

British Columbia Ferry Services Inc.

Statement of Executive Compensation

For the fiscal year ended March 31, 2026

September 25, 2026

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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 purpose, values, goals and strategic drivers of the Company, which are as follows:

Our Purpose:

We sail to serve and connect the people and the coast of British Columbia.

Values

- **Safety first, safety always:** We put the safety of our customers and each other at the heart of everything we do, every day.
- **All together as one:** We’re inclusive, respectful and accountable to each other, because everyone belongs here.
- **In service, today and tomorrow:** We service with humility and pride, learning every day to serve better.
- **Local commitment:** We commit to being good neighbours, trusted partners and operating with care, protecting our coastal waters and communities.

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. The foundation of everything we do is through our focus on delivering day-to-day operational excellence. In addition to this foundation, our key strategic areas of focus are:

- Goal One: Renew and modernize our critical assets.
To revitalize our terminals and fleet to deliver safe, reliable and efficient operations that reduce maintenance costs and environmental impacts while meeting future capacity needs
- Goal Two: Invest in our team.
To attract, develop and retain a high-performing workforce that embodies our purpose and value.
- Goal Three: Achieve financial sustainability.
To partner with government on building a long-term funding model that allows our ferry service to remain financially viable and supports critical investments.
- Goal Four: Build trust and advance reconciliation.
To build trust with our people, customers, First Nations, government and the communities we serve by embedding our purpose and values in all that we do.
- Goal Five: Champion end-to-end customer experience.
To deliver smooth and seamless customer experiences informed by customer feedback and the public interest.

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, 2026 ("fiscal 2026" or "FY26").

The Company's Named Executive Officers in fiscal 2026 were as follows:

Nicolas Jimenez	President & CEO
Dallyn Willis	Executive Vice President, Chief Financial Officer
Brian Anderson	Vice President, Strategy & Planning (acting Chief Financial Officer)
Joanne Carpendale	Vice President, Finance & Chief Financial Officer
Lindsay Matthews	Vice President, Public Affairs & Marketing

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 and into fiscal 2026. Brian Anderson, Vice President, Strategy & Planning was acting Vice President & Chief Financial Officer from July 1, 2025, until September 22, 2025. On September 22, 2025, Dallyn Willis joined BC Ferries as the Executive Vice President, Chief Financial Officer.

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 which is competitive with companies having comparable market positions and therefore targets median compensation which neither leads nor lags 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"). The remaining NEOs 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 and within the limits as approved by the BCFA. The BC Ferries Board, with advice from the G&HR Committee, also makes recommendations to BCFA regarding 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 GHR 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 2026, the following directors served as voting members of the Governance & Human Resources 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 2026 were as follows:

- Salary:
 - a maximum total compensation limit 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 for the President & CEO and Vice President, Finance & Chief Financial Officer, Chief Financial Officer, and Vice President, Public Affairs & Marketing; and \$10,800 per year 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 2026, 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 2025 and 2026 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 purpose, values, and strategic mandate, and supports its business requirements.

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 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.

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, 2026
(\$)

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
Nicolas Jimenez President & CEO	2026	468,951	N/A	N/A	38,301	46,947	554,199
	2025	459,756	N/A	N/A	40,822 ⁷	46,363	546,941
Joanne Carpendale⁴ , Vice President, Finance & Chief Financial Officer	2026	357,613	N/A	N/A	2,870	79,690	440,173
	2025	357,613	N/A	N/A	7,523	36,100	401,236
Brian Anderson, Vice President, Strategy & Planning	2026	388,556	N/A	N/A	11,241	36,481	436,278
	2025	386,285	N/A	N/A	11,826	35,079	433,190

Lindsay Matthews⁵, Vice President, Public Affairs & Marketing	2026 2025	354,320 N/A	N/A N/A	N/A N/A	18,540 N/A	82,207 N/A	455,067 N/A
Dallyn Willis⁶, Executive Vice President, Chief Financial Officer	2026 2025	202,125 N/A	N/A N/A	N/A N/A	4,281 N/A	50,480 N/A	256,885 N/A

Notes:

1. Ms. Carpendale left BC Ferries on June 27, 2025. Mr. Anderson was acting Vice President & Chief Financial Officer from July 1, 2025, until September 22, 2025. The salary of Mr. Anderson includes the earned salary under the salary holdback as per the 2019 Executive Compensation plan. The held back portion of annual maximum salary paid for Mr. Anderson was \$32,427 in fiscal year (FY) 2026 and \$33,055 in FY 2027. Mr. Willis joined BC Ferries as the Chief Financial Officer on September 22, 2025; as such, the amounts earned represent the compensation for a partial year.
2. FY 2026 perquisites include vehicle allowance, parking, and business travel accommodations for Mr. Jimenez. FY 2026 perquisites for Ms. Carpendale, Mr. Anderson, Ms. Matthews, and Mr. Willis includes vehicle allowance, and parking. Please note that fuel allowance was offered as a perquisite until 2025 and is no longer offered.
3. The value of other compensation 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 also includes the ferry travel pass program, pursuant to which each Named Executive Officer and eligible family members receive complimentary travel on BC Ferries' vessels.
4. Ms. Carpendale's compensation for FY 2026 includes \$271,190 in salary continuance.
5. In FY 2026, Ms. Matthews was on a secondment from the Insurance Corporation of British Columbia (ICBC) until August 2025, and as such, was not subject to either the 2019 or 2022 Compensation Plans. On August 22, 2025, Ms. Matthews became a permanent employee under the 2022 Executive Compensation Plan. In FY 2026 Ms. Matthews received two retroactive payments for this secondment period totalling \$67,553. 1) \$13,340 for a vehicle allowance during her 23 months secondment with BCF from ICBC (\$580/month) and 2) \$54,213 as a retroactive salary adjustment to align Ms. Matthew's secondment salary from ICBC to that of the Vice President salary level at BC Ferries for this period.
6. Mr. Willis received a one-time transition adjustment payment of \$30,000 upon start.
7. Please note that included within this amount, the Company incurred \$30,900 in accommodation costs for the President & CEO for business accommodations while working in the Victoria office. In the previous period reporting for FY 2025, the amount for business accommodation was disclosed as \$15,900 in error; this is corrected in the table above to reflect a business accommodation benefit of \$32,400 in FY 2025.

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, 2026
(\$)

Name and Position	Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation⁵	Total compensation
Joy MacPhail Director (Chair)	2026	100,000	N/A	N/A	NIL	150	100,150
	2025	100,000	N/A	N/A	NIL	226	100,226

J. Dennis Blatchford Director	2026 2025	33,000 33,000	N/A N/A	13,800 15,600	NIL NIL	150 168	46,950 48,768
Harold Calla Director	2026 2025	31,000 31,000	N/A N/A	10,200 18,600	NIL NIL	280 NIL	41,480 49,600
Eric Denhoff Director	2026 2025	31,000 36,667	N/A N/A	15,600 16,800	NIL NIL	NIL 243	46,600 53,710
Charlene Hiller Director	2026 2025	33,021 31,000	N/A N/A	18,600 19,800	NIL NIL	285 260	51,906 51,060
Cathy McLay Director	2026 2025	39,500 36,000	N/A N/A	14,400 16,800	NIL NIL	NIL NIL	53,900 52,800
Shona Moore² Director	2026 2025	9,529 35,333	N/A N/A	4,200 15,600	NIL NIL	958 3699	14,687 54,632
Tamim Raad Director	2026 2025	33,000 33,000	N/A	16,200 23,400	NIL	605 421	49,805 56,821
Lecia Stewart Director	2026 2025	31,000 26,181	N/A	16,200 12,000	NIL	342 338	47,542 38,519
Paul Faoro³ Director	2026 2025	18,597 -	N/A -	10,800 -	NIL -	5,910 -	35,307 -
Gerald Grant Main⁴ Director	2026 2025	18,597 -	N/A -	10,800 -	NIL -	705 -	30,102 -

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. Moore's term as director ended effective June 24, 2025.
3. Mr. Faoro was appointed as director effective June 25, 2025.
4. Mr. Main was appointed as director effective June 25, 2025.
5. 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, 2026

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	3.07	23,772	93,600	Nil	Nil	Nil	Nil
Joanne Carpendale	20.95	113,688	121,824	Nil	Nil	Nil	Nil
Brian Anderson	26.64	146,784	238,584	Nil	Nil	Nil	Nil
Dallyn Willis	0.53	1,992	82,200	Nil	Nil	Nil	Nil
Lindsay Matthews	0.61	2,316	44,940	Nil	Nil	Nil	Nil

Notes:

- 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.
- 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, 2026.

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, Ms. Matthews, Mr. Willis, and Mr. Anderson.