demand, peak-season sailings on the routes connecting Vancouver Island and Metro Vancouver still averaged 92% full last year, leaving little flexibility to redistribute travellers. Even with an expansion of Saver fares, demand growth has been outpacing our ability to encourage customers to choose less busy sailings and create available vehicle capacity on our major routes, and we expect it will continue to do so in the future.

Service reliability

In fiscal 2025, 84.0% of sailings departed within 10 minutes of their scheduled departure, which is higher than our result of 83.2% last year. A key driver of our improved on-time performance was adjusted sailing times on many of our inter-island routes, including routes serving Comox, Powell River, and Texada, Gabriola, Thetis, Penelakut, Quadra and Cortes Islands.

Our on-time performance last fiscal year improved despite moving record traffic. Our ability to sail on-time is impacted by a number of factors, including longer loading/unloading times to accommodate more traffic or customer delays, tighter turnaround schedules and reliability of aging vessel and terminal infrastructure. As maintenance and repair work is performed on berths, this work can also impact on-time performance.

While on-time sailings improved, sailing cancellations were up 21% over the previous year, due to a significantly higher number of severe weather events and mechanical issues resulting from aging vessel and terminal infrastructure. With a higher number of mechanical cancellations, on average, our fleet was available 99.34% of the time, down from 99.65% the year prior and the lowest result over the last five years (see Performance Against Strategic Targets Fiscal 2025, [page 40](#)). Cancellations due to vessel or terminal availability almost doubled to 1,235 in fiscal 2025 from 660 in fiscal 2024.



What's ahead in fiscal 2026

We are committed to making the investments and changes necessary to maintain a reliable and safe ferry system. Over the coming year, as we expect to carry even more passengers and vehicles connecting coastal communities near and far, our focus will remain on maintaining and investing in a ferry system that meets the needs of the customers and the diverse communities we serve. Examples of service delivery improvements coming in fiscal 2026 include:

- We will increase the passenger capacity on select sailings between Horseshoe Bay and Bowen Island. This added capacity should help ease demand during peak periods, keep foot traffic flowing more smoothly through the terminal, and provide greater flexibility for customers.
- We are adding more travel options for customers travelling between the Lower Mainland and Nanaimo.
- We will introduce a pre-booking only model for all vehicles travelling from Horseshoe Bay to Departure Bay to support our Infrastructure Renewal Program at Horseshoe Bay. Drive-up fare options will no longer be available. This change is designed to prevent traffic congestion, keep customers and staff safe, support better traffic flow through the terminal during construction, and provide customers with greater predictability.

As we begin preparing for our upcoming submission for Performance Term 7 (PT7) to the BC Ferries Commission, which outlines our investment plans for the four-period from April 1, 2028 to March 31, 2032, we are focused on working with the Province to secure a sustainable funding model to address the financial challenges of operating a diverse and geographically spread ferry system in a reliable and adaptable way for our customers.

Maximizing what we have: managing demand and optimizing schedules

To meet expected growth in demand for ferry services on our major routes, BC Ferries is taking steps to ensure the system operates as efficiently and reliably as possible. Since 2021, we have focused on demand management – finding ways to better balance traffic across peak and off-peak periods and optimize the use of existing vessels and infrastructure.

A key tool has been the expansion of Saver fares, which offer lower prices for customers who can travel during less busy times. This has helped shift demand away from peak sailings, improving overall utilization and reducing pressure when capacity is limited. As a result, on routes between Lower Mainland and Vancouver Island, BC Ferries has been able to carry 7% more vehicles with 25% less customers experiencing sailing waits, and 2,000 fewer sailings going less than 50% full.

Enhancements to the reservation system and current conditions page on the website have also made travel more predictable and efficient for customers, while helping operational teams better plan and allocate resources, and improving the overall customer experience.

BC Ferries will continue to refine its demand management tools as part of a broader strategy to deliver safe, affordable, and sustainable service – making the most of every sailing, every day.

Safe sailing in fiscal 2025

At BC Ferries, safety is our highest priority. Our safety practices and programs ensure we continue to deliver safe and reliable service to coastal communities. Over the past 18 years, our internationally recognized and award-winning safety program, SailSafe, has been underlining our commitment to safety as an essential part of our business and daily work.

In the past year, we conducted:

87 bridge simulation training events, up from 77 the year prior.

179 rescue boat training simulation events, with an average of four training runs per event in the first year of operation.

+31k days of safety and operational training for our crews, down slightly from 32,215 days the year prior.

In the past year, we achieved a 9.6% improvement in our Employee Safety Index compared to the prior year. Our Passenger Safety Index remained low and at the same level as last year, with less than one injury per 1,000,000 passengers.

Our crews also supported emergency responses at sea:

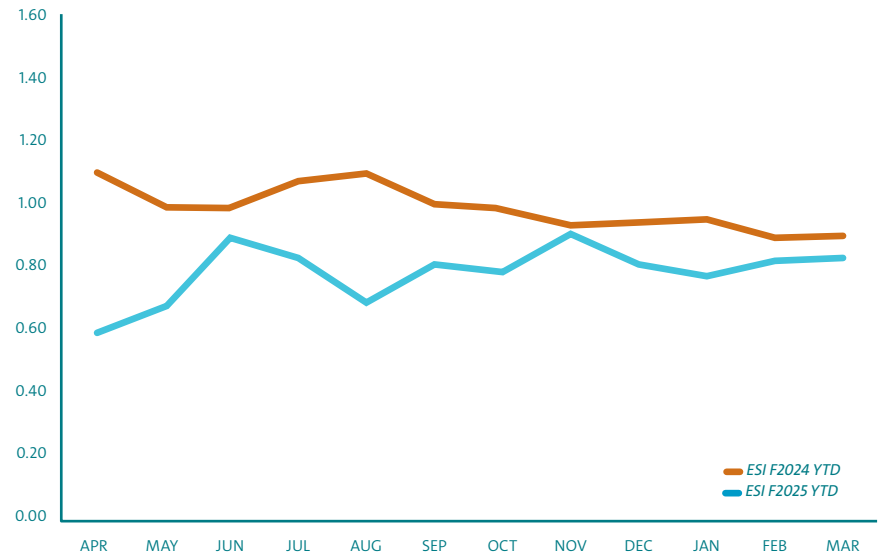
+1k responded to customer injuries or illnesses.

15 assisted marine emergencies in partnership with the Canadian Coast Guard.

82 sailings to accommodate BC Ambulance Service or other emergency services.

Employee Safety Index

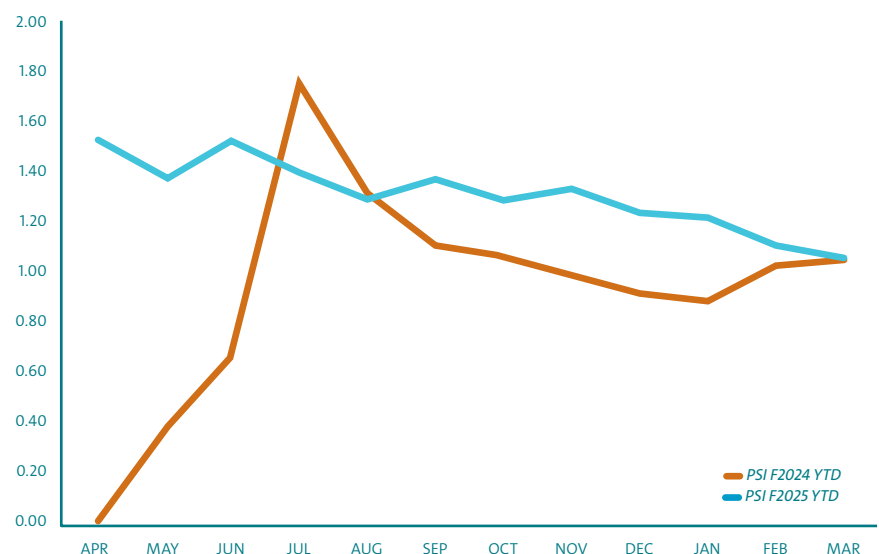
Employee injury frequency rate times severity rate divided by 1,000 full-time equivalents



Employee time loss due to injuries decreased 10%, when compared to fiscal 2023. A total of 176 employees were impacted compared to 181 employees the previous year. Between fiscal 2023 and fiscal 2024, the cumulative days lost due to employee injury claims has decreased from 10,473 to 10,239 days away from work (a 2% decrease). As a result, our performance on the Employee Safety Index improved in the past year.

Passenger Safety Index

Number of injuries per one million passengers



Passenger injuries in fiscal 2024 were nearly half as frequent as the year prior, decreasing by 46%. A total of 19 passengers were impacted compared to 34 the previous year. Per every one million passengers the above figures combine to make up our Passenger Safety Index (PSI), which has significantly improved this year to 0.84 from 1.58 the previous fiscal. We safely transported higher volumes of passengers with no increase in injuries, resulting in a favorable PSI.

What's ahead in fiscal 2026

Over the coming year, our focus will remain on supporting a strong safety culture at BC Ferries, by listening closely to the feedback our employees provide and evolving our practices as needed. We will continue to explore opportunities to enhance processes, technology and education programs that support leading safety practices. This includes modernizing our Safety Management System to support ongoing innovation, adaptability and system sustainability into the future. We also will be strengthening and streamlining our return-to-work process to provide compassionate, consistent support for injured employees as they recover and reintegrate into the workforce.

BC Ferries recognized as 'vital guardian of the waters' by Life Saving Society

BC Ferries has been honoured by the Life Saving Society of BC & Yukon for its sustained commitment to water safety, for the many life-saving interventions carried out annually by our staff and crew.

In April 2025, the Annual Commonwealth Awards for Honour and Rescue recognized the dedicated efforts of volunteers and celebrated the heroic acts of those who put their lives on the line during water rescues. BC Ferries was presented with the Water Safety Excellence Award for maintaining high standards of safety on the water.

"BC Ferries is a vital guardian of the waters," the award citation indicated. "Their rigorous training and commitment to safety prioritizes the well-being of the more than 22 million passengers it transfers annually across its fleet."

BC Ferries crews and terminal staff undergo extensive marine safety and emergency response training to ensure they can respond quickly and efficiently to incidents. In the past year, BC Ferries was involved in 15 marine rescue incidents.

We are grateful for the professionalism and selfless actions of our teams and crews who are committed to delivering exceptional service — day in and day out.



Connecting with our customers and customer satisfaction and communities

Over the past year our customer satisfaction scores have improved, coinciding with growth and positive sentiment from those interacting with us virtually, through social media and our customer service centre. Some highlights from this past year of putting customer feedback into action include:

- Enhancing the current conditions webpage with a beta experience to provide real-time access to sailing and terminal updates for our major routes.
- Offering more pet-friendly areas on our outer decks of 17 of our vessels serving our busiest routes.
- Updating our wayfinding signage to improve customer experience at our major terminals maps to show all washroom and terminal amenity locations. Maps are available on terminal amenities pages on bcferries.com (major routes only) and allow passengers to better preplan their experience.

Social metrics



7% follower growth
across all social
media channels.



53% more video views
across all channels.

Customer service metrics

Our Customer Service Centre responded to

419,065

calls — down from 459,685 in fiscal 2024. During our peak operating season (June to August) each call was answered within an average of 75 seconds.

93%

of those surveyed are satisfied with their Customer Service Centre experience — up from 91% in the previous year.

84%

customer satisfaction, up from 82% in the previous year.

4.10

customer satisfaction score, up from 4.03 in the previous year.

5.9

customer complaints per 10,000 passengers, up from 5.6 in the previous year.

What's ahead

In the coming year, we will be reviewing the customer experience. This review will result in a long-term roadmap for shaping the vessel and terminal amenities we offer as well as how customers interact with the ferry system. The resulting plan will inform our PT7 submission and support future funding discussions.





Pet experience: Customer feedback in action

Our customers told us that their pets need a better way to travel, and we took steps to make that a reality.

As of this summer, we have outer deck pet areas on 17 of our vessels serving our busiest routes.

What we heard? Since their introduction, the new pet areas continue to receive high engagement across all social channels and “pawsitive” feedback from pet owners and their furry friends. Customer satisfaction scores for pet areas have been increasing each quarter since the first pilot launched in 2022. The last score reported an overall 9% increase in satisfaction.

What’s next? With the major routes now complete, 2025 will see the expansion of an outer pet area to all Salish Class vessels serving the Southern Gulf Islands. The Northern Expedition and Northern Adventure will also include an outdoor pet area, available at select times only due to the length of sailings and operational procedures. In total, 17 vessels this summer will feature the optional outer deck areas for both pets and their people to enjoy.

Did you know? The number of passengers travelling on BC Ferries with pets doubled between 2018 and 2024, from 5.5% to 10.5%.

[Visit our website for pet travel tips.](#)

Improving our Current Conditions experience

As an essential public service, hearing directly from passengers, local businesses and municipal governments better enables us to provide reliable, efficient connections across the coast.

Through a series of in-person and virtual feedback sessions from community members and interest holders, we heard that key sailing information was missing in the details we shared on our website.

What’s new: To address this gap, we’re testing a new and improved Current Conditions beta site, which incorporates customer feedback and offers a more intuitive way to access real-time sailing and terminal updates for our major routes.

A test version of this site was launched publicly last fall and provides more details around the percentage of reservations that have been redeemed or those that are still pending and may be released after the cut-off time.

Together, these updates aim to give travellers enhanced visibility to better plan their journeys.

What’s next: While the page is still undergoing testing and being refined, we’re inviting customer input through surveys. An initial survey was completed last year and incorporated minor changes, including the addition of oversize vehicle space information. A survey over peak season was conducted to validate the changes made and help determine the timeline for making Current Conditions enhancements permanent across all routes.

Renewal & modernization

BC Ferries is a capital asset-intensive business, and we recognize the importance of our vessels and terminals in providing service in an environmentally, financially and socially sustainable manner.

We are revitalizing our terminals and expanding our fleet capacity to deliver service availability and address expected future customer demand as our financial capacity allows.

This includes investing in improvements to our fleet and terminal infrastructure through repairs and maintenance and purchasing and constructing new vessels.

What drives our investment decisions?

Keeping customers and crew safe and moving, as well as trying to maintain a ferry system that is affordable and sustainable in the long term.



*To support the ferry system, in fiscal 2025,
we invested approximately:*

\$277

million in capital expenditures, including:

\$135 million in vessel major overhauls
& inspection, upgrades and new
vessel construction.

\$131 million in terminal and fleet
maintenance facility-related
improvements.

\$11 million in information technology
and operations systems related
improvements.

\$153

million in annual maintenance expense
relating primarily to our vessel and
terminal assets.



Island Gwawis and island Kwigwis



Fleet Maintenance Unit

Maintaining and modernizing our fleet

Regular repairs and maintenance are a key part of ensuring our fleet's longevity and reliability. Passenger ferries need to be inspected and refitted regularly to ensure they are safe to transport passengers and cargo, as well as ensure vessels pose no issue to other marine traffic.

To support a growing and aging fleet, we continued our multi-year, multi-million-dollar investment to rebuild and modernize our ship repair facilities at our Fleet Maintenance Unit (FMU) in Richmond. We expect these upgrades to be completed in 2027.

In fiscal 2025, our teams completed 19 refits of our vessels and performed quarter-life upgrades on the Coastal Renaissance, Coastal Celebration and the Queen of Capilano. Through carefully scheduling our refits and vessel updates and coordinating hundreds of staff, our teams worked creatively to minimize service impacts to customers, particularly during busy seasons.

We also continued to advance our fleet renewal efforts with contracting for the procurement of four new battery-electric hybrid Island Class vessels. These new vessels are a

key component of our commitment to increasing our system capacity, enhancing our service capabilities and reducing our environmental impact. The new Island Class vessels will serve Routes 19 (Nanaimo Harbour – Gabriola Island) and 23 (Campbell River – Quadra Island), with plans for fleet redeployment to address capacity constraints on Routes 6 (Crofton – Vesuvius), 24 (Quadra – Cortes), and 22 (Denman – Hornby). We expect that these new vessels will provide both significant capacity increases and improved travel certainty, particularly during refit periods. The new vessels will be in operation by 2027.

In fiscal 2025, BC Ferries spent approximately \$140 million on vessel repairs, maintenance and upgrades in British Columbia for our existing fleet of 37 vessels. These investments help to ensure our fleet reliability and support the local economy.

As new vessels are introduced into service, BC Ferries will continue to invest locally for their ongoing maintenance, engineering, logistics and warranty work. In their first ten years of service, we anticipate investing over \$230 million locally for refits and scheduled maintenance on the four currently approved New Major Vessels, and over one billion dollars in their 45-year lifespan. This estimate doesn't include maintenance and refits for the rest of our fleet, which will continue to drive additional work and economic benefits for BC's shipbuilding and maritime sectors.



Investing in our ship repair capabilities

This year, we began the multi-year, multi-million-dollar redevelopment of our Fleet Maintenance Unit (FMU). FMU is our primary vessel maintenance and refit facility located at Deas Basin in Richmond, near the George Massey Tunnel. This major redevelopment project will position the facility to provide increased fleet support into the future. Access to ship repair services is strategically important to our operational stability and financial sustainability. As we modernize and expand our fleet and introduce standardized vessels, we need to maintain our internal ship repair capability to support fleet resiliency, flexibility and interoperability, while reducing reliance on external ship repair facilities. This significant investment will:

- Replace aging infrastructure and modernize the facility to meet the repair and maintenance requirements of contemporary equipment and vessels.
- Correct the existing site layout to make the design more productive and efficient.
- Improve employee satisfaction by providing more comfortable and modern workspaces and removing frustrating inefficiencies.
- Offer new opportunities to employees for further technical growth and specialization helping to recruit and retain the best candidates for the facility.
- Reflect BC Ferries' commitment to environmental stewardship with energy-efficient lighting, heating and cooling systems, upgraded site-wide stormwater collection and discharge systems, and remedial environmental compensation of the foreshore and supplement perimeter lands.

Investing in BC's ship repair industry

We understand the importance of making investments in BC's marine services, repair and maintenance industry. As the largest non-military consumer of ship repair services in the province, we have spent over \$1 billion in the last 10 years at local shipyards on dry-dockings and refits, capital upgrades, repairs, and maintenance. Our vessel work generates jobs and economic benefits in the province by regularly engaging other local repair and maintenance services for ship repair and refit work, including Vancouver Drydock, Vancouver Shipyard, Victoria Shipyard, Esquimalt Drydock Company, Allied Shipbuilders and Point Hope Maritime Ltd. BC Ferries has also taken steps to develop partnerships to enable other shipyards in British Columbia to advance their services and expertise. BC Ferries continues to build a network of local marine suppliers to support its fleet renewal plans and is introducing local marine manufacturers to international shipyards, enhancing their international trade and the lifecycle support opportunities for BC Ferries vessels.

Coastal class propulsion system improvements

In the fall of 2024, the *Coastal Renaissance* was equipped with two Variable Frequency Drives (VFD) as part of the Coastal Class Quarter Life Upgrade Program. The upgrades were triggered by a rotor failure in the drive motor on the vessel in the fall of 2023.

The goal of this program is to:

- Enhance the operational reliability of the Coastal Class vessels, particularly in confined waters.
- Improve customer and crew comfort by reducing vibrations.
- Reduce fuel consumption.
- Decrease stresses on the drive motor rotors.
- Reduce noise in the dock and underwater areas.

These improvements support our efforts to improve fleet reliability, safety and sustainability at BC Ferries. At the time of construction of the Coastal Class, high power VFD technology was relatively new and was only about 85% efficient. With the power electronics now installed, the efficiency on the *Coastal Renaissance* has improved to about 97% efficient.

The new VFD units along with a new set of optimized propeller blades allow the vessel's drive motors to operate over a range of speeds and blade angles, replacing the legacy system, which had a fixed speed of 140 RPM. This flexibility enables reduced RPM, which results in lower fuel consumption by approximately 8%, as well as less vibration and noise. A new "quiet" or "whale" mode has been configured, so the propeller can operate with minimal underwater radiated noise when whales are nearby. This allows for a more comfortable journey for passengers, crew — and marine life.

As part of the project, we've also built in additional backup systems, which allow us to start and run the drive motor, even on a single generator, in the event of a generator failure. This is particularly important when navigating tight waters like Active Pass.

With the success of the upgrades on the *Coastal Renaissance*, the VFD upgrades, which cost approximately \$14 million per vessel, were completed on the *Coastal Inspiration* and work on the *Coastal Celebration* will be completed next year.

Tackling the challenges of aging vessels: a strategic path forward for BC Ferries

BC Ferries faces ongoing challenges with our aging fleet, with 13 of our 37 vessels in operation that are more than 40 years old. These vessels create significant operational strain — impacting everything from maintenance costs and crew resources to scheduling efficiency and customer experience.

A prime example is the over 60-year-old *Queen of New Westminster*, which had a mechanical failure with the propeller and was out of service for almost 200 days last fiscal year. The need for custom-made parts, combined with complex repairs, not only increased costs but also disrupted revenue and reduced capacity — highlighting the mounting challenges of an aging fleet.

At the same time, customer demand continues to grow on many of our routes. Vehicle traffic increased by 2.0%, and passenger volumes rose 0.6%, while foot passenger volumes dropped by 3.3% over the past year. With growing volumes come longer loading/unloading times, tighter turnaround schedules, and added pressure on terminals and crews. Aging vessels compound these challenges, contributing to mechanical delays and service disruptions.

To meet these pressures head-on, BC Ferries is moving ahead with our planned fleet renewal program. We expect that our newer vessels will be more reliable, offer greater capacity, and improve on-time performance. They will also be designed to withstand higher wave heights — reducing weather-related cancellations and enhancing safety. Additionally, investments in scheduling optimization and terminal flow improvements will soon be underway to help BC Ferries serve more customers with greater consistency.

Terminal renewal and electrification

In fiscal 2025, we had over 60 projects underway at various stages of planning and delivery at 28 of our 47 terminals. These terminal investment projects range from overhauls and repairs to our marine infrastructure and utilities to full berth replacements to support new vessel introductions, including preparations for Island Class and New Major Vessel service. Most of our terminal projects span multiple years between

planning, regulatory approvals and execution. In fiscal 2025, we:

- Completed upgrades at Swartz Bay terminal to make room for Salish Class vessels that travel to the Southern Gulf Islands.
- Replaced the berth at Shearwater Terminal on Denny Island to enable safe and reliable service to resume.
- Made preparations for work at several terminals to support

the new battery electric Island Class vessels that will serve the routes between Campbell River and Quadra Island and Nanaimo Harbour and Gabriola Island.

- Prepared for upcoming berth replacements at Heriot Bay and Whaletown to support the introduction of the Island Class and a significant increase in capacity to the communities served.
- Started a multi-year investment in renewing critical infrastructure at Horseshoe Bay.
- Commenced significant maintenance work on our marine structures at Langdale, Departure Bay, Tsawwassen, Mill Bay, Brentwood Bay, Denman Island, and Long Harbour.

What's ahead

We are commencing a significant infrastructure renewal program at Horseshoe Bay that we expect will span the next five years. Procurement and planning are underway, and dedicated teams will be in place soon to get ready to scale up work at the terminal.

Starting fall 2025, major construction activities are planned to commence at the terminal, including the deconstruction of the elevated concrete holding area and the relocation of the terminal's traffic operations centre. During this phase of work, vehicle space inside the terminal is expected to be reduced by approximately 25%, with overall vehicle space to remain below current levels for several years as construction progresses. We'll be making changes that are designed to help traffic flow more smoothly in peak times.

At Heriot Bay and Whaletown, we have commenced work to replace the marine infrastructure to accommodate a higher capacity Island Class vessel, and reduce roadway congestion to create safer, easier access to the terminals for vehicles and walk-on passengers.

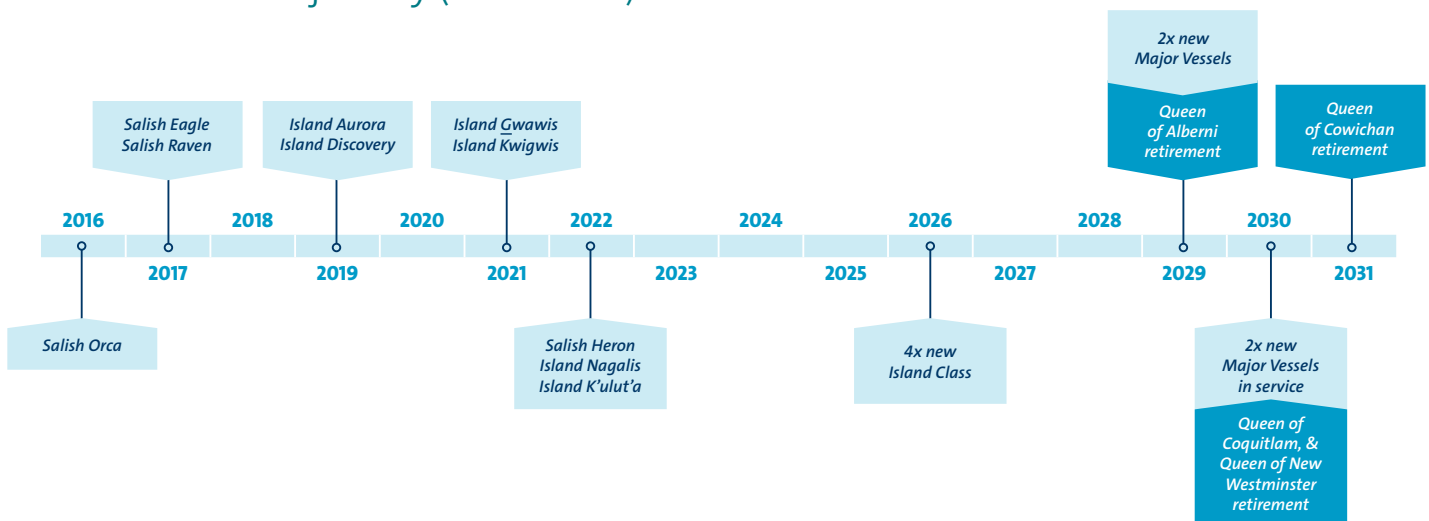
We will commence detailed design of our four New Major Vessels — this new build program will be the largest capital project in BC Ferries' history. The project plans to deliver new vessels to service the busiest routes, addressing the urgent need to replace aging ships, increase capacity on major routes, prepare for future growth, and improve overall system resilience. The first of these new vessels are expected to enter service in 2029, with four operational by 2031.

We are also upgrading existing vessels, including life-extending the Queen of Surrey in two phases, with the first phase commencing in fiscal 2026.

In fiscal 2025, we submitted a request for capital funding to the BC Ferry Commission seeking approval for the purchase of five New Major Vessels, an investment that we consider to be crucial, both to support future demand on our busiest routes as well as to take advantage of advantageous pricing that comes with a larger vessel procurement program. This request was ultimately granted for only four of the five requested vessels. We will continue to advance the argument for the need for a fifth vessel and seek opportunities to address this capacity need in a fiscally responsible manner.

Fleet renewal is not just about replacing vessels — it's about building resiliency in the system to better enable us to deliver safe, dependable service to coastal communities for years to come.

Our fleet renewal journey (2016 – 2031)





Horseshoe Bay terminal renewal: a strategic investment in the future

BC Ferries is advancing critical infrastructure renewal at the Horseshoe Bay terminal aimed at improving safety and operational efficiency at one of our busiest terminals. With construction activity set to ramp up in fall 2025, the renewal is part of a broader plan to improve safety, efficiency, and reliability at one of BC Ferries' busiest and most operationally complex terminals — a site challenged by its small footprint, limited vehicle space, and lack of flexibility to accommodate growing demand.

What's changing

The renewal work is designed to address long-standing challenges, including the terminal's limited footprint, constrained holding areas, and capacity limitations.

The first phase, starting in the fall, will focus on deconstructing the elevated holding area with the goal of improving traffic flow and reducing highway congestion. This is a vital first step toward replacing aging infrastructure and enhancing the terminal's ability to process high volumes of passengers and vehicles.

To minimize disruption, careful planning is already underway, with proactive measures to support smoother travel this summer, including increased capacity on the Queen of Capilano and a pre-booking system for vehicles travelling from Horseshoe Bay to Departure Bay starting in October 2025.

The Horseshoe Bay terminal renewal is a strategic investment that is designed to strengthen our ability to provide safe, reliable service for years to come. As work ramps up, the focus remains clear: deliver essential infrastructure renewal while minimizing disruptions for customers and surrounding communities.

Reducing our impact on the environment

Delivering one of the largest ferry services in the world, we are focused on operating responsibly and reducing the impact of our operations on the environment. Our commitment to the environment is centered on three areas: climate change, Green Marine and underwater radiated noise.

Climate change

We believe that reducing our carbon footprint is a critical responsibility across the transportation industry. We are committed to meeting the CleanBC 2030 target for the transportation sector, by reducing greenhouse gas emissions by at least 27% by 2030, from 2008 levels.

One strategy is to transition from fossil to non-fossil fuels, produced through renewable or zero-carbon energy sources. We are using available biofuels, including renewable diesel and biodiesel, which result in vessels producing very low or no greenhouse gas (GHG) emissions. Work is already underway on electrification of two routes targeted for completion by end of 2027 which will reduce emissions by 8,000 to 9,000 tonnes of CO₂ equivalent — that's about 3% of our total emissions and will help get us closer to meeting our 2030 greenhouse gas reduction targets.

Green Marine

Green Marine is the leading environmental certification program in North America's maritime industry. This voluntary initiative helps us benchmark our environmental performance. Our continued participation with this program is helping create a culture of continuous improvement that exceed environmental regulatory compliance standards. We are Green Marine certified and have been a member for the last 10 years. To receive certification, applicants must assess their environmental performance annually, submit to an external verification process, agree to publish results, and commit to a process of continual improvement. Green Marine targets key environmental issues related to emissions, waste management water and community relations. BC Ferries is Green Marine certified as a shipyard, ship owner and terminal operator.

Underwater radiated noise

We are committed to reducing underwater radiated noise, while maintaining safe, reliable and sustainable operations. Our New Major Vessels are designed to help reduce underwater noise — one of the key threats to at-risk whale populations, such as the Southern Resident Killer Whales — through quieter propellers and improved hull designs that reduce wake.

Fiscal 2025 achievements

We are proud to receive the following recognition for improving the environmental performance of our operations at sea:

- **2024 Blue Circle Award for the EcoAction Program** – For the 8th consecutive year, the Vancouver Fraser Port Authority recognized BC Ferries as an operator that has invested in technologies and practices that support a healthy environment across our fleet, including reducing emissions and carbon footprint. We qualified for the program’s platinum award level – the highest level awarded.
- **2024 Prince Rupert Port Authority Green Wave Program** – We were recognized for our continued investment in sustainable transportation and proactively reducing our environmental footprint.

In fiscal 2025, 11 of our 47 terminals, one of our 37 vessels, and our ship-repair facility were audited to ensure compliance with environmental regulations and best management practices. We also completed waste audits at three sites and are working towards developing a waste reduction plan with achievable targets and actions to increase the materials we are diverting from the landfill.

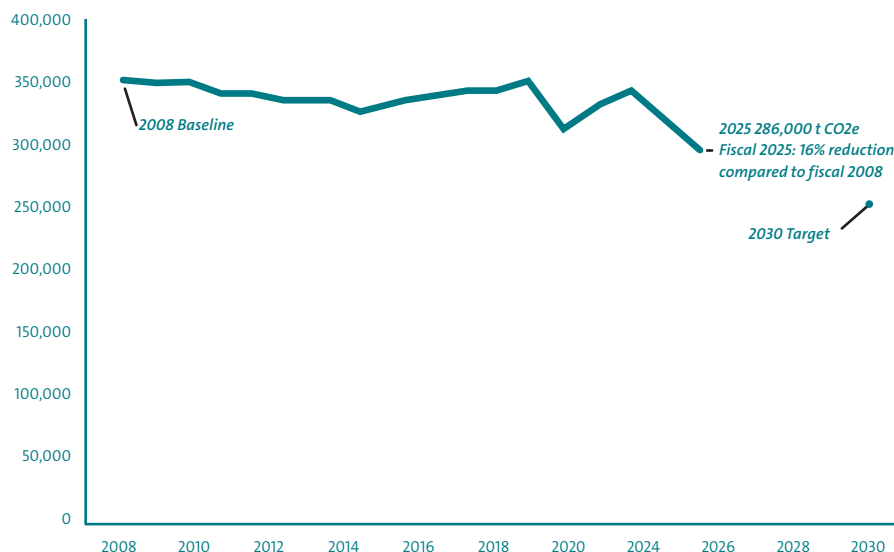
Last year, BC Ferries started to characterize stormwater discharging from its properties to align with best practices. A total of 17 discharges were sampled across six terminals, with analysis performed for water clarity and metals and hydrocarbon content.

Reducing our emissions

Greenhouse gas emissions were approximately 286,000 tonnes CO₂e for fiscal 2025, a decrease of over 11,000 tonnes of CO₂e from the previous year. Fiscal 2025 is approximately 16 percent less GHG emissions compared to fiscal 2008.

In fiscal 2025, we successfully transitioned one of our oldest vessels from using fossil fuel-based diesel to 100% biodiesel. We continue to investigate the use of available biofuels to reduce our GHG emissions, because of their ability to potentially be used as a “drop-in” fuel, meaning that these biofuels are similar to conventional fossil fuels and can be used to power engines on some of our existing vessels and vehicles. We currently use ultra-low sulphur diesel as our main fuel source and are carefully evaluating biofuels on a case-by-case basis to make sure that the fuel is compatible with our existing operations machinery.

Total GHG Emissions



What's ahead

In fiscal 2026, we remain focused on reducing GHG emissions resulting from our operations. We will continue to work with our diesel fuel supplier to trial available biofuels. Our ability to displace conventional fossil fuels with biofuels will depend on our success on a case-by-case basis to make sure that the fuel is compatible with the existing machinery. We also plan to continue transitioning our Commercial Services fleet to renewable diesel as our fleet itself is renewed.

Work is underway to develop a waste reduction plan to increase our waste diversion, an invasive species management strategy, and site-specific stormwater management plans.



Investing in our team

At BC Ferries, we aim to be an employer of choice in BC by offering competitive compensation, supportive health benefits, a safe and inclusive workplace, and long-term career development.

Enhancing the employee experience is a priority for us. We learn what is most important to our employees by engaging directly with them throughout the year. Informed by our employee engagement efforts, we are prioritizing improvements in career and leadership development programs, onboarding, employee digital experience, health and well-being, work-life balance, scheduling, and clearer internal communications.

Our efforts to stabilize our workforce have resulted in a significantly more reliable ferry service for our passengers.

- 71% reduction in crew-related cancellations compared to the prior year.
- 866 new hires, including nearly 670 for the peak season (summer 2024).
- 31,831 personal training days, down slightly from 32,215 days the year prior.
- 17.9% decrease in turnover compared to the prior year.
- 0.3% increase in the number of licenced employees compared to the prior year.

For 2025, we were once again recognized as one of BC's Top Employers. Reasons for our selection included our ongoing employee development including apprenticeships, formal mentoring and in-house training initiatives, as well as our health and retirement benefits offerings. [Learn more.](#)

Recruitment & retention

In prior years, BC Ferries experienced challenges in delivering our target sailings and on-time sailing performance, due to cancellations tied to insufficient crew. Over the past two years, we have made substantial investments in wages, staffing levels, and training to support employee experience and workforce sustainability. Changes made to build and retain our workforce include:

- A one-year general wage adjustment of 1.65% for our unionized team members following last year's significant one-year general wage increase of 7.75%, alongside additional adjustments for many positions.
- Guaranteed hours and shifts for casual employees during both our peak and shoulder seasons. With the backfill capacity available, this has resulted in an increase in approved leave requests, more training and development opportunities across our teams, higher retention levels, and greater work-life balance.
- New employee orientation for our frontline teams that has expanded from 1 day to 2 days, supporting a stronger start to our team members' career journeys.
- Investments into changing schedules and shift patterns to improve our people's work-life balance and well-being.
- We've increased the housing subsidy where accommodations are difficult to find.

In fiscal 2025, we achieved a significant drop in crew-related sailing cancellations, with an overall reduction of 71% compared to fiscal 2024 — and no cancellations on our major routes in fiscal 2025 due to lack of crew availability. Thanks to the efforts of our teams, we were able to advance recruitment strategies and capabilities to support additional hires. This ensured sufficient staffing volumes, guaranteed shifts for casual workers, and provided greater supports to staff working in remote locations.

These initiatives have significantly improved crew availability and will support further workforce retention strategies. We recruited nearly 670 new crew members to support customers during the peak operating season, offering improved work-life balance through more regular schedules and guaranteed hours.



Diversity, equity and inclusion

We are dedicated to fostering a respectful, inclusive and diverse workplace, free from bullying, harassment and discrimination. Our *Respectful Workplace Policy* underlines our commitment to a space where our workers are included, valued, and respected and where they can connect, belong, and grow.

In accordance with BC's Pay Transparency Act, we posted our [first pay transparency report](#) on November 1, 2024. Collecting gender data is a crucial step in our journey toward greater equity. It allows us to identify and better address any pay disparities within our organization and to develop strategies that ensure fairness and inclusivity for all employees. Looking at the findings, much of the pay gap is driven by the fact that women have been historically underrepresented in higher-paying technical and trade unionized positions in the marine sector.

Earlier this year, we launched our first Employee Resource Group, *Women in Industry*, which centres the needs of women at BC Ferries in deck, engineering, and trade roles and is open to all employees who share the group's interests, values, and goals.

Training and development

Training and developing our people is critical to delivering a safe and reliable service. Ensuring our people have the competencies to fully and safely perform in their role, as well as opportunities to develop into new roles, is an essential element of our People Strategy. Most of the learning and development that we offer is conducted in-house, with over 750 employees working as part-time trainers. The future will see an expansion of our learning and development offerings, more online and blended learning opportunities, alongside improvements to our learning management system.

In fiscal 2025, over 31,500 days of training activities were completed by Operational Training and the Standardized Education and Assessment ("SEA") Program. These programs not only maintain BC Ferries' compliance with all regulatory and legislative requirements but also play a pivotal role in maintaining the safety of our staff. This year, a significant amount of work went into ensuring our courses contained the

most up-to-date content, were built around adult learning principles, and were more easily accessible by the diverse needs of our employees. Further, this year saw renewed focus on the 4th phase of our in-house, job-specific SEA training program. While Phase 4 previously existed, it was not widely used. This year, we provided the tools needed to make it easier to implement. Finally, we have expanded our focus on learning and development to include leadership and talent development. This year, we kicked off the design work for a suite of leadership development programs aimed at leaders of all levels with implementation planned for next year.

What's ahead

Looking ahead, we continue to look for opportunities to support our employees' overall wellbeing and growth, and we plan to further expand our learning and development programs and offerings.

Later this year, BC Ferries and the BC Ferry & Marine Workers' Union (BCFMWU) will enter negotiations for a new collective agreement for our unionized team members.

To enhance our recruitment and retention strategies, we are significantly upgrading our HR systems and identifying opportunities to improve our processes to support our people. This modernization will improve employee interactions from onboarding through to retirement, so we can more quickly adapt to what they need and be more responsive to changing market conditions. These initiatives have also been flagged as key opportunity areas by our employees — and are central to improving employee experience.

To support our diversity, equity and inclusion efforts, we will be introducing formal, in-person training for all employees to further embed and reinforce our *Respectful Workplace Policy*. We will be developing a comprehensive strategy and action plan that supports equitable opportunities and outcomes for all employees across our organization. We're also hoping to grow the number of employee resource groups that will help to create a culture of connection within the organization and encourage greater understanding and inclusion.

Achieving financial stability

BC Ferries operates on a cycle of four-year performance terms, providing ferry services under the Coastal Ferry Services Contract with the Provincial Government. In each performance term, fares are maintained under an average fare cap set by the BC Ferry Commission.

In the current performance term (April 1, 2024 through March 31, 2028), based on operating and capital costs a sizeable increase in fares was needed. In support of the ferry system, a one-time financial contribution by the Province has temporarily offset the required fare increases to ferry ridership in the current performance term.

During PT6, the Province provided a \$500 million contribution ("Fare Affordability Funding") to support fare increases capped at 3.2%, helping maintain affordability despite the rising costs to serve a very diverse ferry network that includes both highly populated/high growth communities, as well as remote communities with small populations. As financial pressures continue to grow, particularly with the aging fleet and expanding service demands, it will be essential to carefully consider the investments needed to support a sustainable and reliable ferry system for the long term.

In fiscal 2025, our revenues increased \$60.5 million or 5% compared to the prior year, primarily the result of Fare Affordability Funding from the Province, fare increases, higher vehicle and passenger traffic volumes on the major routes

and higher net retail revenue, partially offset by lower fuel surcharges and lower carbon credit sales. In fiscal 2025, our operating expenses increased \$95.6 million or 9% compared to the prior year, primarily due to inflationary pressures, including higher wage rates, higher maintenance expenses, increased fuel prices, and higher depreciation expenses.

We continue to forecast expenses exceeding revenues through the remainder of this performance term. This trajectory requires on-going partnership and support between BC Ferries and the Province to determine an acceptable service level plan and fiscally sustainable, long-term funding solution.

In the interim, to help address the escalating cost pressures, we've taken steps to improve efficiency and protect against risk:

- Substantively reduced spend in certain areas through administrative and operational efficiencies, with targeted cost reductions of \$30 million across the business for fiscal 2026.
- Revisited the scope and scale of our capital investments to prioritize safety and reliability, making strategic decisions to defer more than \$900 million in planned project spending past PT6. These deferrals reflect our commitment to living within our fiscal capacity by advancing the most critical projects now, extending the life of existing assets where appropriate, and balancing other investments over time.
- Increased our level of contingency planning to address known risks (traffic, unexpected maintenance, and external cost pressures).

On the revenue side, we introduced fare, parking, and food pricing adjustments effective April 1, 2025 to better align with demand patterns and help offset rising operational costs. At the same time, we expanded savings opportunities by increasing the number of Saver fares to give customers more choice and value, while also helping to manage peak-period congestion and make better use of available capacity across the system.

These changes are aimed at supporting long-term financial sustainability by ensuring continued investment in safe, reliable, and affordable service.

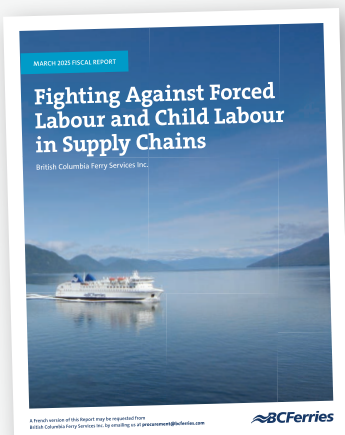
Performance terms

Every four years, BC Ferries sets its four-year business plan – known as a performance term – with the BC Ferry Commission, its independent regulator. BC Ferries is currently in Performance Term 6 (PT6) from April 1, 2024 through March 31, 2028. For each performance term, the regulator sets a price cap for BC Ferries routes, taking into consideration revenues, operating, capital and administrative costs, as well as the service fees and service levels set by the Province.

Did you know?

Currently, 24 of our 25 routes are not in a break-even position, requiring subsidies to compensate for the fact that revenue from customers alone does not support the cost of service. More specifically, our major routes (routes 1, 2, 3 and 30) generate 83.7% of our tariff revenue. In dollar figures, of the \$759.0 million tariff revenue collected in fiscal 2025, \$635.3 million was generated by our major routes.

We provide essential services for families, students commuting to school, workers going to their jobs, and people traveling for medical appointments. For many, these routes represent a lifeline connecting remote and coastal communities to vital services. In fact, BC Ferries offers more service than is required by the Coastal Ferry Services Contract, underscoring its commitment to meeting the needs of these communities.



Fighting Against Forced Labour and Child Labour in Supply Chains

As part of our ongoing commitment to responsible governance and ethical business practices, the Board of Directors has approved a report in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. This report outlines the measures we are taking to ensure that our supply chains are free from forced and child labour.

[Link to F2025 report.](#)



What's ahead

Looking ahead, BC Ferries is preparing for its submission for PT7, a critical step in ensuring the continued success of our ferry services across the coast. We face significant financial pressures, driven by requirements to serve a large number of routes (particularly in remote communities) where revenues do not currently cover costs, higher maintenance costs associated with aging vessels and terminal infrastructure, rising demand on major routes that are already at capacity during peak periods, inflationary costs, and limited revenue sources. These challenges are further compounded by the need to balance long-term strategic investments with the affordability of fares for our customers.

This means that in many cases we're challenged to meet what our customers tell us they expect. Our forecast when the Commission determined the price caps for PT6 showed an approximate 30% fare increase across all routes would be needed starting in fiscal 2028 to simply keep up and manage our operating and capital costs. Since that time, inflation and costs have increased even faster across many aspects of our business and we are facing a growing funding gap as demands on our system increase.

By the end of 2026, BC Ferries will submit a comprehensive, evidence-based case for the investments needed in PT7 to sustain and enhance ferry services. This submission will outline the resources required to meet increasing demand as part of our fleet renewal strategy. As coastal demand continues to grow, we believe that right-sizing and expanding the fleet is essential — not only to replace aging assets, but to ensure we have the capacity and flexibility needed to meet the evolving needs of the communities we serve.

Our goal is to secure the long-term sustainability of the ferry system while continuing to deliver safe, reliable and affordable transportation for British Columbians.



New Major Vessel render

Preparing for the upcoming performance term

BC Ferries operates on a cycle of 4-year terms known as performance terms, as defined in the Coastal Ferry Services Contract (CFSC). BC Ferries operates under regulated tariff price caps set by the BC Ferry Commission each term. Ahead of the next performance term, BC Ferries submits to the British Columbia Ferries Commissioner (the Commissioner) information to assist in establishing the price cap. The fares BC Ferries charges for core ferry services are regulated by the Commissioner, in accordance with the Coastal Ferry Act (the Act). Every four years, the Commissioner establishes a price cap - specified in the CFSC between BC Ferries and the Province of British Columbia (the Province) for the ensuing four-year performance term. The price cap is the maximum permitted ceiling of average ferry fares for each route group in that performance term.

Eighteen months before the start of the next performance term, BC Ferries submits a comprehensive package to the Commissioner that includes: projections of a 12-year capital investment plan, traffic volumes, and expected operating and capital costs needed to deliver the contracted service. Taking into consideration any negotiated amendments to the CFSC, the Commissioner evaluates this submission and determines the allowable fare increases for that term.

In September 2022, BC Ferries filed a 163-page submission that reflected the rising costs of operations seen throughout the industry and globally in the post-COVID environment. Notably, this submission included increased service to a few inter-island routes that were experiencing vehicle capacity constraints due to high demand, and a capital plan reflective of our fleet renewal program, including New Major Vessels and new Island Class vessels. This submission projected the need for a 9.2% fare increase to address these costs and investments. Ultimately the Commissioner approved a 3.2% increase, based on confirmation from the Province that it had committed to provide the \$500 million one-period supplemental Fare Affordability Funding to help address the resulting deficit in PT6.

In PT7, the \$500 million Fare Affordability Funding from the Province will cease. As a result, the previously forecast increase in costs, which has accelerated in the period since, will need to be addressed as part of the submission and regulated price cap determination process. This submission, due September 2026, will incorporate the challenges of growing operating costs, the requirement for extensive asset renewal, the public desire for expanded availability and improved experience, with the cessation of the one-time PT6 Provincial funding support.



Engaging with customers & communities

BC Ferries recognizes the important role we play in the livelihood of coastal communities. We strive to build long-lasting relationships with the customers and communities we serve by involving, listening, and responding to them whenever possible.

Connecting with communities

Our community engagement framework is a system that helps communities, partners, customers, interest holders, and staff understand when and how BC Ferries engages externally and what to expect throughout the process.

Community engagement by the numbers

- 13 community events hosted, up from 12 the previous year.
- 31 Ferry Advisory meetings held, up from 29 the previous year.
- 19 interest holder meetings held, down from 34 the previous year.
- 84 terminal and vessel pop ups (new in fiscal 2025 for Let's Connect: Shaping Future Engagement).
- 20 workshops for *Let's Connect: Shaping Future Engagement*.
- 2,752 participants in the *Let's Connect: Shaping Future Engagement* survey.
- 40,283 visitors to online community and project pages (up by 121% from last year).

New engagement framework

BC Ferries has implemented a new collaborative and inclusive engagement framework designed to strengthen trust, incorporate diverse perspectives, and enhance relationships with coastal communities.

The new framework was developed with community input through the Let's Connect: Shaping Future Engagement process and replaced the Ferry Advisory Committee (FAC) model that was established more than 30 years ago.

Community feedback was gathered through small group workshops, in-community events, meetings, and online tools from elected officials and other government representatives, First Nations, business leaders, FAC members, and other interest holders. In addition to the public feedback, best practice research was conducted with public sector organizations, and an internal assessment process gathered feedback from staff to inform ongoing work to examine internal improvements to community feedback processes.

We are committed to seeking and incorporating local feedback in changes that impact communities and making space for more direct connections with the diverse communities we serve using up-to-date tools and methods.

What's ahead

Moving forward we will use the framework to support how we consult communities during terminal projects, schedule and program development and other practices where community input can be used to inform the final path forward. BC Ferries will continue to evaluate the effectiveness of the framework, learning from experience, and updating it regularly to reflect what's working and what isn't:

- We will measure its success through participation and satisfaction rates, as well as diversity of voices.
- We will gather post-engagement feedback to refine practices in real-time.
- We will review the framework two years after implementation, and every five years after to identify gaps and ensure the framework can evolve to meet the changing needs of coastal communities.

Our commitment is to approach engagement in a transparent, responsive, and continually evolving – so that, over time, engagement at BC Ferries remains inclusive, consistent, and impactful.



Creating coastal connections

The BC Ferries' External Engagement team hit the road – and waters – earlier this year to gather feedback and hear from voices along the coast as part of the *Let's Connect: Shaping Future Engagement* process.

The team hosted pop-up consultations on over 60 ferry sailings and at 24 terminals, engaging in over 850 in-community conversations. This was in addition to community panel surveys, online surveys, quick polls and small group workshops that took place.

Visiting the different communities and hearing from a broad range of voices – including local First Nations and governments, community leaders and the general public – was key to shaping our new community engagement framework.

There were many meaningful moments in communities throughout the ferry system and these heartfelt conversations reflected the deep connection between BC Ferries and the communities we serve.

One weekday morning in February, while travelling on the ferry from Quadra Island to Campbell River, about three dozen students on their way to high school expressed interest in the online survey, an encouraging sign of youth engagement in ferry service planning.

Several students, who are daily passengers, used their cell phones to connect to the survey and complete it during the sailing. Their participation resulted in a higher overall response rate from people under 18 than people in the 18-24 age demographic. Reaching younger demographics can be a challenge through traditional methods, so their interest underscored the importance of digital tools, in addition to face-to-face engagement, in supporting future-focused conversations.

Building strong relationships with First Nations

BC Ferries engages with First Nations on whose lands and waters we operate. BC Ferries negotiated three Relationship Protocols with First Nations in 2022, including with Snuneymuxw First Nation and WJOTÉTP (Tsartlip First Nation). Last fiscal year, we worked with 19 First Nations in the following areas: project engagement, community investment travel, sailing schedules, vessel refits, vessel naming, archaeology and environmental studies, flag raising, and whale strikes.

BC Ferries holds formal relationships and project-level consultation with coastal First Nations Communities and Section 35 Aboriginal rights and title holders, who are both served and impacted by our ferry operations. We recognize that our 30 vessel routes travel through coastal territories, and 47 terminals and berth infrastructure sit on land and marine areas that have been inhabited by coastal First Nations for thousands of years. Additionally, we also engage with other Indigenous partners that call BC home and are served by some of our operational areas.

What's ahead

BC Ferries is committed to advancing meaningful reconciliation efforts. As part of this work, we're developing an Indigenous relations framework. The framework will include a collection of policies, guidelines and strategies to provide strong foundations of our reconciliation efforts. It will ensure that BC Ferries' approach is equitable and replicable to improve relationships with coastal First Nations in whose territories we operate. It will also provide clear guidance for our internal teams working on BC Ferries projects.

Flag raising in Haida Gwaii

On March 2025, the Skidegate Band Council, the Council of Haida Nation, the Mayor of Daajing Giids, elders and community members, and BC Ferries President and CEO Nicolas Jimenez and other BC Ferries employees joined to raise the Council of Haida Nation flag at GuuhlGa the Skidegate BC Ferries Terminal. This ceremony follows the Nation's historic signing of the Haida Title Lands Agreement with the federal government in late February 2025. The agreement was decades in the making and recognizes Haida Aboriginal title to the lands of Haida Gwaii.

The ceremony marked an opportunity for the Nation and BC Ferries to build a stronger partnership and was followed by meetings with community leaders to discuss issues important to the Nation.



Supporting our communities

BC Ferries supports non-profit groups and community organizations with the intention to generate a beneficial social and environmental impact. BC Ferries engages coastal communities and employees to identify community and social investment opportunities in one of three categories: environmental education, health and sport, and vibrant communities.

Depending on the initiative, BC Ferries may provide in-kind travel, partner with non-profit organizations on the delivery of programs and services or encourage employees to volunteer and participate.

In fiscal 2025, the BC Ferries Community Investment team:

- Received over 633 requests for community giving – a 17% increase over the previous year.
- Offered \$65,545 of in-kind travel support to 236 community events, fundraisers and environmental initiatives that were received through an online application process and qualified under the pillars of support, while the total in-kind travel was down from \$74,000 the year prior, we supported a greater number of community events, fundraisers and initiatives up from 213 the year prior.

Several individual events of note the Community Investment program supported in fiscal 2025:

- Persephone Boat Restoration project.
- Seaspans Women in Marine Industry.
- Travel Grant for First Nation Elders.
- Canadian Blood Services – Vancouver Island.
- Ocean Falls Veterans Headstone Restoration – Prize Package.
- AVICC AGM & Convention – Prize Package.
- Salt Spring Arts Council.
- Haida Gwaii Museum Society.
- 2024 Business Excellence Awards – Port Hardy Chamber.
- Victoria Jazz Society.
- BC Law Enforcement & Firefighters Memorials.

Sponsorship of annual events and organizations:

- viaSport – BC Ferries Sports Experience Grant.
- PRISMA music festival – presenting sponsor.
- Nicholas Sonntag Tide Pools.
- Powell River Kings.
- BC Bike Race.
- Cops for Cancer.

In-kind travel was offered for several First Nations and Indigenous events, including youth conferences: Tears to Hope, Hope & Health 10-year celebration at BC Place, Nuxalk and the 42nd annual Tlell Fall Fair in Haida Gwaii.

We will be reviewing our community investment program in the coming year to ensure equitable and beneficial support is provided to the coastal communities we serve.

BC Ferries partners with Invictus Games

BC Ferries partnered with Invictus Games Vancouver/Whistler 2025 to become a Friend of the Games, providing in-kind advertising and travel support for competitors, their families, and volunteers. The seventh Invictus Games took place in Vancouver and Whistler from February 8 to 16, 2025. This global event brought together up to 550 competitors from up to 25 nations to participate in adaptive sports, inspiring recovery and resilience among Veterans, active service members, and their families.

Through this partnership, BC Ferries reinforced its commitment to supporting the diverse needs of BC's coastal communities, honouring the dedication and sacrifices of those who have served their country, including many of BC Ferries' own employees who have a history of military service.

Performance against strategic targets fiscal 2025

		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	0.85	0.88	0.85
	RESULT	0.52	0.95	1.15	0.94			
Passenger Safety Index # passenger injury incidents / 1,000,000 passengers	TARGET	6.95	6.90	3.50	2.50	0.84	1.30	1.13
	RESULT	3.07	1.79	1.58	0.84			
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%	84%	85%	83.5%
	RESULT	89.1%	85.6%	85.0%	83.2%			
Customer Satisfaction	TARGET	4.12	4.05	4.12	4.05	4.10	4.05	4.08
	RESULT	3.97	4.07	4.00	4.03			
Financial Targets net of regulatory adjustments								
EBITDA including subsidiaries (\$ millions)	TARGET	269.9	257.1	256.2	181.5	180.2	152.8	183.6
	RESULT	267.5	283.9	231.8	174.8			
Net Earnings (\$ millions)	TARGET	26.1	24.4	7.7	-56.8	-81.6	-88.6	-69.0
	RESULT	21.6	47.2	-2.7	-65.4			

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

EBITDA – Net earnings adjusted for the impact of regulatory assets and liabilities and before interest, taxes, depreciation and amortization.

Regulatory Net Earnings – Net earnings adjusted for the impact of regulatory assets and liabilities.



Horseshoe Bay Terminal

Our routes




















Legend







- 1 Tsawwassen – Swartz Bay
- 2 Horseshoe Bay – Departure Bay
- 3 Horseshoe Bay – Langdale
- 4 Fulford Harbour – Swartz Bay
- 5 Swartz Bay – Southern Gulf Islands
- 6 Vesuvius Bay – Crofton
- 7 Earls Cove – Saltery Bay
- 8 Horseshoe Bay – Bowen Island
- 9 Tsawwassen – Southern Gulf Islands
- 10 Port Hardy – Prince Rupert
- 11 Prince Rupert – Haida Gwaii
- 12 Brentwood Bay – Mill Bay
- 13 Langdale – Gambier Island – Keats Island
- 17 Comox – Powell River
- 18 Powell River – Texada Island
- 19 Nanaimo Harbour – Gabriola Island
- 20 Chemainus – Thetis Island – Penelakut Island
- 21 Buckley Bay – Denman Island
- 22 Denman Island – Hornby Island
- 23 Campbell River – Quadra Island
- 24 Quadra Island – Cortes Island
- 25 Port McNeill – Sointula – Alert Bay
- 26 Skidegate – Alliford Bay
- 28 Port Hardy – Bella Coola
- 28a Bella Bella – Ocean Falls – Shearwater – Bella Coola
- 30 Tsawwassen – Duke Point

Southern Gulf Island Routes

ROUTE 9 = TSAWWASSEN SERVICE FOR PENDER, SATURNA, MAYNE, GALIANO, SALT SPRING
ROUTE 5 = SWARTZ BAY SERVICE FOR PENDER, SATURNA, MAYNE, GALIANO

Our fleet

Vessel	Year Built	MAXIMUM CAPACITY	
			AEQ*
 Spirit of British Columbia	1993	2,100	358
 Spirit of Vancouver Island	1994	2,100	358
 Coastal Celebration	2008	1,604	310
 Coastal Inspiration	2008	1,604	310
 Coastal Renaissance	2007	1,604	310
 Queen of Coquitlam	1976	1,494	316
 Queen of Cowichan	1976	1,494	312
 Queen of Oak Bay	1981	1,494	307
 Queen of Surrey	1981	1,494	307
 Queen of New Westminster	1964	1,332	254
 Queen of Alberni	1976	1,200	280
 Northern Adventure	2004	500	87
 Northern Expedition	2009	638	115
 Northern Sea Wolf	2001	200	35
 Salish Orca	2016	600	138
 Salish Eagle	2017	600	138
 Salish Raven	2017	600	138
 Salish Heron	2021	600	138
 Malaspina Sky	2008	462	112

Vessel	Year Built	MAXIMUM CAPACITY	
			AEQ*
 Queen of Cumberland	1992	462	112
 Queen of Capilano	1991	457	87
 Skeena Queen	1997	450	91
 Island Aurora	2019	399	47
 Island Discovery	2019	399	47
 Island Gwawis	2021	399	47
 Island K'ulut'a	2021	399	47
 Island Kwigwis	2021	399	47
 Island Nagalis	2021	399	47
 Quinsam	1982	400	63
 Baynes Sound Connector	2015	150	45
 Quinitsa	1977	300	44
 Pune'luxutth	2006	269	26
 Quadra Queen II	1969	200	26
 Tachek	1969	150	26
 Kahloke	1973	200	21
 Klitsa	1972	150	19
 Kwuna	1975	150	16

^ There are multiple passenger licences for our fleet, the passenger and crew licence listed are the maximum

* Automobile Equivalent (AEQ) is used to determine vessel capacity based on a standard vehicle measure of 6.1 x 2.6 metres, roughly equal to a full-size family vehicle
Vessels are not to scale

