

STATEMENT OF EXECUTIVE COMPENSATION 2018/19

Excluded Compensation Philosophy

Objectives

The Commission's Excluded Compensation (ECP) has been updated to reflect the changes outlined in the *B.C. Public Sector Employers' Guide to Accountable Compensation* which came into effect 1 September 2018. The Commission's ECP meets the direction provided by PSEC while ensuring the organization is well placed to attract, recruit and retain the necessary talent pool to meet its corporate strategy and goals.

With Board and Executive oversight and approval, the ECP ensures alignment in a manner consistent with the broader public sector to strengthen accountability and promote cost control. The ECP demonstrates alignment with other broader public sector compensation plans demonstrating greater rigor and consistency by following key Government recommendations. The Commission's ECP must align with the mandate of the province, through the Public Sector Employers' Council Secretariat (PSEC).

The Commission's approved excluded compensation plan supports and adheres to the following four core operating principles:

Excluded Compensation Philosophy Core Principles

Performance

- Ensure corporate mandate of regulatory compliance is achieved
- Ensure fairness to the employer who recruits and retains required staff to achieve mandate
- Align employees with the Commission's strategic objectives by ensuring that annual, merit-based increases reflect individual, divisional, and organizational performance
- Implement fair, transparent and consistent annual merit-based performance management practices

Differentiation

- Ensure fair, equitable, flexible, and competitive merit-based compensation is applied
- Recognize special individual and team accomplishments
- Balance internal equity with external competitiveness
- Ensure financial sustainability by being fair to the employee who performs the job

Accountability

- Ensure Board of Director's governance for the CEO compensation is consistent with Government mandate
- Establish market appropriate benchmark comparisons to determine most appropriate compensation to support the recruitment and retention of talented leadership
- Apply role assignment and classification consistent with the BC Oil and Gas Commission's Management Classification and Compensation Framework (MCCF)

Transparency

- Communicate and publish the excluded compensation philosophy and all updates internally as well as externally as mandated by legislation
- Develop and utilize fair, just, consistent, and easy to implement staffing practices
- Report to PSEC the terms and conditions of employment for employees who have a base salary over \$125K
- Report publically as requested and in accordance with the Financial Information Act (FIA) all employees who earn a base salary over \$75K.

Summary Compensation Table for 2018/2019

Name and Position	Salary	Holdback/ Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2018/19 Total Compensation	2017/2018 Compensation	2016/17 Compensation
Paul W Jeakins , Commissioner, Chief Executive Officer	\$205,888		\$5,211	\$20,280	\$1,305	\$232,684	\$229,953	\$226,622
Len Dawes , Executive Vice President, Chief Financial Officer	\$180,970		\$6,408	\$17,826		\$205,204	\$197,923	\$140,888
Mayka Kennedy , Executive Vice President, Chief Engineer	\$180,970		\$6,315	\$17,826	\$4,616	\$209,727	\$206,097	\$190,135
Kenneth F Paulson , Executive Vice President, Chief Operating Officer	\$180,970		\$5,879	\$17,826	\$1,305	\$205,980	\$200,656	\$197,711
Trevor P Swan , ⁽¹⁾ Executive Vice President, Chief Legal & Regulatory Officer	\$117,238		\$1,772	\$11,548	\$753	\$131,311	\$204,476	\$193,443
Ines Piccinino , ⁽²⁾ Executive Vice President, Legal and Regulatory Affairs	\$58,438		\$4,664	\$5,756		\$68,859		

Notes:

- (1) T. Swan on secondment effective 25 November 2018
- (2) I. Piccinino start date 3 December 2018

Summary Other Compensation for 2018/2019

Name and Position	Total of Other Compensation	Vacation Payout	Leave Payout	Notes	Employer Paid Parking
Paul W Jeakins , Commissioner, Chief Executive Officer	\$1,305				\$1,305
Len Dawes , Executive Vice President, Chief Financial Officer					
Mayka Kennedy , Executive Vice President, Chief Engineer	\$4,616	\$4,616			
Kenneth F Paulson , Executive Vice President, Chief Operating Officer	\$1,305				\$1,305
Trevor P Swan , Executive Vice President, Chief Legal & Regulatory Officer	\$753				\$753
Ines Piccinino , Executive Vice President, Legal and Regulatory Affairs					