



May 17, 2017

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

Dear Ms. Zacharuk,

RE: FY 2017 Executive Compensation Disclosure – Transportation Investment Corporation

Please find attached the Statement of Executive Compensation covering the Fiscal 2017 period for Transportation Investment Corporation (TI Corp).

As per the Public Sector Executive Compensation Disclosure 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 2016/2017 is within the approved compensation plan and complies with these guidelines.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Dan Doyle", with a horizontal line extending to the right.

Dan Doyle
Chair, Board of Directors
Transportation Investment Corporation

Compensation Plan

Transportation Investment Corporation (TI Corp) relies on the contribution of all its employees to be successful and the compensation program plays a key role in the ability to attract, motivate and retain talented, engaged employees.

Compensation Philosophy

As a commercial crown, Transportation Investment Corporation (TI Corp) is required to generate revenue and operate in a profitable manner to achieve its mandate to construct, operate and maintain the Port Mann Bridge and 37 kms of Highway 1. A key component of an effective compensation philosophy is the need to maintain a meaningful degree of competitiveness with the relevant external labour market.

The Corporation must balance public sector and crown corporation equity and relativity with industry-specific comparability given the unique nature of the business TI Corp is engaged in. TI corp's philosophy is to firstly benchmark public service entities as a comparator particularly for generalist skill sets. The Corporation's external labour market reference point is:

- 80% BC crown corporation and public sector; and
- 20% comparable private sector

Core Principles

TI Corp considers the following principles in the design, implementation and administration of its compensation programs:

- **Performance** – Compensation programs support and promote a performance-based organization 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 or team contributions
- **Accountability** – Compensation decisions are objective and based upon a clear and well documented business rationale that demonstrates the appropriate expenditure of funds
- **Transparency** – Compensation programs are designed, managed and communicated in a manner that ensures the program is clearly understood by employees and the public while protecting individual personal information

Benchmarking

TI Corp conducts biennial external reviews of competitiveness with the relevant external labour market. These reviews included analysis of total compensation paid by comparator organizations (primarily public sector organizations) within the labour market.

Classification Framework

All employees of TI Corp are exempt from union membership. The classification system places all employees in one of **seven** bands – Executive Level, Senior Management, Management, Professional/Technical and Support/Administration as follows. The introduction of two additional bands allows for the progression and advancement of employees that are taking on greater accountability and involvement in decision making processes but may not be ready to progress to the higher band (as within the previous 5 band framework). TI Corp however, continues to ensure a generally streamlined reporting structure.

Role	Minimum	Maximum
Chief Executive Officer	\$180,000	\$195,000
Vice President	\$140,000	\$155,000
Executive Director	\$120,000	\$145,000
Director	\$100,000	\$125,000
Senior Manager	\$90,000	\$110,000
Manager	\$70,000	\$95,000
Professional/Technical	\$60,000	\$90,000
Support/Administration	\$45,000	\$65,000

Refer to Appendix A for a list of job titles within each level.

TI Corp’s compensation program is founded on a view of total compensation that includes cash and non-cash compensation as follows:

Cash Compensation	Regular pay Salary holdback – 10% for executives
Non-cash Compensation	Statutory holidays Vacation Special leave Sick leave Long-term disability Maternity, Parental and Pre-Adoption leave Medical Services Plan Dental Extended Health Health Spending Account Employee & Family Assistance Workers’ Compensation Life Insurance Employment Insurance Spouse and Dependent Insurance Canada Pension Employer Pension
Perquisites	Car Allowance Parking Allowance

Performance Management

TI Corp conducts performance reviews for all employees annually. Reviews are based on an assessment of the individual's achievement of agreed upon goals, objectives and competencies. Movement within the salary bands is based on an employee's performance and competence level in the role. Assessments are based on the following competence rating:

- Exceeds expectations – 3% –to 4% up to maximum of band
- Meets expectations – 2% to 3% up to maximum of band
- Developing – 1% to 2% up to maximum of band

In a year in which an employee does not substantially achieve his or her performance goals, TI Corp is not required to increase the employee's salary or may increase it by less than the amounts noted above.

Base salary increases are assessed by management and awarded within the Board approved overall compensation budget.

Executive Holdbacks

The base salary for the Chief Executive Officer and the Vice Presidents is subject to a 10% holdback that is paid annually following the completion of an annual performance review. In the case of the CEO, the review is conducted by the Board and is based on the achievement of agreed upon performance goals, objectives and competencies. The CEO conducts the annual review for the Vice Presidents on the same basis. Holdback criteria are set based on TI Corp's Service Plan Goals and the corporate strategy.

Appendix A

Level	Title
Executive	Chief Executive Officer Vice President, Operations Executive Director, Finance Executive Director, Performance Planning and Business Development
Senior Management	Director, IT Director, Quality, Risk & Compliance
Management	Senior Manager, Revenue Senior Manager, Finance Senior Manager, Communications and Community Engagement Manager, Road Operations Maintenance Manager, Financial Planning and Analysis Manager, Marketing & Customer Engagement
Professional/Technical	Senior Accountant Procurement & Contract Specialist Records Management & Privacy Specialist Senior Business Systems Analyst Senior Business Intelligence Analyst Senior Software Developer Governance and Projects Coordinator
Support/Administrative	Office Administrative Assistant Accountant Tolling Services Officer Marketing and Communications Coordinator

Transportation Investment Corporation

Summary Compensation Table at 2017

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2016/2017 Total Compensation	Previous Two Years Totals Total Compensation	
							2015/2016	2014/2015
Irene Kerr, President & Chief Executive Officer	\$ 175,500	\$ 19,500	\$ 10,330	\$ 20,525	\$ 6,960	\$ 232,815	\$ 231,111	\$ 41,087
Max Logan, Vice President Tolling & Customer Engagement	\$ 132,750	\$ 14,750	\$ 9,302	\$ 13,907	-	\$ 170,709	\$ 174,622	\$ 147,964
Mario Piscitelli, Executive Director of Finance, CFO	\$ 140,000	-	\$ 9,982	\$ 14,478	-	\$ 164,460	\$ 143,965	
Sveto Plasvic, Executive Director, Performance Planning and Business Development	\$ 140,000	-	\$ 9,982	\$ 14,478	-	\$ 164,460	\$ 57,366	
Patricia Soanes, VP, Finance and Corporate Services	\$ 77,709	\$ 8,615	\$ 5,849	\$ 10,829	-	\$ 103,002	\$ 180,828	\$ 180,497

Notes

Irene Kerr, President & Chief Executive Officer	
Max Logan, Vice President Tolling & Customer Engagement	
Mario Piscitelli, Executive Director of Finance, CFO	
Sveto Plasvic, Executive Director, Performance Planning and Business Development	
Patricia Soanes, VP, Finance and Corporate Services	General Note: Ms. Soanes' employment with TI Corp ended on September 23, 2015. Ms Soanes received salary continuance to October 20, 2016. The compensation reported in this disclosure represents her salary continuance from April 1, 2016 to October 20, 2016.