



May 2nd, 2016

Ms. Christina Zacharuk
President and CEO
PSEC Secretariat
2nd Floor, 880 Douglas Street
Victoria, B.C.
V8W 2B7

Dear Ms. Zacharuk,

RE: FY 2016 Executive Compensation Disclosure – Transportation Investment Corporation

Please find attached the Statement of Executive Compensation covering the Fiscal 2016 period for Transportation Investment Corporation (TI Corp).

As per the Public Sector Executive Compensation Reporting Guidelines, I, the undersigned, hereby attest the following:

- The compensation information disclosed within this report is accurate and includes all compensation paid by TI Corp, foundations, subsidiaries, or any other organization related to or associated with TI Corp. It also includes the value of any pre or post-employment payments made during the 12-month period before, or after, the term of employment.
- The compensation paid in 2015/2016 is within the approved compensation plan and complies with these guidelines.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Colin Hansen".

Colin Hansen
Chair, Board of Directors
Transportation Investment Corporation

**Transportation Investment Corporation
Statement of Executive Compensation**

Reporting Period: Fiscal Year 2016
(April 2015 – March 31, 2016)

INTRODUCTION

Transportation Investment Corporation (TI Corp) is a public Crown corporation established under the *Transportation Investment Act* to implement the Port Mann/Highway 1 Improvement Project, including construction, operations and maintenance of 37 kilometres of improvements to the TransCanada Highway through Metro Vancouver. TI Corp is also responsible for the development, implementation and management of tolling operations to pay for the project and help manage growth in traffic over time.

COMPENSATION DISCUSSION AND ANALYSIS

In order to achieve business, operational, and service objectives, TI Corp relies on the contribution of its employees. The compensation program plays a key role in TI Corp's ability to attract, motivate, and retain quality employees.

TI Corp's compensation plan has been approved by the Minister of Transportation and Infrastructure, Minister responsible for the Public Service Employers' Council (PSEC), and a committee of Deputy Ministers charged with approving all public service compensation plans.

TI Corp has worked closely with PSEC to develop a compensation plan which closely mirrors the public service compensation plan. It reflects the perspective that total compensation includes base salary, benefits, pension, vacation, and perquisites.

The compensation plan provides for participation in both the Public Service Pension Plan and the Public Service Benefits Plan. To ensure the compensation plan remains current, TI Corp reviews the plan annually.

TOTAL COMPENSATION PHILOSOPHY

A key component of an effective compensation philosophy is the need to maintain a meaningful degree of competitiveness with the relevant external labour market. TI Corp must balance public sector and Crown corporation equity and relativity with industry-specific comparability. As per TI Corp's current approved Compensation Plan, the external labour market reference point is:

80% BC Crown corporation and public sector; and

20% comparable private sector.

Cash Compensation

Cash compensation is comprised of base salary only. TI Corp does not pay short term incentives or bonuses. Base salary pay is generally targeted at the 50th percentile of the composite market, with a minimum and maximum limit in each salary range.

Non-Cash Compensation

TI Corp's non-cash compensation is comprised of benefits, pension, vacations, and perquisites.

Benefits: Benefits are based on government standards and executives receive the same benefits available to other management and exempt employees through the employer paid coverage for extended health and dental, life insurance, and long term disability.

Pension: TI Corp provides a joint trustees benefit pension plan which is aligned with other public sector pension plans.

Vacation: TI Corp provides between four and six weeks of vacation per year. Unused vacation may be carried forward to the following calendar year only.

Perquisites: Discretionary car and parking allowance is permitted to the CEO.

Base Salary Management

The classification system mirrors that of the BC public service and the base salary for executive employees fits within one of the following two compensation bands.

Classification	Salary Range
President and Chief Executive Officer (CEO)	\$180,000 - \$195,000
Executive Director / Vice President / Chief Financial Officer	\$120,000 - \$155,000

PERFORMANCE EVALUATION AND HOLDBACKS

The Board of Directors is responsible for reviewing the President and CEO's performance annually, and for approving annual salary increases consistent with PSEC direction.

The compensation plan incorporates a 10% base salary holdback for the President and CEO and the Vice-President, Tolling & Customer Engagement. Base salary holdbacks are released upon achievement of defined performance targets identified within the annual service plan.

Notes:	
Patricia Soanes, VP, Finance & Corporate Services	Ms. Soanes employment with TI Corp ended on September 23, 2015. Ms. Soanes receives a salary continuance to September 23, 2016. The above compensation represents salary continuance through to March 31, 2016 and includes amounts for: \$60,267 for salary, \$8,019 for holdback, \$6,629 for benefits and \$7,324 for pension.
Max Logan, VP, Tolling & Customer Engagement	Mr. Logan was promoted in October 2014. The Fiscal year 2015 disclosure represented his earnings from April 2014 to October 2014 in his previous role and from October 2014 to March 31, 2015 in his new role as Vice President, Tolling and Customer Engagement. The Fiscal 2016 compensation represents Max's earning in his role as Vice President, Tolling and Customer Engagement for the full fiscal year.
Mario Piscitelli, Executive Director of Finance, CFO	On September 23, 2015, Mr. Piscitelli received a promotion from Director of Finance to Executive Director of Finance, CFO. His compensation figures include the amounts earned as a Director of Finance as follows: \$53,701 for salary, \$3,299 for benefits, \$5,468 for pension.
Sveto Plasvic, Executive Director of Business Development and Performance Planning	Mr. Plasvic commenced employment with TI Corp on December 2, 2015