

**\$1,000,000**

Collected for the Harbor Workers Relief Fund after Hurricane Katrina

**600**

Tons of nitrous oxide eliminated by installing muffler and filtration systems on yard equipment

**10**

Charitable projects completed by Manzanillo International Terminal during their 10th anniversary

**31**

Employees hiked the Pacific Crest Trail helping raise \$300,000 for the ALAW Big Hike

**1**  
Company committed to making a difference in 'our' communities

**12,500**

Families depending on Carrix daily to keep working conditions on our docks safe

**200**


Bedspreads provided to low-income people during the winter in Guerrero, Mexico

**\$500,000**

Donated to the University of Washington for research in Marine Environment Science

**93**

Percent reduction in particulate matter by using Liquid Natural Gas yard tractors



“The character of our people is such that they are going to get involved in improving our communities. That’s the kind of people they are, and we want to support and encourage that. Carrix strives to be a local company and a constructive force in each community in which we operate, creating local jobs and supporting local initiatives.”

- Jon Hemingway, CEO

Carrix’s long-standing commitment to social responsibility is one of our core values. We believe it isn’t enough to provide jobs in our communities: we’re part of those communities and, as such, we’re committed to being a constructive force in the lives of our employees and neighbors.

Our engagement is more than economic development, substantial investment in local infrastructure and creating local jobs. We strive to be a leader in better use of public resources, improvement of our environment, helping neighbors in need and bringing our resources and recognized abilities to add value in community endeavors. Our activities should support and complement community development.

Carrix operates in many different environments. Our community engagement in a coastal town in Mexico is different from metropolitan Seattle. No one recognizes those differences better than our local employees.

Access to medical care was an identified need in Colon neighborhoods near Carrix’s Manzanillo International Terminal in Panama while improving air quality and traffic congestion are arguably the most urgent needs at the heavily congested ports of Los Angeles and Long Beach, California.

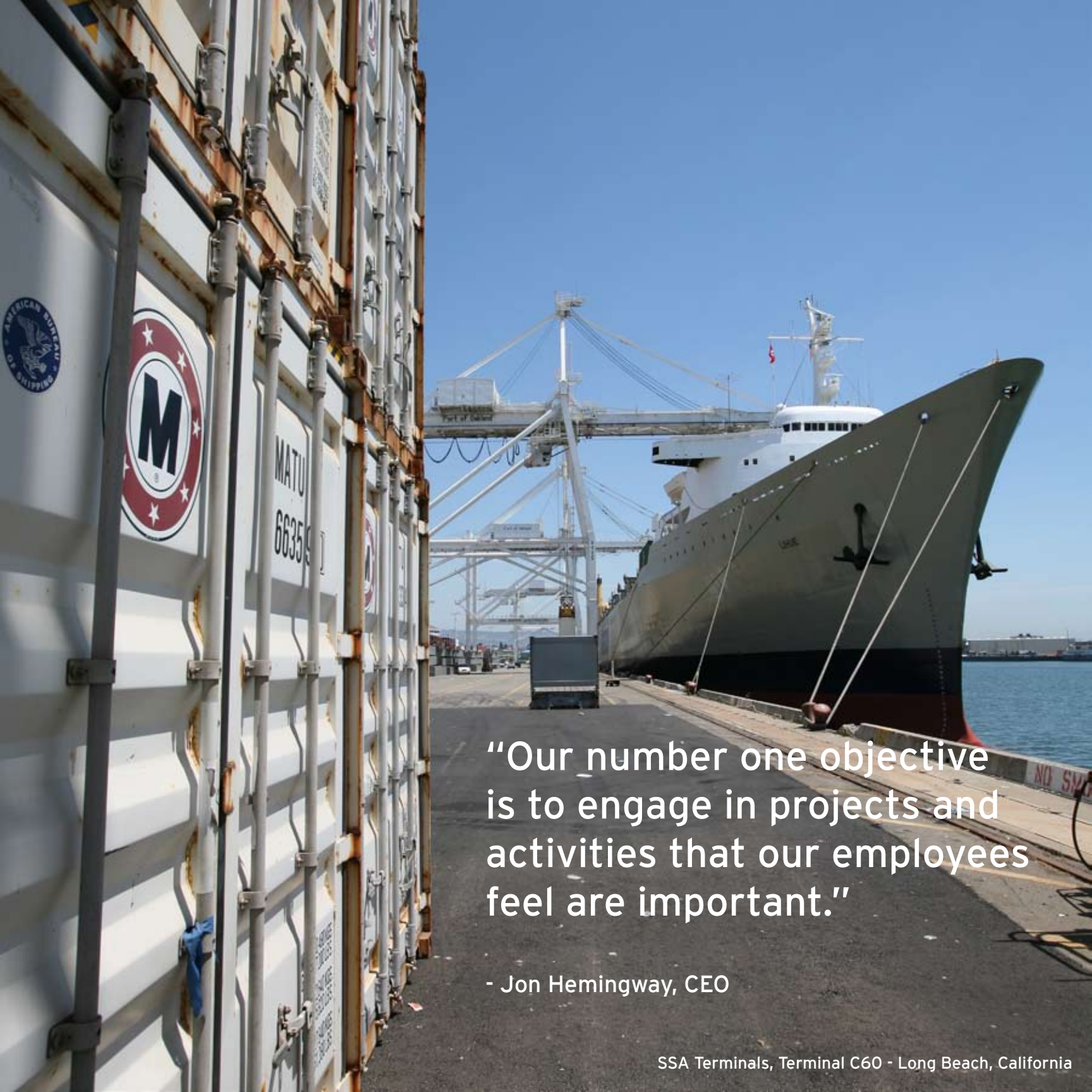
For example, while MIT established an on-terminal medical clinic for our employees in 2005, in 2006 Carrix completed construction of a new medical clinic for the general public in Colon, Panama at a cost of 1.5 million dollars. Policentro de Salud now provides essential services to 75,000 residents of Barrio Norte, Barrio Sur and rural Costa Abajo, some of whom are Carrix employees.

In Southern California, Carrix took the lead in bringing together 13 competitive marine terminal operators, convincing them to jointly develop and implement PierPASS, a program that encourages truckers to call at marine terminals during evening hours. Led by Carrix’s Bruce Wargo, this program has resulted in converting over 30% of daytime terminal truck traffic to evenings, resulting in reduced truck congestion during peak traffic times on the congested freeways around the ports, as well as cutting down on air pollution by reducing idling time at terminal gates. In recognition of the pollution reductions achieved so far, the Port of Long Beach recently recognized Carrix’s initiative with its “Air Quality Improvement Award of Excellence.”

Along with other environmental initiatives and programs, Carrix has converted hundreds of pieces of terminal equipment with new pollution-cutting crank case filters and mufflers and others with diesel oxidation catalysts to cut down on emissions. We are currently testing the possibility of burning liquid natural gas which will reportedly cut air polluting emissions by 98 percent.

As part of being wise stewards of our commercial business, Carrix remains committed to the empirical principles of corporate sustainability. Part of Carrix’s ongoing success is attributed to effectively integrating community and economic development. It’s the right thing to do...and it works!

Carrix’s philosophy of creating value in our communities and in the countries in which we work, encompasses five areas: community support, charitable service, education, safety and environmental stewardship. While some initiatives start at the corporate level, most are generated by our employees and, if approved, receive substantial corporate support. And rather than just contributing our financial resources, we employ our energy and skills to create value far beyond the dollars of our company and employees.



**"Our number one objective is to engage in projects and activities that our employees feel are important."**

**- Jon Hemingway, CEO**

# C O M M U N I T Y

We feel that Carrix management and employees particularly shine in the areas of community service and charitable work...embracing our philosophy of adding value where we live. This service has taken many forms and, what follows, is a representative sample.

In Panama, Manzanillo International Terminal Managing Director, Carlos Urriola said, "We have grown and prospered here, and it's appropriate to give back to our local community. Our projects included some of the more needy areas of our community."

Beyond building the medical clinic, Policentro de Salud, Carrix has set up a home for HIV-AIDS infected children in Colon, rebuilt a baseball stadium in the community of Margarita and repaired domestic water and sewage pumping stations to ensure a healthy water supply for the neighboring community. Carrix has constructed classrooms, community centers, pre-school education facilities, computer and English language laboratories, new fences, cafeterias and the Camino Del Sol Artistic Wall, a project aimed at helping boost tourism associated with Colon's cruise terminal.

In Chile, Carrix provides financial support for three housing projects: Hogar el Redil - housing for runaway children; Hogar Villa Maria - housing for physically and sexually abused girls; and Hogar de Cristo - housing for mentally handicapped elders. Carrix employees participate in Un Techo para Chile - a nationwide housing project in which our employees build six basic homes each year for the poor of San Antonio. Carrix financed 80% of the design and construction of Iglesia Virgen del Puerto: Church and Community Center.

In Cozumel, Mexico, Carrix donated two new police cruisers to assist local law enforcement in the area devastated by Hurricane Wilma.

In Manzanillo, Mexico Carrix remodeled the kitchen of the Casa Hogar Orphanage and donated an industrial washer and dryer. Carrix donated commercial kitchen appliances and provided the materials, time and labor to paint the Asilo de Ancianos Retirement Home.

Carrix sponsors port tours for Canadian and U.S. tourists to raise money which is donated to the Casa Hogar and Asilo de Ancianos to help cover their operating expenses. We also sponsored the Casa Hogar Orphanage Annual Golf Tournament which raised \$25,000. Carrix donated \$2,000 and Carrix employees donated the \$1,200 in prize money they won to the orphanage.

The organizational and leadership skills of our employees in conceiving, organizing and executing these good works creates substantial value beyond just the financial commitment.



Carrix and its employees find ways to support and respond to those in need.

In the U.S. Gulf, Carrix spearheaded the Harbor Workers' Relief Fund to benefit waterfront workers affected by the devastation of Hurricane Katrina. With donations from employees, shipping companies, the longshore unions and other waterfront firms from around the world, the fund raised one million dollars. Thanks to the efforts of our people, working alongside our union leadership, over 99.8% of all funds went directly to those in need, with only 0.2% of resources diverted for administration costs. Remarkable efficiency and management, creating substantial value!

In addition to Carrix employees responding to disasters in their communities, we have a number of continuous philanthropic endeavors. Year after year, Carrix employees surpass fund raising objectives for United Way with 90% employee participation, and Carrix provides matching funds. These Carrix employees also contribute regularly to many other community agencies, such as Meals on Wheels, Salvation Army, Catholic Social Services, Jewish Relief Fund, Juvenile Diabetes Research Foundation and the American Cancer Society.

Carrix takes a leadership role in supporting those who serve us including the U.S. Coast Guard Foundation and the biennial Coast Guard Foundation Pacific Northwest Awards Dinner. In a letter of appreciation, Rear Admiral Richard R. Houk wrote, "The dinner was an overwhelming success, raising over \$470,000 for Coast Guard men and women and their families. Your enthusiasm and commitment to this effort speaks volumes about your high regard for the people of the Coast Guard. Thank you for your tremendous support."

Carrix teams totaling 31 hikers joined the American Lung Association of Washington's 100-year anniversary celebration which raised over \$300,000 from the 500 mile long trek along the Pacific Crest Trail. The Big Hike started July 18 and concluded on September 5, 2005.

Carrix sponsors blood drives in many areas. Without a doubt, a Carrix star performer is Gary Asbury of Houston, Texas. Over six years and 300 visits, he has donated nearly 45 gallons of blood to the Gulf Coast Regional Blood Center.

Carrix donated personal computers to the Integral Development of Families in Manzanillo, Mexico. DIF is a government institution that helps poor families. The computers were installed in a community classroom to assist the teaching of computer classes to help the poor find jobs. Carrix management is currently working with the Manzanillo City mayor's office to raise money to construct a children's playground.

# CHARITABLE SERVICE

Carrix supports education as a core value and, we sustain local schools and universities with donations and scholarships. To encourage higher learning, Carrix has pledged \$1,000,000 to the University of Washington School of Business and \$800,000 to the University of Washington Law School. In 2005 Carrix made a \$500,000 contribution to the University of Washington's Tacoma branch to help establish the Port of Tacoma Chair, an endowment focused on advanced research in marine environmental science. As a locally-based company with a strong commitment to environmental stewardship in Commencement Bay and other waters where we operate, we're extremely proud to support the port and the University of Washington in this endowment.

Throughout the company, employees serve in leadership positions on school boards, volunteer to coach and teach kids and support and finance local student activities and community events. Carrix has an annual scholarship program for employees' children who have achieved scholastic excellence. In 2007, Carrix awarded 15 scholarships totaling \$80,500. Carrix is committed to employee training. The SSA Containers Operations College is an example of how we inform and integrate our employees into our company and core industry. During the last college session, 240 employees received instruction.



# EDUCATION / SAFETY



A historic constant in Carrix's core values has been our commitment to safety. Every employee expects to go home after work. The tragic toll on families whenever an injury or a fatality occurs is so great that Carrix has made safety its number one on-the-job priority. There is zero tolerance on accidents and injuries.

Safety is measurable and the waterfront industry tracks it to the man-hour. In 2006, Carrix subsidiary, SSA Marine, took home several major accident prevention awards, achieving first or second place honors in twelve categories. Beyond the honors and recognition, however, what these awards really mean is that Carrix "walks the walk" as well as "talks the talk". Measures aren't simply numbers; these numbers represent people. Nothing is more important than that.

Carrix has also sponsored a number of safety incentive scholarship programs with our unions, for example, recognizing and rewarding safe operations with scholarships for the children of longshore workers in Longview, Washington.

# ENVIRONMENTAL

Carrix is committed to the core value of improving our environment. As stewards we willingly expend a great deal of time and money in partnership with our port authorities; local, state and federal governments; and environmental groups to mitigate our impact on the environment wherever we work. We are proactive in investing in proven, clean technologies, and we're actively seeking solutions where problems exist.

To bolster our efforts to cut down on vehicle emissions in Washington State, and provide a sufficient base for development of biodiesel distribution in Washington, Carrix converted to burning non-fossil fuel biodiesel for its yard tractors at Seattle Terminals 18 and 25. We've arranged to buy 800,000 gallons of biodiesel per year.

At Carrix's Manzanillo International Terminal in Colon, Panama a shore power electrification project for eight STS cranes and 390 reefer plugs allowed Carrix to eliminate eight diesel 2000KVA power packs for reefers, annually reducing the emission of an estimated 250 tons of nitrous oxides. This, along with our program to replace 12 RTG's, 50 trucks, 20 top handlers and 18 side handlers with new equipment, will significantly reduce particulate and other emissions in this developing region.

To improve air quality at the Port of Long Beach, Carrix made significant environmental improvement commitments to the port as part of our Terminal C60 lease. These covenants mandate the use of CARB verified emission-reducing fuels in our terminal equipment. After September 1, 2007 Carrix will only purchase new equipment which meets these new environmental standards and is committed to a total fleet conversion by September 1, 2011.

At other locations Carrix has retrofitted its tractors, top picks and side picks (over 200) with Diesel Oxidation Converters (DOC) To further assist our air quality improvement effort, Carrix is currently testing liquid natural gas engines at Terminal A in Long Beach to potentially replace over 280 tractors with this low emission fuel. Initial tests have generated a 77% reduction in nitrous oxide emissions and 93% reduction in particulate matter from the test machines. At the same time, we're testing electric yard vehicles with zero emission engines to potentially replace over 325 yard vehicles that currently run on traditional fossil fuels.

In the spirit of developing and applying technology solutions where they're needed most, Carrix has implemented OCR and RTLS technology at our terminal gates which reduces truck turn time and significantly reduces emissions from idling engines.

Recognizing that many harbor truckers are recent immigrants who lack the financial capability to retrofit their trucks with new engines, CEO Jon Hemingway submitted testimony to the U.S. Senate Environment and Public Works Subcommittee on July 12, 2005 in support of a bill to reduce diesel emissions at the nation's ports by providing subsidies to retrofit dirty truck engines. A voluntary, incentive-based federal assistance program, he argued, would "offer the public the most practical and expedient way to see a measurable and immediate opportunity to reduce port air pollution at relatively modest cost." The bill, called the Diesel Emissions Reduction Act of 2005, was sponsored by Sen. George V. Voinovich (Ohio) and drew a broad base of bipartisan support in Congress. Carrix also continues to engage with the ports in California to seek solutions to improve air impacts by truckers without endangering their livelihoods.

Applying a rigorous compliance program, the environmental authorities of the Mexican government offer a "Clean Industry Award" to businesses who have successfully achieved or surpassed the program's stringent requirements. Carrix's operation in Progreso was the first to be awarded. We expect our operations in Cozumel, Acapulco and Manzanillo to be fully compliant within six months.



Carrix 800/422.3505  
www.carrix.com