

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 developed by the Chief Executive Officer (CEO), reviewed with the Governance and Human Resources Committee (“the Committee”) and approved by the Board the previous year.
- BC Hydro’s financial achievements for the previous year.
- BC Hydro’s Service Plan.
- Terms of Reference for the CEO.
- At the discretion of the Committee or the Board, as applicable, other extraordinary items that may arise during the year.

The Chief Executive Officer’s Self-Appraisal

- The Board Chair and Committee are best equipped to undertake an assessment of the CEO if the Board Chair and 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 Board 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 Board Chair 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 and/or to the 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 Board Chair and the Committee and submitted to the full Board for approval	<ul style="list-style-type: none"> • CEO • Board Chair/Committee • Board 	February
CEO submits to the Board 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"> • CEO 	May
CEO and Board Chair discuss CEO performance. CEO to make changes to the written self-appraisal as appropriate	<ul style="list-style-type: none"> • CEO • Board Chair 	May
Board Chair and Committee Chair meet to review and discuss the written self-appraisal of performance provided by the CEO, as well as discussion that took place with CEO and Board Chair	<ul style="list-style-type: none"> • Board Chair • Committee Chair 	May
CEO presents and discusses written self-appraisal of performance for the previous year to the Committee	<ul style="list-style-type: none"> • CEO 	May / October (mid-year review)
Board Chair reports out to Committee and they provide input on the CEO's performance	<ul style="list-style-type: none"> • Committee • Board Chair 	May/ October (mid-year review)
Committee Chair consolidates input from the Committee members with that provided by the Board Chair into a single assessment and rating recommendation, and provides to the Board for approval	<ul style="list-style-type: none"> • Committee Chair • Board Chair 	May
CEO presents and discusses written self-appraisal of performance for the previous year with the Board	<ul style="list-style-type: none"> • CEO • Board 	May
Following discussion and decision by the Board, the Board Chair will review the final assessment & rating recommendation with the CEO	<ul style="list-style-type: none"> • Board Chair • Committee Chair • CEO 	May
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"> • CEO 	<i>If applicable</i>

PLEASE NOTE: All Committee and Board of Director approvals outlined in Tabs 15 & 24 of the Board Governance Manual are subject to all necessary Public Sector Employer Act approvals.