



transportation
investment
corporation

May 21st, 2021

Mr. John Davison
President and CEO
PSEC Secretariat
Suite 210, 880 Douglas Street
Victoria, B.C.
V8W 2B7

Dear Mr. Davison,

RE: Public Sector 2020-21 Executive Compensation Disclosure for Transportation Investment Corporation

On Behalf of the Transportation Investment Corporation Board of Directors, I confirm the following with respect to executive compensation paid in the 2020-21 fiscal year:

1. The Board is aware of the executive compensation paid in the 2020-21 fiscal year.
2. The compensation information being disclosed is accurate and includes all compensation paid by the employer.
3. The compensation provided was within approved compensation plan and complies with the "Transportation Investment Corporation Compensation Philosophy and Guidelines" dated December 2020.

Yours truly,

Sabine Feulgen
Chair
Transportation Investment Corporation
Board of Directors

**Transportation Investment Corporation
Summary Compensation Table at 2021**

| Name and Position | Salary | Benefits | Pension | All Other Compensation (expanded below) | 2020/21 | Previous Two Years Totals Total Compensation | |
|---|------------|-----------|-----------|---|------------|--|-----------|
| | | | | | | 2019/20 | 2018/19 |
| Amanda Farrell, Chief Executive Officer | \$ 277,674 | \$ 11,078 | \$ 27,351 | \$ 9,701 | \$ 325,805 | \$ 336,767 | \$ 94,231 |
| David Stewart, Chief Operations Officer | \$ 173,440 | \$ 9,588 | \$ 17,084 | \$ 3,540 | \$ 203,652 | \$ 184,653 | - |
| Donald Trapp, Acting Executive Project Director (GMC) | \$ 161,005 | \$ 9,410 | \$ 15,859 | - | \$ 186,274 | \$ 140,966 | - |
| James Harvey, In-House Counsel | - | - | - | - | - | \$ 60,864 | - |
| Johanna Navas, Executive Director Commercial | \$ 203,072 | \$ 10,011 | \$ 20,003 | \$ 13,293 | \$ 246,379 | \$ 59,839 | - |
| Kim Anderson, Executive Project Director (RBCM) | \$ 77,494 | \$ 6,824 | \$ 7,633 | \$ 1,125 | \$ 93,076 | - | - |
| Lisa Gow, Executive Project Director (BSP) | \$ 160,028 | \$ 9,396 | \$ 15,763 | \$ 15,763 | \$ 188,726 | \$ 45,424 | - |
| Mike Lorimer, Executive Project Director (KHC4) | \$ 164,962 | \$ 9,467 | \$ 16,249 | \$ 16,249 | \$ 198,048 | \$ 61,029 | - |
| Wendy Itagawa, Executive Project Director (PBR) | \$ 206,665 | \$ 10,063 | \$ 20,356 | \$ 20,356 | \$ 239,849 | \$ 50,174 | - |

**Transportation Investment Corporation
Summary Other Compensation Table at 2021**

| Name and Position | All Other Compensation | Severance | Vacation Payout | Paid Leave | Vehicle Allowance | Perquisites/ Other Allowances | Other |
|---|------------------------|-----------|-----------------|------------|-------------------|----------------------------------|-------|
| Amanda Farrell, Chief Executive Officer | \$ 9,701 | - | - | - | \$ 6,936 | \$ 2,765 | - |
| David Stewart, Chief Operations Officer | \$ 3,540 | - | - | - | - | \$ 3,540 | - |
| Donald Trapp, Acting Executive Project Director (GMC) | - | - | - | - | - | - | - |
| James Harvey, In-House Counsel | - | - | - | - | - | - | - |
| Johanna Navas, Executive Director Commercial | \$ 13,293 | - | \$ 13,293 | - | - | - | - |
| Kim Anderson, Executive Project Director (RBCM) | \$ 1,125 | - | - | - | - | \$ 1,125 | - |
| Lisa Gow, Executive Project Director (BSP) | \$ 3,540 | - | - | - | - | \$ 3,540 | - |
| Mike Lorimer, Executive Project Director (KHC4) | \$ 7,370 | - | \$ 6,320 | - | - | \$ 1,050 | - |
| Wendy Itagawa, Executive Project Director (PBR) | \$ 2,765 | - | - | - | - | \$ 2,765 | - |

**Transportation Investment Corporation
Notes**

| Name and Position | Notes |
|---|--|
| Amanda Farrell, Chief Executive Officer | General Note: Ms. Amanda Farrell's base salary was increased effective June 01, 2020. The increase was based on her performance for the period of April 01, 2019 to March 31, 2020. Perquisites/Other Allowances: Parking Benefit |
| David Stewart, Chief Operations Officer | General Note: Mr. David Stewart's base salary was increased effective April 01, 2020. The increase was based on his performance for the period of April 01, 2019 to March 31, 2020. He was promoted to the position of Chief Operations Officer effective January 01, 2021. Perquisites/Other Allowances: Parking Benefit |
| Donald Trapp, Acting Executive Project Director (GMC) | General Note: Mr. Donald Trapp base salary was increased effective April 01, 2020. The increase was based on his performance for the period of April 01, 2019 to March 31, 2020. He was promoted to the position of Acting Executive Project Director (GMC) effective Jan 01, 2021. |
| Johanna Navas, Executive Director Commercial | General Note: Ms. Johanna Navas's base salary was increased effective April 01, 2020. The increase was based on completing her probation during the period of April 01, 2019 to March 31, 2020. Her employment with TI Corp ended on March 31, 2021. |
| Kim Anderson, Executive Project Director (RBCM) | General Note: Ms. Kim Anderson was seconded to TI Corp effective November 01, 2020. Perquisites/Other Allowances: Parking Benefit |
| Lisa Gow, Executive Project Director (BSP) | General Note: Ms. Lisa Gow's base salary was increased effective April 01, 2020. The increase was based on her performance for the period of April 01, 2019 to March 31, 2020. Perquisites/Other Allowances: Parking Benefit |
| Mike Lorimer, Executive Project Director (KHC4) | General Note: Mr. Mike Lorimer's base salary was increased effective April 01, 2020. The increase was based on his performance for the period of April 01, 2019 to March 31, 2020. Perquisites/Other Allowances: Parking Benefit |
| Wendy Itagawa, Executive Project Director (PBR) | General Note: Ms. Wendy Itagawa's base salary was increased effective April 01, 2020. The increase was based on her performance for the period of April 01, 2019 to March 31, 2020. Perquisites/Other Allowances: Parking Benefit |



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Compensation Philosophy and Guidelines

December 2020

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Appendix A: Salary Ranges

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About Transportation Investment Corporation

Transportation Investment Corporation (TI Corp) is governed by a Board of Directors and is a wholly owned subsidiary of the BC Transportation Financing Authority (BCTFA).

Vision

To be a recognized leader in the management and delivery of complex major transportation infrastructure projects.

Mandate

TI Corp supports the Ministry of Transportation and Infrastructure and the BCFTA in meeting its infrastructure delivery needs by providing leadership, expertise and consistency in the delivery of complex infrastructure projects to deliver measurable benefits for taxpayers.

1. Compensation Philosophy

To achieve its business and operational objectives TI Corp must rely on the contribution of its employees, and the organization's compensation program plays a key role in its ability to attract, motivate and retain quality employees.

The organization is committed to a total compensation perspective that views compensation as including both cash and non-cash compensation.

2. Executive Compensation

As per current Provincial mandate, executive compensation is disclosed annually. The report is available at <https://www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/crown-corporations/transportation-investment-corporation>

3. Core Principles

TI Corp’s compensation philosophy and plan are aligned to a common compensation philosophy with the BC Public Sector and embodies the following four core principles:

| | |
|------------------------|--|
| Performance | Our compensation program supports and promotes a performance-based organizational culture. |
| Differentiation | Differentiation of salary is supported where there are differences in the scope of the position within the organization, and/or due to superior individual team contributions. |
| Accountability | Compensation decisions are objective and based on a clear and well-documented business rationale that demonstrates the appropriate expenditure of public funds. |
| Transparency | Our compensation program is designed, managed and communicated in a manner that ensures the program is clearly understood by employees and the public, while protecting individual personal information. |

4. Benchmarking

TI Corp recognizes that a key component of an effective compensation philosophy is benchmarking to the relevant external labour market. Given the unique mandate of TI Corp, as a professional delivery services Crown corporation for major transportation infrastructure, the appropriate comparator market is defined as one that balances public sector equity and industry-specific technical comparability.

4.1 Benchmarking Methodology

TI Corp will conduct external compensation reviews at the discretion of the TI Corp Board of Directors. Such external reviews will include analysis of total compensation (cash and non-cash) paid by appropriate comparison organizations to positions comparable to those at TI Corp.

TI Corp has determined that its appropriate external labour market reference point consists of a composite of the British Columbia public sector and comparable private sector. This composite allows TI Corp’s compensation structure to reflect the unique knowledge and experience sought through the recruiting process, and to manage the retention challenges inherent in an organization utilizing high demand, specialized talent.

Through a combination of direct survey (conducted by a third-party service provider) and information obtained through the Public Sector Employers’ Council, data is analyzed from the following sources:

“**Public Sector**” includes relevant comparators within BC (e.g., Ministry, Crown Corporations, health sector, post-secondary education sector).

“**Private Sector**” includes relevant comparators within BC and across Canada (primarily construction and professional services organizations)

For positions of an administrative nature, where skills are more readily available and easily transferable to other organizations, the BC Public Service will be utilized as the primary benchmarking comparator.

5. Cash and Non-Cash Compensation

Total compensation includes both cash, and non-cash, compensation.

5.1 Cash Compensation

Cash compensation is targeted to be at the mid-point of the range, with a range minimum of 20% below mid-point, and a range maximum of 20% above the mid-point.

As an example, the range for a targeted base salary of \$100,000 (the mid-point) would be a minimum of \$80,000 and a maximum of \$120,000.

5.1.1 Salary Ranges

Salary ranges have been established for the following employee groups:

- CEO
- Executive Directors
- Associate Directors
- Senior Managers
- Administration

Please see Appendix A for a table containing the current salary ranges for all positions within the organization. In rare cases, TI Corp believes they may need to retain highly specialized skills for specific positions. In the event this occurs, TI Corp will seek the approval of the Minister responsible for the Public Sector Employers Act for an exception prior to competing such a role.

5.2 Non-Cash Compensation

Non-cash compensation includes the following statutory and non-statutory benefits:

| | | |
|--|---|---|
| Statutory Holidays Vacation Maternity, Parental and Pre-Adoption Leave Allowances Group Life Insurance Discretionary car and parking allowances ¹ | Short-Term Illness and Injury Long-Term Disability Medical Services Plan Extended Health and Dental Employee and Family Assistance Health Spending Account | Canada Pension Employment Insurance Workers' Compensation Employer Pension Retiring Allowance |
|--|---|---|

¹ CEO, COO, Vice President, EPDs

6. Compensation Reviews

On an annual basis, TI Corp conducts an internal compensation review in conjunction with its assessment of employee performance. This review determines individual employee movement within the approved salary ranges (see Section 8).

7. Base Salary Management

Every TI Corp position is assigned a salary range based on the composite market mid-point. The market mid-point should be equal to the salary typically paid in the composite market to competent performers in a comparable position.

Generally speaking, new employees developing in the position would be paid between the minimum and the mid-point. Staff will progress through the salary ranges as they develop skills and competence and are promoted.

Placement and movement within the salary range is based on an employee's performance and competence level in the role. The following illustrations show how progression through a salary range reflects performance and/or competency growth:

FIGURE 1: PERFORMANCE-BASED

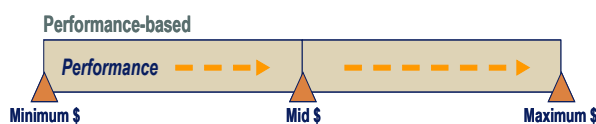


FIGURE 2: COMPETENCY-BASED



An employee who consistently performs all aspects of the position in a fully competent manner would be paid at or near the market mid-point.

In order to merit a salary increase, which would place an employee's salary above the market mid-point, an employee would have to demonstrate performance during the year which clearly surpasses the fully competent level. An employee who reaches this level of excellence does so through unique and exceptional application of knowledge, skills and/or effort over a consistent, sustained period.

7.1 Competence Ratings for Salary Movements

Employee competence is assessed and assigned one of the following overall ratings for salary movements:

- Developmental
- Fully Competent
- Exceptional

8. Determining Salary Increases

An employee's competence rating and current placement within the existing salary range are used in determining annual salary increases. The application of employee competence and position in the salary range to determine salary increases is illustrated in the table below.

TABLE 1: SALARY INCREASE GRID - GUIDELINES

| Employee's Competence Rating | Employee's Present Salary within Current Salary Range | | |
|------------------------------|---|--------------|------------------|
| | At Range Minimum | At Mid-Point | At Range Maximum |
| Developmental | 2-5% | 0-2% | 0% |
| Fully Competent | 3-6% | 1-3% | 0% |
| Exceptional | 4-7% | 2-5% | 0% |

An employee's performance is assessed each year and changes in salary are determined accordingly. In a year in which an employee does not substantially achieve their performance plan goals, the company may not increase the employee's salary, or may increase the employee's salary by less than the salary increase grid.

An employee may not remain at the same position (i.e. mid-point) within the respective salary range should the range be amended.

Actual employee base salary increases are assessed by management and awarded within the Board-approved overall compensation budget.

8.1 Salary Increase exceptions

Exceptions to annual salary reviews and resulting increases would be subject to any mandate or directive issued by the Minister of Finance regarding a salary freeze.

Below is a record of such directives and their resulting impact:

TABLE 2: SALARY IMPACT HISTORY

| Date | Summary | Impact | Appendix |
|-----------------|--|---|------------|
| August 31, 2020 | Executive compensation freeze for 2020/21 performance year | 0% salary increase on April 1, 2021 for executive positions: <ul style="list-style-type: none"> - CEO - COO - VP | Appendix B |

Appendix A

Salary Ranges

| Positions | Minimum | Median | Maximum |
|---------------------|-----------|-----------|-----------|
| Executive Directors | \$138,000 | \$172,500 | \$207,000 |
| Associate Directors | \$99,000 | \$126,500 | \$154,000 |
| Senior Managers | \$69,000 | \$95,000 | \$121,000 |
| Administration | \$42,000 | \$49,875 | \$57,750 |

| Level | Title |
|---------------------|--|
| Executive Directors | Executive Project Directors Chief Financial Officer Scheduler Quantity Surveyor Quality Director |
| Associate Directors | Associate Project Directors Directors, Finance Director, Corporate/Strategic Initiatives |
| Senior Managers | Senior Project Managers Manager, Communications Manager, Corporate Planning |
| Administration | Executive Assistants |

Appendix B



August 31, 2020

394188

SENT VIA EMAIL

Dear Board Chair:

As you know, the COVID-19 pandemic has challenged and changed our province, and the Government is doing everything it can to invest in people, businesses and communities to see them through the pandemic and build back better.

At our July fiscal update, I provided new information about the impact the pandemic has had on the province's fiscal plan, and on employment, consumer and business behaviour. We are still dealing with a high level of uncertainty regarding the magnitude and duration of the economic decline caused by the pandemic.

It is too soon to speculate on the length of time it will take to return to a scenario where our economy is back to pre-pandemic levels of activity. We do know that many working people in our province have not fared as well as others. That is why we have introduced amendments to the *Economic Stabilization Act* to ensure that we have the resources and flexibility we need to support British Columbians and businesses during the COVID-19 pandemic, as well as the start of economic recovery. We will all have to do our part, however, to assist in getting B.C. back into shape in the months ahead.

As such, you can expect a comprehensive economic recovery plan in September and an initial review of the impact of relief measures taken so far. Today, the Province's Public Accounts for the 2019/20 fiscal year will be released. Consistent with past practice, the annual executive compensation disclosure will be also part of that release.

Additionally, I will announce a direction for a policy to freeze executive compensation for the 2020/21 performance year. Effective today, public sector employers currently subject to compensation plans under the *Public Sector Employers Act* will be required to amend their plans to indicate there will be no increases or adjustments paid to executive-level employees for the 2020/21 performance year.

The amended plans must be submitted to the Public Sector Employers' Council Secretariat by October 31, 2020 for approval. In cases where executives are covered by individual contracts, Boards must acknowledge that no performance increases or adjustments will be actioned by

.../2

them for the 2020/21 performance year. The executive compensation freeze policy applies to Crown agency CEOs, Vice Presidents, and comparable executive roles within your organization.

I believe the leaders and key decision-makers of our public sector, those we depend on to ensure the smooth operation and provision of services to people, understand the challenges ahead and the important steps we need to take to support B.C.'s economic recovery. In advance, I want to thank our public sector CEOs and executives for their exceptional leadership in these unprecedented times, and your continued efforts in supporting B.C.'s response to the pandemic.

Sincerely,

A handwritten signature in blue ink that reads "Carole James". The signature is written in a cursive, flowing style.

Carole James
Minister and Deputy Premier