

British Columbia Ferry Services Inc.

Statement of Executive Compensation

For the fiscal year ended March 31, 2025

Dated August 27, 2025

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1. Purpose of Document

The Canadian Securities Administrators (“CSA”) mandate disclosure of executive and director compensation by all reporting issuers. All direct and indirect compensation paid to each of its Named Executive Officers¹ and directors for, or in connection with, services they have provided to British Columbia Ferry Services Inc. (the “Company” or “BC Ferries”) or a subsidiary of the Company must be disclosed annually in accordance with the requirements of Form 51-102F6V Statement of Executive Compensation – Venture Issuers (“Form 51-102F6V”). BC Ferries is permitted to prepare and file this disclosure on a stand-alone basis.

As set out in Form 51-102F6V, the objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each of its Named Executive Officers and directors, and the decision-making process relating to such compensation. This disclosure provides insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help stakeholders understand how decisions about executive and director compensation are made.

Since the creation of BC Ferries in 2003, the Company has worked hard to inform stakeholders of its activities and practices. This document is designed to inform BC Ferries’ stakeholders of the Company’s compensation philosophy, objectives, practices and obligations, and how they are directly connected to the Company’s goals and performance.

2. The Company

BC Ferries is a company incorporated under the *Business Corporations Act* (British Columbia) and subject to the *Coastal Ferry Act* (British Columbia) (the “*Coastal Ferry Act*”). The Company’s sole voting shareholder is B.C. Ferry Authority (“BCFA”).

The Company has in place a strategic plan to guide its operations. The strategy is updated annually with input and engagement from employees, the communities the Company serves, and other stakeholders. The strategic plan is supported by a robust business planning process to ensure the work of employees across the Company’s key business areas aligns with the overall vision, mission, values, goals and strategic drivers of the Company, which are as follows:

Vision

Trusted, Valued.

Mission

We connect communities and customers to people and places important in their lives.

Values

- **Safe:** Safety is our highest value.
- **Caring:** We operate from a position of kindness and empathy for those who travel and work with us.
- **Honest:** We conduct business with integrity, honesty and accountability.
- **Collaborative:** We collaborate with others to enhance the customer experience.
- **Respectful:** Respect is paramount in our interactions with others.
- **Sustainability:** Our environmental, social and economic impacts are central to business decisions.

¹ As that term is defined in Form 51-102F6V Statement of Executive Compensation – Venture Issuers

Goals

The Company's strategic goals set the direction for all activities at BC Ferries:

- Goal One: Customer and community centered.
- Goal Two: Focused on Core Operations.
- Goal Three: Supporting our Employees.
- Goal Four: Pursue Climate Change Initiatives.
- Goal Five: Manage our Company Well.

Performance Measures

The Board of Directors (the "BC Ferries Board") and management of BC Ferries have implemented performance measures to gauge the progress of the Company's business and its ongoing commitment to continuous improvement. These measures include customer satisfaction, earnings, employee safety, passenger safety, and operational reliability.

3. Compensation of Named Executive Officers

Named Executive Officers

BC Ferries is managed by its President & Chief Executive Officer ("CEO") and the senior members of its executive leadership team. In this document, prescribed information is provided regarding the compensation payable to each of the Company's "Named Executive Officers" in the fiscal year ended March 31, 2025 ("fiscal 2025").

The Company's Named Executive Officers in fiscal 2025 were as follows:

Nicolas Jimenez	President & CEO
Joanne Carpendale	Vice President, Finance & Chief Financial Officer
Brian Anderson	Vice President, Strategy & Planning

In considering the compensation of the Named Executive Officers, it is important to understand the broad scope of the Named Executive Officers' responsibilities at BC Ferries. All of the Named Executive Officers have responsibility for the formulation and implementation of corporate strategy. Ms. Carpendale has recently retired from BC Ferries effective July 2025 but served as VP, Finance & Chief Financial Officer for the duration of fiscal 2025.

Approach to Executive Compensation

BC Ferries' compensation for its Named Executive Officers is intended to support the Company in achieving its mission and key strategic imperatives.

Compensation for the Named Executive Officers has the following objectives:

- attract and retain talented senior executives by providing total compensation competitive with that of other senior executives employed by organizations of similar size, complexity and lines of business;
- motivate senior executives to achieve strong financial and operational performance; and
- comply with legislative requirements.

The compensation programs, policies and practices for the Named Executive Officers and others in the Company have been structured with a view to ensuring that none of the Company's compensation programs, policies and practices encourages inappropriate or excessive risk-taking.

Compensation for the Named Executive Officers is reviewed regularly and informed by market data and analysis, using independent third-party compensation experts to assist in the process.

In comparing compensation with other organizations and in establishing appropriate compensation levels within BC Ferries, the Company focuses on quantifying all aspects of total compensation. The Company's objective has been to provide total compensation to the Named Executive Officers that is competitive with companies having comparable market positions and therefore targets median compensation which neither leads nor lags behind the market.

Executive Compensation Governance

The Company's executive compensation governance structure is as follows:

B.C. Ferry Authority

Under the *Coastal Ferry Act*, BCFA is responsible for approving an executive compensation plan and any amendments to such plan.

An executive compensation plan describes the Company's philosophy for executive compensation and the maximum remuneration that the individuals whose compensation is governed by such plan can receive in any fiscal year. The *Coastal Ferry Act* requires that the remuneration provided to the Company's executives be consistent with the remuneration that is provided to individuals who, in organizations in Canada that are of a similar size and scope to BC Ferries, perform similar services or hold similar positions, and not be greater than the remuneration that provincial public sector employers in British Columbia provide to individuals who, in those organizations, perform similar services or hold similar positions.

In fiscal 2020, as a consequence of amendments to the *Coastal Ferry Act* effective May 16, 2019, which broadened the definition of "executive" to include Vice Presidents, a committee of directors of BCFA and the BC Ferries Board, with the assistance of an independent compensation advisor, undertook a review of executive remuneration limits in conjunction with market data from appropriate Canadian general industry and transportation sector companies and provincial public sector employer organizations. Based on this review, an executive compensation plan was approved by BCFA, with an effective date of September 1, 2019 (the "2019 Plan"). Mr. Anderson is subject to the 2019 Plan.

In fiscal 2023, a committee of directors of BCFA undertook a review of executive remuneration limits. Based on this review, a new executive compensation plan was approved by BCFA effective December 2022 (the "2022 Plan"). Mr. Jimenez and Ms. Carpendale are subject to the 2022 Plan.

BC Ferries' Board of Directors

The BC Ferries Board is responsible for the oversight of the compensation principles and policies of the Company, including management of compensation risk. The BC Ferries Board approves the Company's compensation programs for the Named Executive Officers based on recommendations of the Governance & Human Resources Committee ("G&HR Committee"). The BC Ferries Board, with advice from the G&HR Committee, ensures that the compensation programs and the remuneration provided to the Named Executive Officers is consistent with the applicable executive compensation plan. The BC Ferries Board, with advice from the G&HR Committee, also makes recommendations to BCFA on the executive compensation plan itself and any amendments thereto.

Governance & Human Resources Committee

The G&HR Committee assists the BC Ferries Board in carrying out its responsibilities with respect to compensation matters by:

- reviewing major compensation policies, practices and programs of the Company against business objectives and risks, as well as the provisions of an executive compensation plan approved by BCFA pursuant to the *Coastal Ferry Act*, as applicable; and
- reviewing the compensation applicable to the Named Executive Officers.

The BC Ferries Board has adopted guidelines for determining the independence of its members. Under these guidelines, a director is independent if he or she has no direct or indirect material relationship with the Company. For this purpose, a "material relationship" is a relationship that could, in the view of the BC Ferries Board, be reasonably expected to interfere with the exercise of a director's judgment. Members of the Audit & Finance Committee ("A&F Committee") are subject to additional independence requirements consistent with the definition of independence in NI 52-110 *Audit Committees*. All members of the G&HR Committee are independent under the guidelines adopted by the BC Ferries Board.

The BC Ferries Board recognizes the importance of appointing knowledgeable and experienced individuals to the G&HR Committee who have the appropriate background and expertise in executive compensation and risk management to fulfill the committee's responsibilities. In addition, the BC Ferries Board ensures cross membership between the G&HR Committee and other committees in order to ensure the alignment of executive compensation with other corporate financial, strategic and operational objectives.

For fiscal 2025, the following directors served as voting members of the G&HR Committee: Shona A. Moore (Chair), Dennis Blatchford, Cathy McLay, and Tamim Raad.

Independent Compensation Advisors

The BC Ferries Board, led by the G&HR Committee, engages and works with external independent third-party compensation experts from time to time on compensation matters for the Named Executive Officers. The compensation experts retained by the BC Ferries Board also provide advice on the compensation for the directors of the Company.

Decision-Making Process

The compensation program for the President & CEO is approved by the BC Ferries Board, while the compensation program for the other Named Executive Officers is approved by the BC Ferries Board on the recommendation of the President & CEO.

On an annual basis, the BC Ferries Board, led by the G&HR Committee, sets the performance requirements for the President & CEO and evaluates their performance against those requirements. Changes, if any, to the remuneration of a Named Executive Officer are made in consideration of the individual's performance, leadership skills, retention risk, and value to achieving corporate strategy, and in conjunction with market compensation data. All changes in remuneration are made in accordance with an executive compensation plan, as applicable.

Elements of Compensation

The key elements of the compensation program for the Named Executive Officers have been designed to meet the Company's compensation objectives and principles, and in fiscal 2025 were as follows:

- Salary:
 - a maximum salary is set for each Named Executive Officer
- Benefits:
 - health and welfare benefits, such as basic medical, dental, extended health, life insurance, long-term disability, short-term disability, paid by the Company;
 - health spending accounts of \$5,500 per year for each of the Named Executive Officers;
 - vehicle allowances of \$6,960 per year plus reimbursement of fuel costs for the President & CEO and Vice President, Finance & Chief Financial Officer and \$10,800 per year plus reimbursement of fuel costs for the Vice President, Strategy & Planning; and
 - ferry travel pass program.

Benefits are reviewed regularly with a view to keeping them comparable with good industry practice.

- Pension:
 - defined benefit pension plan (Public Service Pension Plan of British Columbia) with the Company making the required pension contributions. Through fiscal 2025, benefits

accrued at 1.85 percent a year calculated with reference to the employee's average salary over the employee's best five years. This plan is available to all employees of the Company.

The compensation of each of the Named Executive Officers was set and administered within the remuneration limit for the respective position prescribed by the applicable executive compensation plan.² See "*Executive Compensation Governance*" above.

4. Compensation of Directors

The directors of BC Ferries are governors and stewards of the Company and, therefore, are directly responsible for overseeing the Company's activities. The remuneration provided to the Company's directors in fiscal years 2024 and 2025 is set out in Table 1.2. Collectively, the directors carry the broad range of experience and expertise that is necessary to oversee a company of the importance, complexity and diversity of BC Ferries in an efficient and cost-effective manner.

Under the *Coastal Ferry Act*, BCFA is responsible for approving and establishing the compensation plan for the directors of BC Ferries. The remuneration provided under such plan is to be consistent with the remuneration that organizations in Canada that are of a similar size and scope to BC Ferries provide to their directors, and not to be greater than the remuneration that provincial public sector organizations in British Columbia provide to their directors. Once BCFA approves or amends the compensation plan, remuneration for the directors of BC Ferries and the terms on which it is to be paid must be determined in accordance with the plan.

On September 15, 2010, on the recommendation of the BC Ferries Board, BCFA approved and established a compensation plan for the directors of the Company. Remuneration for directors of BC Ferries was amended and set effective October 1, 2010, in accordance with the approved plan.

The G&HR Committee reviews director compensation regularly and provides advice to the BC Ferries Board on any amendments to the director's compensation plan to be recommended to BCFA.

The philosophy for the remuneration of directors of BC Ferries, as set out in the directors' compensation plan approved by BCFA, aligns with the Company's vision, mission, and strategic mandate, and supports its business requirements.

The remuneration framework for directors of BC Ferries is intended to:

- support the attraction and retention of high calibre directors that have the skills, experience, and expertise needed to oversee the operation of BC Ferries in an efficient and cost-effective manner;
- provide remuneration at levels reflective of director responsibility and potential liability;
- recognize that BC Ferries is a "reporting issuer" under Canadian securities laws with attendant statutory and regulatory obligations, and potential liabilities;
- pay differentially higher remuneration for higher levels of board-related work and responsibility;
- establish remuneration in a way that is transparent, objective, and compliant with the *Coastal Ferry Act*; and
- recognize that BC Ferries is not a Crown corporation and the directors do not have the indemnity afforded to Crown corporations.

² The value of individual components of remuneration may vary from year-to-year subject to total remuneration remaining at or below the limit prescribed in the executive compensation plan approved by BCFA.

The compensation provisions as set out in the directors' compensation plan were reviewed, compared, and established on the basis of total remuneration. This allows for comparison with other organizations which may provide different forms of remuneration to their directors.

5. Summary Compensation Table of Named Executive Officers

A summary of compensation for each of the Named Executive Officers for each of the two most recently completed financial years of the Company are shown in Tables 1.1 below.

Table 1.1
Summary Compensation for Named Executive Officers
for the fiscal year ended March 31st
(\$)

Name and Position	Year	Salary, consulting fee, retainer or commission ¹	Bonus	Committee or meeting fees	Value of perquisites ²	Value of all other compensation ³	Total Compensation ⁴
Nicolas Jimenez President & CEO	2025	459,756	N/A	N/A	24,322	46,363	530,441
	2024	450,741	N/A	N/A	27,485	44,398	522,624
Joanne Carpendale, Vice President, Finance & Chief Financial Officer	2025	357,613	N/A	N/A	7,523	36,100	401,236
	2024	286,523	N/A	N/A	2,208	28,974	317,705
Brian Anderson, Vice President, Strategy & Planning	2025	386,285	N/A	N/A	11,826	35,079	433,190
	2024	365,272	N/A	N/A	13,190	35,228	413,690

Notes:

- Ms. Carpendale was appointed to the Vice President & Chief Financial Officer position on December 27, 2023. The compensation information previously reported for fiscal year 2024 for Ms. Carpendale reflected compensation provided from December 27, 2023 to March 31, 2024. Ms. Carpendale's fiscal year 2024 compensation is updated in Table 1.1 above to reflect the full fiscal year compensation provided from April 1, 2023, to March 31, 2024. Ms. Carpendale was appointed as acting Vice President & Chief Financial Officer on August 1, 2022 and then subsequently appointed to the permanent position on December 27, 2023. The 2025 salary of Mr. Anderson includes earned salary under the salary holdback compensation plan. The held back portion included in the salary for Mr. Anderson was \$30,156 in fiscal 2025.
- 2025 perquisites include vehicle allowance, parking, fuel allowance and business-related accommodation for Mr. Jimenez. In the Statement of Executive Compensation for the Year Ended 2024, perquisites for Mr. Jimenez, comprised of vehicle allowance, parking, fuel allowance and business-related accommodation were inadvertently omitted. These amounts have now been disclosed in the chart above. 2025 perquisites for Ms. Carpendale and Mr. Anderson include vehicle allowance, parking and fuel allowance. Fiscal year 2024 perquisites have been updated for Ms. Carpendale as they were inadvertently omitted in previous years' reporting.
- The column disclosing the value of all other compensation for the Named Executive Officers includes the amounts contributed by BC Ferries to the Public Service Pension Plan of British Columbia in which each of the Named Executive Officers has a vested and payable interest. Other compensation for the Named Executive Officers includes taxable benefits received under the ferry travel pass program, pursuant to which the director

and eligible family members receive complimentary travel on BC Ferries' vessels. Fiscal year 2024, other compensation has been updated for Ms. Carpendale as was inadvertently omitted in previous years' reporting.

4. Fiscal year 2024 total compensation has been updated for Ms. Carpendale to reflect corrections to fiscal year 2024 salary, perquisites, and value of other compensation as outlined in notes above.

6. Summary Compensation Table for Directors

A summary of compensation for each of the directors of the Company for each of the two most recently completed financial years of the Company are shown in Tables 1.2 below.

Table 1.2
Summary Compensation¹ for Named Directors
for the fiscal years ended March 31st
(\$)

Name and Position	Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation ⁴	Total compensation
Joy MacPhail Director (Chair)	2025	100,000	N/A	N/A	NIL	226	100,226
	2024	100,000	N/A	N/A	NIL	452	100,452
J. Dennis Blatchford Director	2025	33,000	N/A	15,600	NIL	168	48,768
	2024	33,000	N/A	15,600	NIL	NIL	45,600
Harold Calla Director	2025	31,000	N/A	18,600	NIL	NIL	49,600
	2024	31,000	N/A	19,800	NIL	NIL	50,800
Eric Denhoff Director	2025	36,667	N/A	16,800	NIL	243	53,710
	2024	39,000	N/A	13,200	NIL	159	52,359
Charlene Hiller Director	2025	31,000	N/A	19,800	NIL	260	51,060
	2024	31,000	N/A	17,400	NIL	2,130	50,530
Cathy McLay Director	2025	36,000	N/A	16,800	NIL	NIL	52,800
	2024	32,250	N/A	13,200	NIL	NIL	45,450
Shona Moore Director	2025	35,333	N/A	15,600	NIL	3699	54,632
	2024	33,000	N/A	13,200	NIL	2074	48,274
Sarah Morgan-Silvester² Director	2025	5,167	N/A	6,600	NIL	1295	13,062
	2024	34,750	N/A	13,800	NIL	4,705	53,255
Tamim Raad Director	2025	33,000	N/A	23,400	NIL	421	56,821
	2024	33,000	N/A	22,800	NIL	484	56,284
Lecia Stewart³ Director	2025	26,181	N/A	12,000	NIL	338	38,519
	2024	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

1. For the purposes of this disclosure, compensation includes all amounts paid, payable, awarded, granted, given, or otherwise provided to each director during the fiscal year. The term "payable" refers to compensation that has been earned by the director during the reporting period, regardless of whether the amounts were actually paid during the fiscal year or subsequently.
2. Ms. Morgan-Silvester's term as director ended June 25, 2024.

3. Ms. Stewart was appointed as director effective June 25, 2024.
4. Other compensation for the directors represents taxable benefits received under the ferry travel pass program, pursuant to which the director and eligible family members receive complimentary travel on BC Ferries' vessels..

7. Stock Options and Other Compensation Securities

The Company does not have a stock option or other equity compensation plan. None of the Named Executive Officers or directors hold or are entitled to receive stock options or other compensation securities (as that term is defined in Form 51-102F6V).

8. Pension Plan

Pension plan benefits are shown in Table 1.3 and pertain only to defined benefit plans under the BC Public Service Pension Plan of British Columbia. The Company does not offer its Named Executive Officers or other employees of the Company defined contribution plans. Directors do not receive any pension benefits.

Table 1.3
Defined Benefit Plans for Named Executive Officers
for the fiscal year ended March 31, 2025

Public Service Pension Plan of British Columbia

The following table has been completed using the same assumptions and methods used for financial statement reporting purposes under the accounting principles used to prepare the Company's financial statements, as permitted by NI 52-107 Accounting Principles and Auditing Standards.

Name ¹	Number of years of credited service (#)	Annual benefits payable ²		Opening present value of defined benefit obligation (\$)	Compensatory change (\$)	Non-compensatory change (\$)	Closing present value of defined benefit obligation (\$)
		At year end (\$)	At age 65 (\$)				
Nicolas Jimenez	2.07	14,724	91,764	Nil	Nil	Nil	Nil
Joanne Carpendale	19.95	94,536	189,444	Nil	Nil	Nil	Nil
Brian Anderson	25.64	129,852	238,860	Nil	Nil	Nil	Nil

Notes:

1. Each of the Named Executive Officers participates in the Public Service Pension Plan of British Columbia, a multi-employer defined benefit plan established by the Province of British Columbia. The Company makes the required pension contributions but has no other obligations under the plan.
2. The figures shown for annual benefits payable are those that would be payable at fiscal year-end and at age 65, assuming the Named Executive Officer retired March 31, 2025.

9. Employment Agreements

Each of the Named Executive Officers has an employment contract with the Company. The contracts make specific provision for payment of maximum salary, benefits and pension contributions by the Company for termination without just cause for a period of 24 months for Mr. Jimenez and a period of 18 months for Ms. Carpendale and Mr. Anderson.