

## PERFORMANCE EVALUATION PROCESS FOR THE CHIEF EXECUTIVE OFFICER

### Benchmarks

The following documents constitute the benchmarks against which the review takes place:

- A statement of goals or primary objectives for the year under review - the annual performance contract. These goals will have been reviewed with the Human Resources Committee (“the Committee”) by the Chief Executive Officer (CEO) and agreed to by the Board the previous year.
- BC Hydro’s financial achievements for the previous year.
- BC Hydro’s Service Plan.
- Board approved Terms of Reference for the CEO.
- At the discretion of the Committee, other extraordinary items that may arise during the year.

### The Chief Executive Officer’s Self-Appraisal

- The Human Resources Committee is best equipped to undertake an assessment of the CEO if the Committee members understand how the CEO has:
  - self-evaluated performance against agreed upon objectives;
  - identified goals and priorities for the coming year.
- The CEO discusses the self-appraisal with the Committee and the Board Chair in advance of the performance evaluation process (timing and responsibilities are noted on page 2)

### Director Involvement

- The Committee will consolidate the input of its members and that of the Board Chair into a single assessment and rating recommendation of the CEO’s performance.
- The Chair and Chair of the Committee will review this assessment and submit it to the full Board for endorsement.
- Following adoption by the Board of Directors, the Chair and Chair of the Committee will review the final assessment with the CEO.

### Chief Executive Officer Feedback

If required, the CEO may provide a verbal or written response to the performance review to the Committee, Board of Directors.

## Timing and Responsibilities

<i>Activity</i>	<i>Who</i>	<i>When</i>
CEO develops a set of goals and objectives for the coming year which are reviewed by the Committee and submitted to the full Board for approval	<ul style="list-style-type: none"> <li>• CEO</li> <li>• Committee</li> <li>• Board</li> </ul>	February
CEO submits to the Board Chair and the Committee Chair a written self-appraisal of performance against the approved set of goals and objectives for the previous year	<ul style="list-style-type: none"> <li>• CEO</li> </ul>	May
Board Chair and Committee Chair meet to review and discuss the written self-appraisal of performance provided by the CEO	<ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Committee Chair</li> </ul>	May
Board Chair, Committee Chair, and CEO meet to discuss the CEO's self-appraisal of performance. CEO to make changes to the written self-appraisal as appropriate	<ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Committee Chair</li> <li>• CEO</li> </ul>	
CEO provides a self-appraisal of performance for the previous year to the Committee	<ul style="list-style-type: none"> <li>• CEO</li> <li>• Board Chair</li> <li>• Committee Chair</li> </ul>	May / October (mid-year review)
Board Chair and Committee Chair report out to Committee members and they provide input on the CEO's performance	<ul style="list-style-type: none"> <li>• Committee Chair</li> <li>• Board Chair</li> </ul>	May
Committee Chair consolidates input from the Committee members with that provided by the Board Chair into a single assessment and rating recommendation, which provides input to the discussion with the Board	<ul style="list-style-type: none"> <li>• Committee Chair</li> <li>• Board Chair</li> </ul>	May
CEO presents and discusses written self-appraisal with the Board	<ul style="list-style-type: none"> <li>• CEO</li> <li>• Board</li> </ul>	May
Assessment and rating recommendation goes forward to the Board for endorsement	<ul style="list-style-type: none"> <li>• Committee</li> <li>• Board</li> </ul>	May
Following adoption by the Board, the Board Chair with the Committee Chair will review the final assessment & rating recommendation with the CEO	<ul style="list-style-type: none"> <li>• Board Chair</li> <li>• Committee Chair</li> <li>• CEO</li> </ul>	May
As required, the CEO may respond verbally or in writing to the Committee, the Board of Directors or Chair, as applicable	<ul style="list-style-type: none"> <li>• CEO</li> </ul>	<i>As Required</i>

**PLEASE NOTE:** All Committee and Board of Director approvals outlined in Tabs 16 & 22 of the Board Governance Manual are subject to all necessary Public Sector Employer's Act approvals.