



Executive Compensation Framework

Manual: Board Manual

Approval Date: September 15, 2021

Section in Manual: Administration General

Approved by: Board of Directors

Cross References: *BD 04-008*

Market Comparisons

Executive compensation is determined through an analysis of appropriate comparable positions at comparator organizations selected by St. Joseph's Care Group (SJCG) to determine the maximum salary and performance-based pay available to each designated executive or class of executives. At least three of the following factors are taken into consideration for selection of comparator organizations:

- Scope of responsibility of the organization's executives;
- Type of operations the organization engages in;
- Industries within which the organization competes for executives;
- Size of the organization; and/or
- Location of the organization.

To support SJCG in the recruitment and retention of executive talent, comparator organizations within Ontario's public healthcare sector with similar scope and complexity to that of SJCG are typically selected as the primary comparator group.

The compensation and benefits program will comply with all legislation, including the Excellent Care for All Act, 2010 (ECFAA), and the Broader Public Sector Executive Compensation Act (2014), and any regulation, rule, code, directive, standard, or procedure that is implemented under such legislation, as amended from time to time, and the Compensation Policy approved by the Board.

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Annual Compensation

In accordance with ECFAA, a portion of executive compensation is withheld annually until the results/outcomes of the annual SJCG Quality Improvement Plan is determined. The Board of Directors approves the recommended quality improvement indicators annually for the President and CEO, the Chief of Staff and the Vice Presidents, and approves the reinstatement of the portion held at risk.

Compensation adjustments are provided on an annual basis. The annual effective date for adjustments to executive compensation is April 1.

The President & CEO is accountable for the performance of members of the Leadership Team, and determining the level of salary for each member of the Leadership Team. The President & CEO provides the Ad Hoc Executive Compensation/Performance Review Committee with information relating to the rationale for executive compensation reinstatement decisions.

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