



## Vancouver Airport Authority

### Director Compensation Policy

#### Introduction

The Airport Authority will compensate non-management Directors through the payment of an all-inclusive flat fee structure, in consideration of the services provided by such Directors and in recognition of their responsibilities to the Airport Authority and the potential for associated liabilities.

The Governance Committee will review Director compensation every two years and recommend changes to the Board for approval as necessary.

#### Director Compensation

Directors are entitled to receive annual retainers as outlined in the table below based on their role as well as attendance at Board and Committee meetings. Directors and Committee Chairs will receive retainer payments quarterly in advance (adjusted proportionately for appointments or resignations within any quarter) and the Board Chair will receive retainer payments monthly in advance.

Item	Compensation
Board Chair Retainer	\$195,000
Non-management Director Retainer <sup>1</sup>	\$65,000
Finance and Audit Committee Chair Retainer <sup>2</sup>	\$19,500
Other Committee Chairs Retainer <sup>2</sup>	\$15,000
Committee Membership Retainer	\$6,000

---

<sup>1</sup> Management Directors do not receive additional compensation for their service on the Board

<sup>2</sup> Includes the Committee Membership Retainer

## Compensation Principles

- A.** Compensation paid to Directors will reflect the Airport Authority's unique accountability structure, its purpose in serving the community and the economy that supports it and the level of corporate risk assumed. Compensation will be set at an amount that is competitive, i.e., does not discourage individuals from choosing to serve on the Airport Authority Board of Directors when they have choices in how they commit their time, and signals the level and type of experience and talent required of members of the Board.
- B.** Every two years, the Board will review market data from two comparator groups— "Broad Public Sector" (e.g., BC organizations with public interest mandates or operating large infrastructure and the larger Canadian airport authorities) and "Private Sector Organizations" with headquarters in BC and a scale and size (revenue) similar to the Airport Authority (publicly listed, privately held or member owned). For Private Sector Organizations, the data will exclude equity compensation. The mix of Comparable Corporations will be proposed by a third party compensation consultant and reviewed and affirmed by the Governance Committee.
- C.** The Board has previously set Director compensation consistent with the mid-range (P50) of the Comparable Organizations with Private Sector Organizations weighted at 67% and Broad Public Sector Organizations weighted at 33%. The Board will review the weightings every two years to ensure that compensation remains competitive and sufficient to attract candidates with the required skillsets.
- D.** To reflect the additional time and responsibility of serving as Chair of a Committee or Task Force, these Directors will receive a Committee Chair Annual Retainer. Consistent with market practice, the Finance and Audit Committee Chair will receive a slightly higher annual retainer.

## Compensation Administration

- A.** Directors will be compensated for reasonable expenses connected with Board activities (e.g., travel outside of Metro Vancouver<sup>3</sup>, event parking, education or development sessions) provided the activity was authorized by the Chair or other appropriate authority. Compensation will not be provided for expenses that were not pre-approved except where the cost is less than \$60.

---

<sup>3</sup> The Airport Authority will reimburse travel to attend Board and Committee Meetings for Directors who reside outside of Metro Vancouver. Such travel will be deemed approved at the time of that Director's election to the Board.

- B.** All claims for Directors' expenses (other than the Chair) will be reviewed and signed by the Board Chair and the Corporate Secretary. Any claim for expenses, not including the Board Chair's Annual Retainer, submitted by the Chair will be reviewed and signed by the Chair of the Governance Committee and the Chief Governance Officer.
- C.** Any questions about reimbursement of expenses will be referred to the Corporate Secretary for resolution, in consultation with the Board Chair or the Governance Committee Chair, as may be appropriate.
- D.** The Governance Committee will conduct an annual review of Directors' expenses which are published, along with Directors' annual compensation, in the data supplement to the Annual and Sustainability Report. Directors' expenses may also be audited by the Internal Auditor.

<b>Version Number</b>	<b>Effective Date</b>
Version 2	1 January 2023