

statement of 2013 executive compensation

The Human Resources and Compensation Committee has developed and maintains an Executive Compensation Plan that is aligned with and promotes the pursuit of the Corporation's key business goals. It also serves to attract, retain and motivate skilled and experienced executive staff members. All elements of the Plan are approved by Veridian's Board of Directors.

Executive cash compensation consists of base salary and variable performance pay. The Human Resources and Compensation Committee annually evaluates the performance of the President and CEO and makes variable performance payment recommendations to the Veridian Board of Directors.

In discharging its responsibility for recommending executive compensation, the Human Resources and Compensation Committee annually:

1. Reviews salary, variable performance pay and benefits for executive employees, including periodic comparisons with compensation for executives at comparable utilities.
2. Establishes expected performance levels for key business objectives that have been approved by the Board.
3. Determines appropriate variable performance payment amounts for the President and CEO, related to performance achieved towards key business objectives.
4. Reviews the President and CEO's recommendations for variable performance payments for other executive staff, based on performance achieved towards key business objectives.

The Committee's review of compensation for Veridian executives has found that Veridian executive compensation is average compared to comparable utilities and industrial organizations in the same geographic area as Veridian.

Name	Principal Position	Salary	Variable Performance Pay ¹	Other Annual Compensation ²	Total
Michael Angemeer	President and Chief Executive Officer, Veridian Corporation	\$237,662	\$86,539	\$15,990	\$340,191
Rob Scarffe	Executive Vice President, Customer Services and Information Technology, Veridian Connections Inc.	\$182,864	\$57,054	\$9,877	\$249,795
George Armstrong	Vice President, Corporate Services, Veridian Connections Inc.	\$142,325	\$29,978	\$3,892	\$177,195
Laurie McLorg	Vice President, Financial Services, Chief Financial Officer and Treasurer, Veridian Connections Inc.	\$146,267	\$29,978	\$3,882	\$180,126
Peter Petriw	Vice President, Engineering, Veridian Connections Inc.	\$142,097	\$23,316	\$4,230	\$169,643
Mark Turney	Vice President, Operations, Veridian Connections Inc.	\$140,072	\$23,316	\$4,229	\$167,617

1. Variable Performance Payments relate to performance in the prior year.
2. Includes automobile and life insurance benefits.

Veridian Executives are enrolled in the OMERS pension plan. Executive benefits under this defined benefit pension plan are calculated in accordance with OMERS pension calculation formulas that are linked to the number of years of service and highest average annual earnings.