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EP8.10.1

December 18, 2019

Board of Governors of Exhibition Place
Toronto City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Dear Board of Governors,

RE: Item EP8.10 – Executive Compensation Plan

I have a number of concerns about the report and how critical aspects of the compensation plan/policies remain obscured from public view.

The Board's oversight role is to, among other obligations, oversee CEO performance and executive compensation policies. In this instance, the Executive Compensation Plan and related policies must be aligned with the objectives of the Exhibition Place business, and be seen to be doing so. CEO compensation metrics and performance parameters must be disclosed. The public needs to know, at least on a generalized basis, both the annual goals and objectives for Exhibition Place and the key performance objectives on which the CEO may be compensated for achieving.

Further, a process for evaluating the CEO's annual performance; the compensation plan design, and achievement of annual goals and objectives must be in policy form and referenced in any annual reporting. However the Board of Governors may approve the compensation strategy and incentive plan performance measures, these elements must be in a publicly accessible policy.

The retention of independent advisors to provide executive compensation expertise is quite appropriate for the Board of Governors. But, the compensation consultant works for the Board, not the employees. As such, in developing a pay-for-performance policy they must be able to do so, clearly and transparently – without including any specific and private employee data.

Therefore, the Executive Incentive Pay Grid and Short Term Incentives and related policies should have employee or personal data removed and the Board of Governors should release the materials publicly in order to show that proper compensation governance is in place.

I thank you for your consideration of this matter.

Sincerely,

Paul W. Ainslie
City of Toronto Councillor
Ward 24 Scarborough-Guildwood