

25 May 2021

John Davidson, President & CEO  
Public Sector Employers' Counsel Secretariat  
PO Box 9400 STN PROV GOVT  
Victoria, British Columbia V8W 9V1

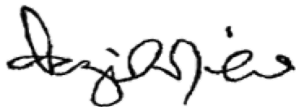
Dear Mr. Davidson

**Re: Statement of Executive Compensation – BC Oil and Gas Commission**

The attached Statement of Executive Compensation has been reviewed and approved by the Board of Directors.

This correspondence is to confirm that the compensation provided to the Commission's Executive, as disclosed in the attached report, is accurate and within the Commission's approved compensation plan.

Yours sincerely,



Fazil Mihlar  
Board Chair

## **STATEMENT OF EXECUTIVE COMPENSATION 2020-21**

### **Excluded Compensation Philosophy**

#### **Objectives**

The Commission's Excluded Compensation Plan (ECP) is aligned with the *B.C. Public Sector Employers' Guide to Accountable Compensation* which came into effect 1 September 2018. The Commission's ECP meets the direction provided by PSEC while ensuring the organization is well placed to attract, recruit and retain the necessary talent pool to meet its corporate strategy and goals.

With Board and Executive oversight and approval, the ECP ensures alignment in a manner consistent with the broader public sector to strengthen accountability and promote cost control. The ECP demonstrates alignment with other broader public sector compensation plans demonstrating greater rigor and consistency by following key Government recommendations. The Commission's ECP must align with the mandate of the province, through the Public Sector Employers' Council Secretariat (PSEC).

The Commission's approved excluded compensation plan supports and adheres to the following four core operating principles:

#### **Excluded Compensation Philosophy Core Principles**

##### **Performance**

- Ensure corporate mandate of regulatory compliance is achieved
- Ensure fairness to the employer who recruits and retains required staff to achieve mandate
- Align employees with the Commission's strategic objectives by ensuring that annual, merit-based increases reflect individual, divisional, and organizational performance
- Implement fair, transparent and consistent annual merit-based performance management practices

##### **Differentiation**

- Ensure fair, equitable, flexible, and competitive merit-based compensation is applied
- Recognize special individual and team accomplishments
- Balance internal equity with external competitiveness
- Ensure financial sustainability by being fair to the employee who performs the job

##### **Accountability**

- Ensure Board of Director's governance for the CEO compensation is consistent with Government mandate
- Establish market appropriate benchmark comparisons to determine most appropriate compensation to support the recruitment and retention of talented leadership
- Apply role assignment and classification consistent with the BC Oil and Gas Commission's Management Classification and Compensation Framework (MCCF)

##### **Transparency**

- Communicate and publish the excluded compensation philosophy and all updates internally as well as externally as mandated by legislation
- Develop and utilize fair, just, consistent, and easy to implement staffing practices
- Report to PSEC the terms and conditions of employment for employees who have a base salary over \$125K
- Report publically as requested and in accordance with the Financial Information Act (FIA) all employees who earn a base salary over \$75K.

**Summary Compensation Table for 2020/2021**

								Previous Two Years Total Compensation	
		Salary	Benefits	Pension	All Other Compensation	2020/21 Compensation	%↑	2019/2020	2018/2019
Paul Jeakins <sup>(1)</sup>	President/CEO	\$ 214,721	\$ 9,419	\$ 21,150	\$ 13,399	\$ 258,688	6.85%	\$ 242,107	\$ 232,685
Len Dawes	Senior Executive	\$ 191,085	\$ 9,446	\$ 18,822	\$ 5,257	\$ 224,611	4.78%	\$ 214,372	\$ 205,204
Mayka Kennedy	Senior Executive	\$ 191,085	\$ 9,075	\$ 18,822	\$ 3,418	\$ 222,399	1.11%	\$ 219,966	\$ 205,980
Ken Paulson	Senior Executive	\$ 191,085	\$ 9,055	\$ 18,822	\$ 1,082	\$ 220,043	1.98%	\$ 215,763	\$ 209,727
Ines Piccinino	Senior Executive	\$ 190,940	\$ 8,708	\$ 18,808	\$ -	\$ 218,455	4.43%	\$ 209,197	\$ 69,921
Trevor Swan <sup>(2)</sup>	Senior Executive	\$ 124,913	\$ 7,430	\$ 12,304	\$ -	\$ 144,647		\$	\$ 131,311

**Notes:**

(1) Other Compensation includes \$9981 in taxable benefits for personal use of Commission vehicle.

(2) T. Swan return to the Commission following secondment to Provincial Government.