2024/2025 BRITISH COLUMBIA RAILWAY COMPANY COMPENSATION DISCLOSURE

BACKGROUND

British Columbia Railway Company (BCRC) is a Crown corporation incorporated under the British Columbia Railway Act.

BCRC's primary mandate is to acquire and hold railway corridor and strategic port lands and to make related infrastructure investments to provide benefits to the Province. Specifically:

- BCRC retains ownership of all former BC Rail railway lands and track infrastructure and is responsible for the management of its long-term lease with CN Rail.
- BCRC retains ownership of two strategic port terminal lands and is responsible for the management of its long-term leases with Pembina (formerly Kinder Morgan) and Squamish Terminals.
- BCRC retains ownership of the Port Subdivision, the 24-mile railway line accessing the port terminals at Roberts Bank and is responsible for maintaining the track infrastructure and managing all train operations for CN, CP and BNSF to service Deltaport Terminal and Westshore Coal Terminal.
- BCRC's subsidiary, BCR Properties Ltd., is mandated to acquire and retain ownership of strategic lands which support port terminal operations.

BCRC is a wholly-owned subsidiary of the BC Transportation Financing Authority "BCTFA", under the direction of the Ministry of Transportation and Transit ("MoTT"). BCRC remains a self-supporting commercial Crown corporation and retains its legal and legislative authorities, assets and agreements.

BCRC'S COMPENSATION PLAN

Established within the Public Sector Compensation Guidelines, BCRC's approved Compensation Plan (the "Plan") identifies salary ranges that take into account: annual salary progression within the pay scales, employee performance, and individual career planning objectives. The Plan is also used to address retention issues and control salary costs from year to year. BCRC uses external professional Human Resources Consultants to analyze comparative markets for benchmarking compensation, benefits, and perquisites for all employees.

In June 2015, crown corporations were directed to implement a Common Compensation Philosophy for the B.C. Public Sector to embody the following four core principles:

CORE PRINCIPLES

Performance
Compensation Programs support and promote a performance-based (merit) organizational culture.

Differentiation
Differentiation of salary is supported where there are differences in the scope of the position within an organization, and/or due to superior individual team contributions.

Accountability
Compensation decisions are objective and based upon a clear and well documented business rationale that demonstrates the appropriate expenditure of public 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.

In addition, the Plan is designed to meet the following key objectives:

Attract and Retain Qualified Employees
BCRC established competitive salary ranges based on market data, a competitive benefits package and positive work environment in order to retain qualified employees.

Externally Competitive
As a commercial Crown Corporation, BCRC salary ranges take into consideration the local, provincial and/or national rates of pay in both the private and public sectors. Determination of salary ranges is done through participation in annual salary surveys, analysis of prevailing market pay rates and adjustments within salary ranges as appropriate.

Internally Equitable
Positions are evaluated based on market (pay) data from salary surveys. The basis for selecting market data is position comparison, determined by comparing the duties and responsibilities of the BCRC position with the best match of the survey positions. They are matched on content, not necessarily title. Several factors are considered to establish and maintain internal pay equity among employees. These factors include applicable work experience, education, appropriate certifications, performance, and consistent application of pay policies and practices.

BCRC'S PENSION PLAN

Effective July 14, 2004, BCRC no longer offered a Pension Plan to its employees. All permanent full-time employees are eligible for an RRSP with employer contributions at a level equivalent to the value of the former BC Rail Ltd. registered pension plan.

BCRC PAY PHILOSOPHY

Established within the Public Sector Compensation Guidelines, the salary ranges within the Plan for each position reflects the organization's pay philosophy. BCRC sets its competitive target market at the 50th percentile or median of the comparative market. This means that the midpoint of BCRC salary ranges approximates the median of the market.

EXECUTIVE COMPENSATION

In July 2012, the Crown Corporation Executive Compensation Policy was approved and Crowns were directed to make amendments to employment agreements to ensure that they were compliant with the new Policy. In May 2013, BCRC amended the employment agreements with the Executives accordingly.

Name and Principal Position (a)	Salary ($) (b)	Statutory & Health Benefits ($) (c)	RRSP ($) (d)	All Other Compensation ($) (e) [1]	Previous 3 Years Totals ($) (f)	
Gordon Westlake, President & CEO (Retired)*	$ 194,400	$ 14,584	$ 17,496	$ 14,449	2022/23	$ 240,929
	$ 217,262	$ 8,506	$ 19,554	$ 20,369	2023/24	$ 265,691
	$ 190,154	$ 9,024	$ 20,775	$ 54,289	2024/25	$ 274,242
Kevin Steinberg, President & CEO **	$ 191,766	$ 15,883	$ 17,259	$ 6,960	2022/23	$ 231,868
	$ 204,794	$ 11,793	$ 18,431	$ 12,000	2023/24	$ 247,018
	$ 215,288	$ 12,544	$ 19,376	$ 12,000	2024/25	$ 259,208
Jeffrey Chen, VP Operations & Corporate Affairs ***	$ -	$ -	$ -	$ -	2022/23	$ -
	$ 7,308	$ 732	$ 658	$ 650	2023/24	$ 9,348
	$ 195,590	$ 9,847	$ 17,603	$ 12,926	2024/25	$ 235,966
Linda Shute, VP Finance *****	$ -	$ -	$ -	$ -	2022/23	$ -
	$ -	$ -	$ -	$ -	2023/24	$ -
	$ 124,303	$ 9,847	$ 11,181	$ 1,500	2024/25	$ 146,831

* Two Minister of Finance approved 5% salary increases were retro-actively applied effective April 1, 2023 and April 1, 2024 respectively, which were approved to address issues of salary compression within the executive team. As per government directive, a 3% performance-based salary increase was received effective April 1, 2024. Retired January 17, 2025.

** As per government directive, received a 3% performance based increase effective April 1, 2024. Received an 11.3% salary increase as a result of the promotion to the position of President & CEO effective January 17, 2025.

*** Employment commenced March 11, 2024. As per government directive, received a 3% performance based increase effective April 1, 2024.

**** Received a 28% salary increase as a result of the promotion to the position of Vice President Finance effective February 18, 2025.

Benefits (c) includes: Statutory Deductions,
WCB, Extended Health & Dental Benefits and
Medical Services Plan Benefits

[1] Breakdown of (e) other Compensation

		Car Allowance	Vehicle Benefit	Vacation (unused) Payout	All Other Compensation (e)
Gord Westlake	2022/23	$ 6,960	$ -	$ 7,489	$ 14,449
	2023/24	$ 12,000	$ -	$ 8,369	$ 20,369
	2024/25	$ 10,000	$ -	$ 44,289	$ 54,289
Kevin Steinberg	2022/23	$ 6,960	$ -	$ -	$ 6,960
	2023/24	$ 12,000	$ -	$ -	$ 12,000
	2024/25	$ 12,000	$ -	$ -	$ 12,000
Jeffrey Chen	2022/23	$ -	$ -	$ -	$ -
	2023/24	$ 650	$ -	$ -	$ 650
	2024/25	$ 2,500	$ 10,426	$ -	$ 12,926
Linda Shute	2022/23	$ -	$ -	$ -	$ -
	2023/24	$ -	$ -	$ -	$ -
	2024/25	$ 1,500	$ -	$ -	$ 1,500