Exhibition Place	Policy Name	Policy Type
	Executive Compensation Policy	**Employee**
	Original Date	Revision Date
	February 2, 2024	

Policy Statement

The Executive Compensation Policy objective is to provide a reasonable and competitive executive compensation package aligned with market-based remuneration that incentivizes executives to meet business objectives and add service value to the organization.

Application

This policy applies to the Chief Executive Officer (CEO) and the four direct executive staff reporting to the CEO: Chief Financial Officer & Corporate Secretary, General Manager, General Manager – Operations, and Chief People and Strategy Officer.

Implementation

The following framework will guide the Executive Compensation Policy.

Policy Development

The Executive Compensation Policy is developed under the direction of the Board of Governors with support from a third-party expert consultant. The Policy complies with the Guiding Principles for Executive Compensation Policies approved by City Council and applies to all executive positions. Executive compensation will be reviewed every four years.

Compensation Approach (Performance-related pay)

a. Executive compensation will be based on City Council-approved Guiding Principles.

b. Merit Pay (Annual Performance Review) – applied for in-range increases. All executive performances will be reviewed annually following the Exhibition Place Performance Review Policy that outlines a Performance Financial Reward based on meeting performance levels.

   If the Executive is already at the top of or above their Base Salary Range and there is a separate Incentive Rewards Program, no Re-earnable Lump Sum Merit should be awarded.

c. Incentive Rewards Program - Executive staff members are entitled to Incentive Rewards when Executives demonstrate exceptional performance, which is based on the organization's Performance Scorecard Metrics, with a maximum target of 22.5% for the Chief Executive Officer and 15% for the other Executives.

   In designing the Incentive Rewards Program, the incentive reward and base salary should not exceed the comparator group median (50th percentile) - Total Cash Compensation Target. The midpoint of the base salary range defines the base salary.

   The Incentive Reward is assessed annually as a percentage of the Base Salary in the previous year. Incentive Rewards are awarded as a Re-earnable Lump Sum.

d. The Board will approve the Incentive Rewards Program for Executives based on the organization's Performance Scorecard Metrics.

Comparator Market Analysis, Base Salary Range, and Job Descriptions

a. Each executive position will have a detailed Job Description clearly outlining core functions, accountabilities, and responsibilities.

b. Comparative market analysis will be conducted based on criteria and data from broader / non-financial public sector agencies with a Toronto/GTA focus. The 50th percentile, based on the comparators, will determine the midpoint of all salary ranges.

c. Executive positions will have a base salary range, having a minimum, a midpoint, and a maximum.

d. The base salary minimum should be no less than 20% below the midpoint and the maximum no more than 20% above the midpoint.

e. The comparator group will include a minimum of 8 Canadian organizations.

f. The comparators will be organizations of comparable size, structure, business risk, and complexity.

g. Comparator analysis based on organizations with principal selection criteria of broader / non-financial public sectors with a GTA focus.

h. A detailed comparator rationale will be part of the future executive compensation review and analysis.

Non-Monitory Entitlements

Benefits

Executives will be eligible for benefits, which include dental, extended health care, long-term disability, group life, accidental death, and dismemberment insurance. In addition, Executives are eligible to join the Board's short-term disability benefit plan.

Pensions

Exhibition Place executives may participate in the Ontario Municipal Employees Retirement Plan (OMERS) with an employee/employer contribution ratio of 1:1.

Termination Process/Protocol

It is important for the Board to have a rigorous, standard process for determining the nature and amount of termination payouts, including when payouts are predetermined in employment contracts as part of their senior executive compensation.

Exhibition Place has a standard approach for determining the nature and amount of termination payouts. Ideally, termination provisions would be clearly stated in the executive Employment Agreement, which would guide the settlement amount in the case of a termination without cause. Termination provisions in Employment Agreements will take precedence and be upheld. In the absence of a Termination Provision in the Employment Agreement, the Termination will be assessed on its own merit in consultation with outside Legal Counsel and/or City Legal and City Human Resources as appropriate.

Related Policies, Procedures, Documents, and previously Board approved reports

Annual Performance Review & Salary Grade Range Progression Policy, Performance Scorecard Metrics, Korn Ferry 2023 Executive Pay Review.