



BC Hydro Board Attestation

To: Christina Zacharuk
CEO & President of PSEC Secretariat
2nd Floor, 880 Douglas St
Victoria, B.C.
V8W 2B7

I am aware of the executive compensation paid in the prior fiscal year and verify that compensation provided was within approved compensation plans.

A handwritten signature in black ink that reads 'Valerie Lambert'.

Valerie Lambert

Director, BC Hydro Board of Directors

Chair, Governance and Human Resources Committee

A handwritten date in black ink that reads 'Jun 12, 2020'.

Date

PURPOSE

BC Hydro must disclose all compensation provided to the President and Chief Executive Officer and the next four highest ranking executives. This document outlines the governance, philosophy, design, and total value of executive compensation for the fiscal year ending March 31, 2020 for BC Hydro, and its two subsidiaries; Powerex and Powertech.

GOVERNANCE

As a Crown Corporation, BC Hydro designs and administers executive compensation within its approved compensation plan for executives as required under the Public Sector Employer's Act. Changes required aligning with our strategy and goals are reviewed and approved by the Board and/or the Governance and Human Resources Committee (GHRC) prior to submission to the Public Sector Employers' Council (PSEC) for final approval.

Executive compensation is reviewed by the Board and the GHRC as per the terms of reference outlined below.

Board of Directors

- Approves the President and Chief Executive Officer compensation structure, performance-based holdback awards and salary increases acting upon the recommendation of the GHRC.

GHRC

- Approves the total compensation philosophy and plan design.
- Reviews and recommends to the Board of Directors the President and Chief Executive Officer's performance-based holdback award and salary increase.
- Approves the Executive Team performance-based holdback awards and salary increases, acting upon the recommendation of the President and Chief Executive Officer.

TOTAL COMPENSATION PHILOSOPHY

BC Hydro's total rewards programs are designed to strengthen our proud and valued workforce and ensure alignment to our values. The following reflect the key total rewards design principles.

Performance: Reward programs align employees with strategic priorities and support a performance-based culture, where employees seek to meet and surpass key goals.

Differentiation: Differences in position scope and accountability, as well as the performance of individual employees, are the main drivers of the pay an employee receives.

Accountability: Reward programs are affordable, linked to business requirements, and are an appropriate expenditure of public dollars.

Transparency: Reward programs have clear rules and fair processes to ensure consistent and equitable application. Programs are designed and communicated in a manner that ensures they are clearly understood by employees and the public while protecting individual personal information.

Flexibility: Reward programs, where possible, allow employees choice to tailor solutions that best meet the needs of our diverse workforce and business.

Compliance: Reward programs are compliant with employment and tax laws, collective agreements, and policies set by the Public Sector Employers Council (PSEC).

Compensation is benchmarked to other public sector employers and to other Canadian electric utilities for industry specific jobs.

PERFORMANCE BASED PAY

Executives participate in both a merit program and a holdback program which together comprise the performance based pay for the job. The merit program is a review of an individual's performance against the mandate of their role/portfolio and may result in a change in base salary.

The objective of the executive holdback program is to put pay at risk, focus the Executive Team on specific performance objectives outlined in BC Hydro's Service Plan and provide a means to recognize achievements. At the end of the fiscal year each executive summarizes their performance. The process consists of a discussion between the President and Chief Executive Officer and each Executive Team member about the performance factors, measurement criteria and demonstrated results, including BC Hydro's overall performance. Based on these performance reviews, the President and Chief Executive Officer determines a final performance score and recommends to the GHRC performance based holdback awards for the Executive Team.

Executive holdback awards are based on objectives linked to BC Hydro's performance measures. The Fiscal 2020 performance measures and results achieved can be viewed in [BC Hydro's Service Plan](http://www.bchydro.com/about/accountability_reports/financial_reports/service_plan.html). (http://www.bchydro.com/about/accountability_reports/financial_reports/service_plan.html)

ELEMENTS OF THE EXECUTIVE COMPENSATION PLAN

The current executive offer includes the following elements which align to and support the compensation philosophy described above. The design may differ for subsidiary executives and managers.

- **Salary:** A base salary that is determined and approved as described in the preceding sections.
- **Holdback Award:** A holdback award is a portion of salary that can be earned by the executive based on individual and company performance. The maximum holdback award possible is 20% of salary. The maximum holdback award possible for the President and Chief Executive Officer is 10% of salary.
- **Benefits:** Executives receive comparable benefits available to other management and exempt employees, though the employer paid coverage for life insurance, long term disability, extended health, and vision care are higher. The value of statutory benefits such as employer premiums for WorkSafe BC, Canada Pension Plan, and Employment Insurance are also included in the benefit amount reported.
- **Pension:** BC Hydro provides a defined benefit pension plan. The formula for calculating the pension is 2 per cent multiplied by an employee's best 5 average consecutive years of plan earnings multiplied by their years of contributory service. Executives receive additional benefits available through the Executive Pension Plan. These benefits include the option to purchase service, within the guidelines, to a maximum of 5 years.
- **All Other Compensation:** Executives may receive paid parking or transit pass, and the taxable benefit value is reported. Executives may receive vacation payouts if they were unable to take the vacation days as time off. Executives receive a 4% of salary annual benefit credit. They may use this

credit to purchase additional days off, take as cash, and/or allocate towards other benefit programs. Benefit credits that are cashed out and/or allocated towards other benefit programs are reported under other compensation.

BC Hydro

Summary Compensation Table at 2020

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2019/2020 Total Compensation	Previous Two Years Totals Total Compensation	
							2018/2019	2017/2018
BC Hydro								
Chris O'Riley, President & CEO	\$ 370,190	\$ 30,871	\$ 22,330	\$ 93,658	\$ 49,035	\$ 566,084	\$ 554,900	\$ 529,184
Maureen Daschuk, SVP, Integrated Planning	\$ 263,301	\$ 39,583	\$ 19,871	\$ 66,615	\$ 1,094	\$ 390,464	\$ 380,518	
Janet Fraser, EVP, People, Customer, Corp Affairs	\$ 288,507	\$ 36,396	\$ 20,451	\$ 72,992	\$ 2,859	\$ 421,205	\$ 418,250	\$ 397,208
Charlotte Mitha, EVP, Operations	\$ 239,874	\$ 30,165	\$ 18,494	\$ 46,524	\$ 17,699	\$ 352,756		
Mark Poweska, EVP, Operations (Former)	\$ 30,612	-	\$ 1,759	\$ 7,745	-	\$ 40,116	\$ 422,746	\$ 405,720
David Wong, EVP, Finance, Tech, Supply Chain & CFO	\$ 291,544	\$ 48,529	\$ 20,521	\$ 73,761	\$ 3,400	\$ 437,755	\$ 268,054	
Matthew Wilson, EVP, Operations (Former Acting)	\$ 205,690	\$ 15,037	\$ 16,279	\$ 17,141	\$ 22,177	\$ 276,324		
Powerex								
Thomas Bechard, Pres & CEO Powerex	\$ 358,800	\$ 540,000	\$ 19,249	\$ 17,474	\$ 2,322	\$ 937,845	\$ 938,499	\$ 898,258
Michael MacDougall, VP, Trade Policy and IT	\$ 231,422	\$ 35,051	\$ 19,138	\$ 58,550	\$ 5,706	\$ 349,867	\$ 332,791	\$ 289,243
Amit Budhwar, Director, Risk Mgmt	\$ 235,182	\$ 18,878	\$ 16,851	\$ 19,918	\$ 29,340	\$ 320,169	\$ 305,831	\$ 295,708
Rebecca Richings, CFO, Powerex	\$ 181,491	\$ 15,520	\$ 15,809	\$ 15,120	\$ 4,644	\$ 232,584	\$ 215,659	\$ 123,079
Jay Ratzlaff, Chief Legal Officer, Pwx	\$ 202,507	\$ 16,400	\$ 16,217	\$ 16,962	\$ 23,474	\$ 275,560	\$ 239,552	
Powertech								
Raymond Lings, President & CEO, Powertech	\$ 235,150	\$ 42,257	\$ 19,224	\$ 59,493	\$ 16,829	\$ 372,953	\$ 345,216	\$ 341,097
David Facey, General Counsel & Director of Corporate Resources	\$ 170,293	-	\$ 15,592	\$ 12,873	\$ 10,165	\$ 208,923	\$ 191,351	
Taramatee Ramnial, Director, HSEQ Accreditation & Compliance	\$ 147,101	-	\$ 15,142	\$ 10,923	\$ 7,168	\$ 180,334		
Ken Bognar, Director, Transmission & Distribution	\$ 157,893	-	\$ 15,352	\$ 11,831	\$ 6,077	\$ 191,153	\$ 183,328	\$ 176,635
Vidya Vankayala, Director, Grid Modernization	\$ 173,376	-	\$ 15,652	\$ 13,133	\$ 19,819	\$ 221,980	\$ 196,826	\$ 197,785

Summary Other Compensation Table at 2020

Name and Position	All Other Compensation	Severance	Vacation Payout	Paid Leave	Vehicle / Transportation Allowance	Perquisites / Other Allowances	Other
BC Hydro							
Chris O'Riley, President & CEO	\$ 49,035	-	\$ 25,124	-	\$ 6,960	-	\$ 16,951
Maureen Daschuk, SVP, Integrated Planning	\$ 1,094	-	-	-	-	-	\$ 1,094
Janet Fraser, EVP, People, Customer, Corp Affairs	\$ 2,859	-	-	-	-	-	\$ 2,859
Charlotte Mitha, EVP, Operations	\$ 17,699	-	\$ 17,699	-	-	-	-
Mark Poweska, EVP, Operations (Former)	-	-	-	-	-	-	-
David Wong, EVP, Finance, Tech, Supply Chain & CFO	\$ 3,400	-	-	-	-	-	\$ 3,400
Matthew Wilson, EVP, Operations (Former Acting)	\$ 22,177	-	\$ 14,304	-	-	-	\$ 7,873
Powerex							
Thomas Bechard, Pres & CEO Powerex	\$ 2,322	-	-	-	-	-	\$ 2,322
Michael MacDougall, VP, Trade Policy and IT	\$ 5,706	-	-	-	-	-	\$ 5,706
Amit Budhwar, Director, Risk Mgmt	\$ 29,340	-	\$ 19,901	-	-	-	\$ 9,439
Rebecca Richings, CFO, Powerex	\$ 4,644	-	-	-	-	-	\$ 4,644
Jay Ratzlaff, Chief Legal Officer, Pwx	\$ 23,474	-	\$ 7,073	-	-	-	\$ 16,401
Powertech							
Raymond Lings, President & CEO, Powertech	\$ 16,829	-	\$ 15,895	-	-	-	\$ 934
David Facey, General Counsel & Director of Corporate Resources	\$ 10,165	-	\$ 7,443	-	-	-	\$ 2,722
Taramatee Ramnial, Director, HSEQ Accreditation & Compliance	\$ 7,168	-	\$ 1,153	-	-	-	\$ 6,015
Ken Bognar, Director, Transmission & Distribution	\$ 6,077	-	\$ 6,077	-	-	-	-
Vidya Vankayala, Director, Grid Modernization	\$ 19,819	-	\$ 12,891	-	-	-	\$ 6,928

Notes

Chris O'Riley, President & CEO	Other Note: Other is taxable benefit for paid parking (\$2,002) and value of benefit credit taken as cash and/or allocated towards other benefit programs (\$14,950).
Maureen Daschuk, SVP, Integrated Planning	Other Note: Other is taxable benefit for paid transit pass.
Janet Fraser, EVP, People, Customer, Corp Affairs	Other Note: Other is taxable benefit for paid parking.
Charlotte Mitha, EVP, Operations	General Note: Promoted to EVP, Operations effective 2019-09-03. Amounts reported include all earnings with BC Hydro in Fiscal 2020.
Mark Poweska, EVP, Operations (Former)	General Note: Resigned effective 2019-04-27.
David Wong, EVP, Finance, Tech, Supply Chain & CFO	General Note: Hired effective 2018-08-03. Fiscal 2020 represents first full year of earnings. Other Note: Other is taxable benefit for transit pass (\$1,050) and value of benefit credit taken as cash and/or allocated towards other benefit programs (\$2,350).
Matthew Wilson, EVP, Operations (Former Acting)	General Note: Acting EVP, Operations from 2019-04-26 to 2019-09-03 (earned \$79,381 of total reported salary during this period). Amounts reported include all earnings with BC Hydro in Fiscal 2020. Other Note: Other is value of benefit credit taken as cash and/or allocated towards other benefit programs.
Thomas Bechard, Pres & CEO Powerex	Other Note: Other is taxable benefit for paid parking.
Michael MacDougall, VP, Trade Policy and IT	Other Note: Other is taxable benefit for paid parking (\$3,837) and value of benefit credit taken as cash and/or allocated towards other benefit programs (\$1,869).
Amit Budhwar, Director, Risk Mgmt	Other Note: Other is value of benefit credit taken as cash and/or allocated towards other benefit programs.
Rebecca Richings, CFO, Powerex	General Note: Promoted to CFO, Powerex effective January 1, 2019. Fiscal 2020 represents first full year of earnings in the position. Other Note: Other is taxable benefit for paid parking.
Jay Ratzlaff, Chief Legal Officer, Pwx	General Note: Promoted to Chief Legal & Compliance Officer effective 2019-05-01. Other Note: Other is value of benefit credit taken as cash and/or allocated towards other benefit programs.
Raymond Lings, President & CEO, Powertech	Other Note: Other is value of benefit credit taken as cash and/or allocated towards other benefit programs.
David Facey, General Counsel & Director of Corporate Resources	Other Note: Other is value of benefit credit taken as cash and/or allocated towards other benefit programs.
Taramatee Ramnial, Director, HSEQ Accreditation & Compliance	Other Note: Other is value of benefit credit taken as cash and/or allocated towards other benefit programs.
Ken Bognar, Director, Transmission & Distribution	
Vidya Vankayala, Director, Grid Modernization	Other Note: Other is value of benefit credit taken as cash and/or allocated towards other benefit programs.