BC PENSION CORPORATION

# STRENGTH IN MOTION

Annual Report 2025/26



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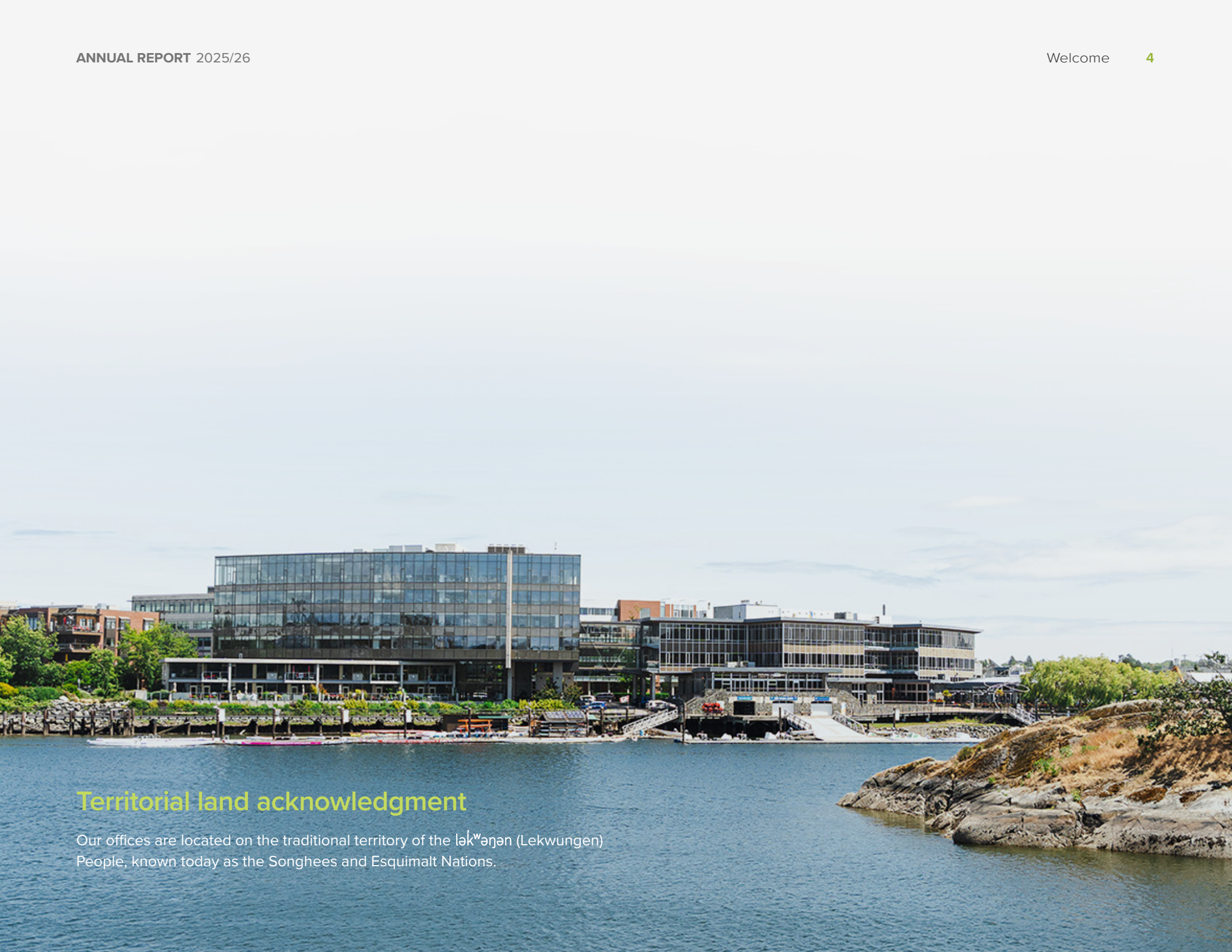
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Whistler



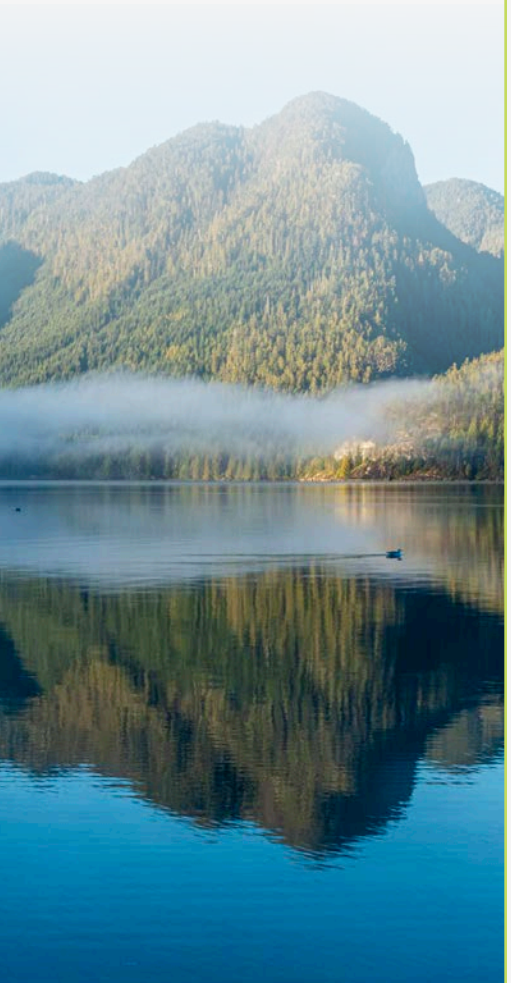
# WELCOME



## Territorial land acknowledgment

Our offices are located on the traditional territory of the lək̓ʷəŋən (Lekwungen) People, known today as the Songhees and Esquimalt Nations.





# CEO message

As I reflect on the past year, I am filled with gratitude and pride for what we have accomplished together. Despite a year marked by significant challenges and uncertainty, we remained focused on what matters most—creating peace of mind for the members, employers and boards we serve. Thanks to the dedication, resilience and professionalism of our people, we continued to deliver exceptional service while making meaningful progress on our strategic priorities.

We serve one in seven British Columbians. From Abbotsford to Zeballos, more than 800,000 plan members look to us for guidance navigating the journey to a secure retirement. Throughout this report, you'll find not only stories of how we served members, employers and the boards, but also stunning images of the province we call home.

This year, we strengthened the foundation for our future. We successfully completed one of the largest technology initiatives in our history with the migration of our core systems to the cloud, enhancing the reliability, security and resilience of our services. We also embraced new opportunities through the thoughtful adoption of artificial intelligence and other modern technologies, always guided by a commitment to responsible innovation and strong governance.

Our success is measured not only by what we achieve, but by how we achieve it. Throughout the year, staff demonstrated remarkable adaptability and commitment, including during a significant labour disruption. Their dedication enabled us to maintain critical services and recover quickly to meet the needs of those who depend on us. I am grateful for their professionalism, expertise and unwavering commitment to excellence.

We also continued to invest in our culture, our people and our communities. From advancing employee well-being and belonging to strengthening our partnerships with plan boards and employers, we remained committed to building an organization that is innovative, inclusive and future-ready. These efforts help ensure that we are well positioned to respond to evolving expectations while continuing to deliver strong value and trusted service.

Looking ahead, I am optimistic about the future. We have reached the midpoint of *Plan 20|30* with strong momentum, a clear sense of purpose and confidence in our direction.

On behalf of the executive team, I offer my sincere thanks to our board of directors for their guidance and support, to the pension plans' boards of trustees for their trust, and to the amazing management and staff for all they do for those we serve. This is truly a special place to work.



**Laura Nashman**
Chief executive officer



# Board chair message

As chair of the BC Pension Corporation board of directors, I am pleased to share BC Pension Corporation's *2025/26 Annual Report*, which highlights the corporation's many accomplishments over the past year.

Guided by its strategic plan, *Plan 20|30: Our Future is Insight*, the corporation is moving purposefully forward while maintaining a strong, resilient foundation. Now halfway through *Plan 20|30* Wave 2, the corporation has embraced positive change through modern technology and new ways of serving plan members and employers. At the same time, it has continued to prioritize the well-being of staff.

The board is proud of the corporation's commitment to creating peace of mind for those it serves. Whether it's bolstering the reliability and security of its core information technology services, making it easy for plan members to get the information they need, celebrating the diversity of its workforce or providing the plan boards with strategic insights and thought leadership, the corporation is taking measured, thoughtful steps toward the future.

On behalf of the board, I would like to thank Laura, the executive team and all the corporation's employees for showing up with strength, dedication and a willingness to go above and beyond. I encourage you to read this annual report and celebrate the exceptional work by the corporation on behalf of BC's public sector pension plans.



**Chan-Seng Lee**
Chair, board of directors



# WHO WE ARE



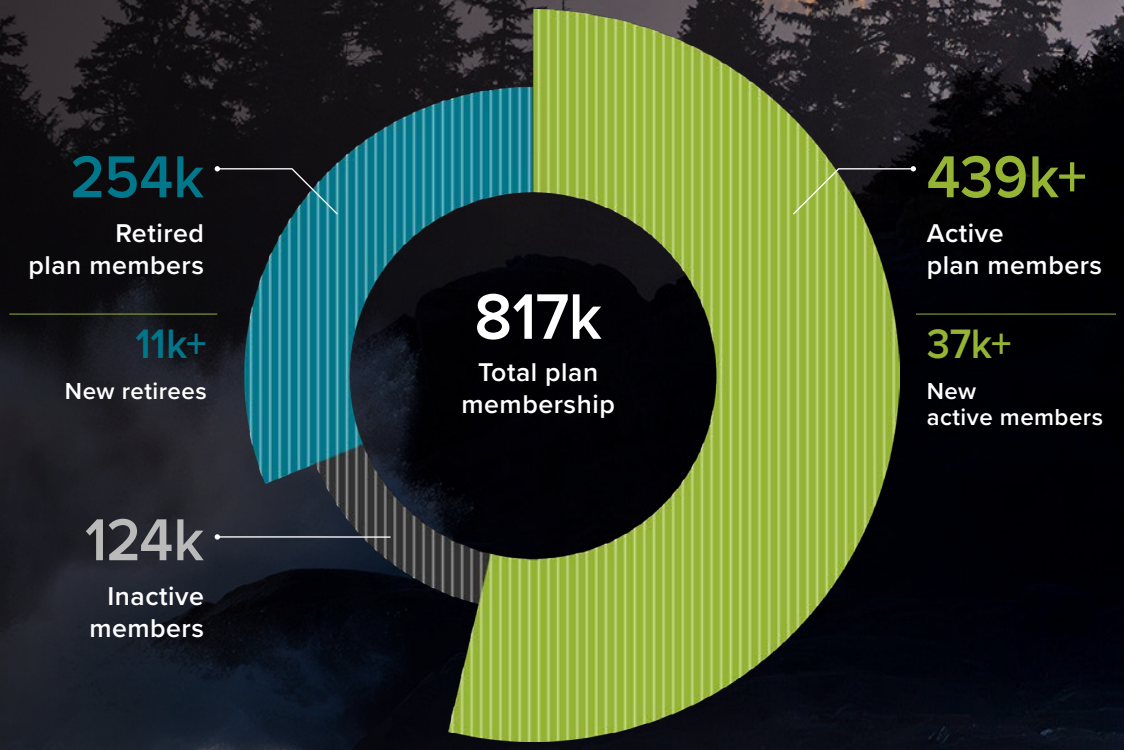
Fraser River, Surrey

# BC Pension Corporation

We serve one in seven British Columbians while fulfilling our purpose to create peace of mind.

We are BC Pension Corporation, experts in pension administration. As one of the largest pension service providers in Canada and the largest in British Columbia, we provide plan members, employers and boards with quality service and insights.

And we influence the pension industry with innovative and forward-thinking approaches.




**72**
Average age of pensioner

**5**
Pension plans we serve

**1,000+**
Participating employers

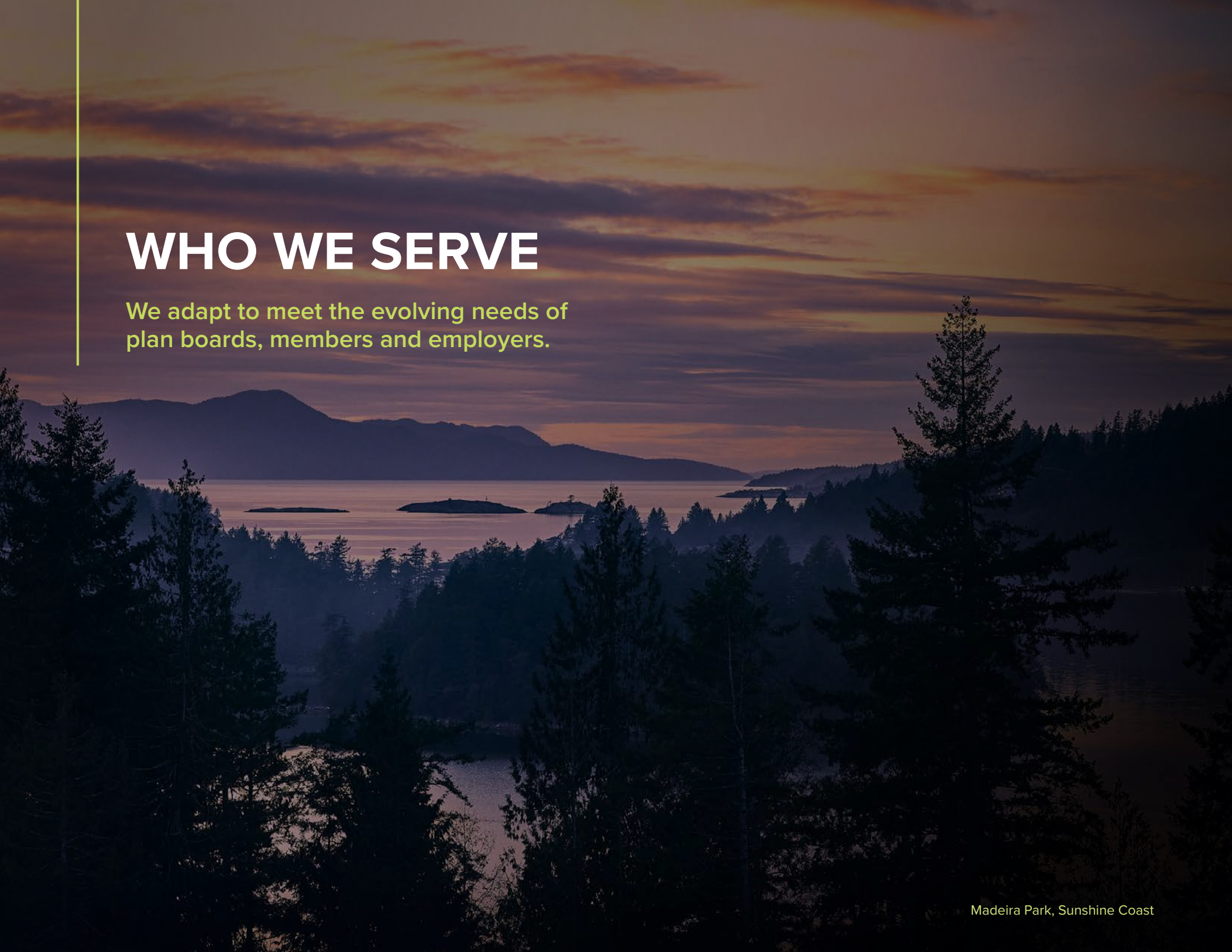
**$6.8bn+**
Benefits paid out over the year

**$0.6bn**
Benefits paid out each month

Cox Bay, Tofino

# WHO WE SERVE

We adapt to meet the evolving needs of plan boards, members and employers.

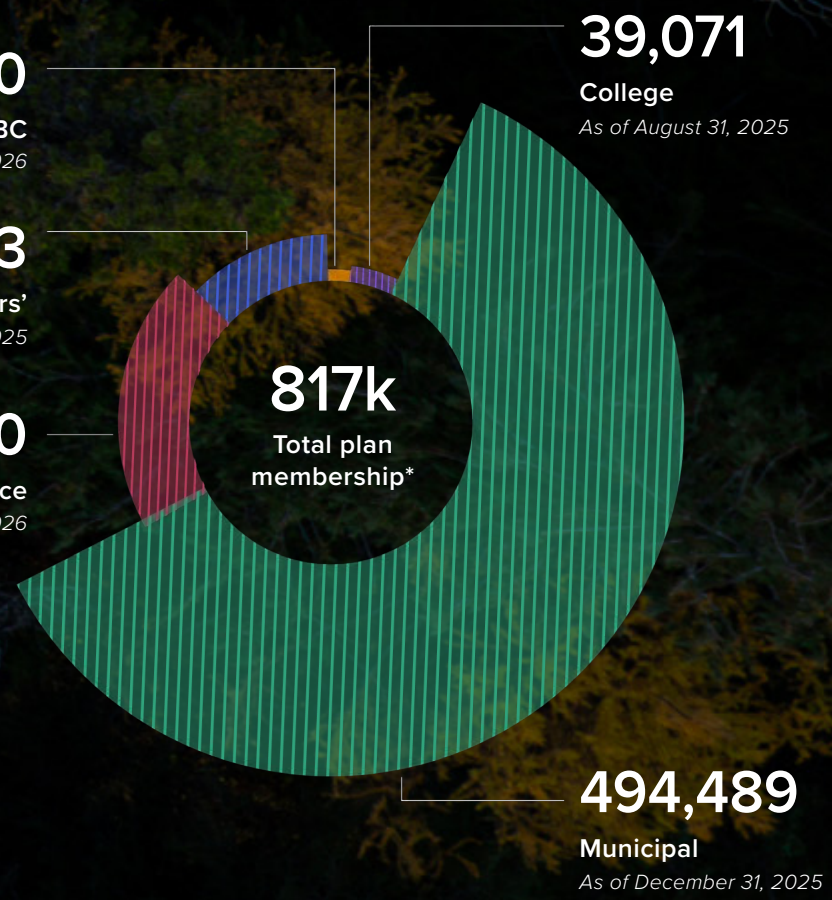


Madeira Park, Sunshine Coast

## Pension Corporation serves multiple clients through strategic partnerships.

We support over 817,000 plan members, providing the right information at the right time so they can make informed decisions about their pension.

We provide five pension plans and one retirement benefit trust with pension services, including policy, financial and communication insights. We ensure over 1,000 plan employers have the tools and information to support their employees who are plan members.



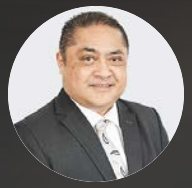
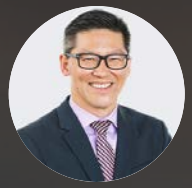
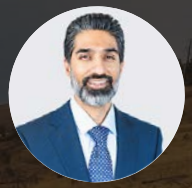

* Refers to active, inactive and retired members.
Figures are based on each plan's year-end reporting cycle.

College Pension Plan · Municipal Retiree Benefit Trust · Municipal Pension Plan · Public Service Pension Plan · Teachers' Pension Plan · WorkSafeBC

# Our board of directors

The board's collective knowledge and experience informs our strategic planning and direction. Board members provide careful, thoughtful oversight and sound governance. As teachers, public servants, union representatives and more, they bring knowledge and expertise from diverse backgrounds to their positions on the board. The board of directors includes a plan member and plan employer representative from each of the following plan boards.

Board of directors for the 2025/26 fiscal year:

| College Pension Board of Trustees | Municipal Pension Board of Trustees | Public Service Pension Board of Trustees | Teachers' Pension Board of Trustees |
|---|---|---|---|
|  Geraldine Hutchings[1] |  Gary Yee |  Chan-Seng Lee, chair |  Elizabeth Baverstock, vice-chair |
|  Cameron McRobb |  Chris Rathbone |  Harpinder Sandhu |  Cheryl Eason |
|  Adam Molineux[2] | | | |

1. Geraldine Hutchings' term ended June 24, 2025.
2. Adam Molineux was appointed to the board effective September 12, 2025.

Kamloops Lake

# Our leaders

Our executive team carries out the strategic plan and keeps us focused on our operational and strategic goals. They guide us as we serve plan members, employers and trustees, and invest in our people.









| Laura Nashman | Trevor Fedyna | Joel Levinson | Karlena Lewis | Renee Bilodeau | Erika Taylor | Aaron Walker-Duncan |
|---|---|---|---|---|---|---|
| Chief executive officer | Vice-president, Strategy and Insights, and chief financial officer | Vice-president, Information and Technology Services, and chief information officer | General counsel and privacy officer | Vice-president, Board and Communication Services | Vice-president, People and Culture | Vice-president, Member and Employer Experience |

Long Beach, Tofino



# We’re a BC Top Employer

For the seventh year in a row, BC Pension Corporation has been chosen as one of BC’s Top Employers. This designation recognizes BC employers that lead their industry as exceptional places to work. Some of the reasons we were selected as a top employer for 2026 include:

- We encourage our employees to pursue educational opportunities with tuition subsidies for external courses and up to 52 weeks of paid educational leave.
- We help our employees maintain healthy habits with subsidized access to an on-site fitness facility as well as other health and well-being resources.
- We maintain excellent maternity and parental leave top-up policies for new and adoptive parents.

2026 BC’s Top Employers



# OUR STRATEGIC PLAN IN PROGRESS

We act deliberately to achieve strategic outcomes.

> This year marked the middle year of Wave 2 and the fifth year of our strategic plan, *Plan 20|30: Our Future is Insight*. We embraced modern solutions while maintaining our organizational strength and resilience

Despite challenges and uncertainty, we continued to provide exceptional service to plan members, employers and the boards. We listened to the needs of our people to enhance employee well-being and our organizational community. As we progress along the path to 2030, we continue to be guided by our aspirations of operational excellence, service innovation and influence.

You can find details of *Plan 20|30* and Wave 2 on our corporate website.

**Operational excellence**

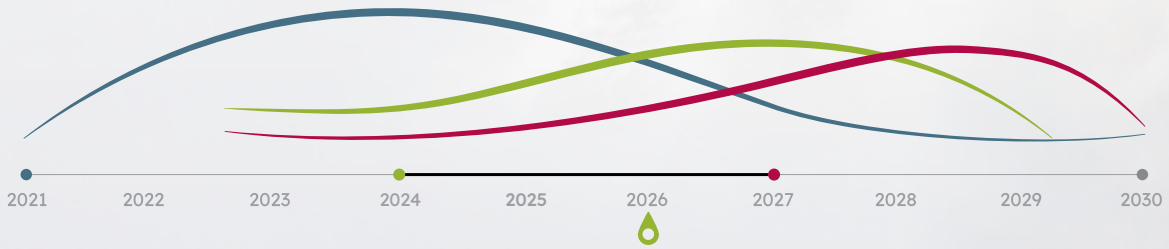
Optimize quality, cost and service

**Service innovation**

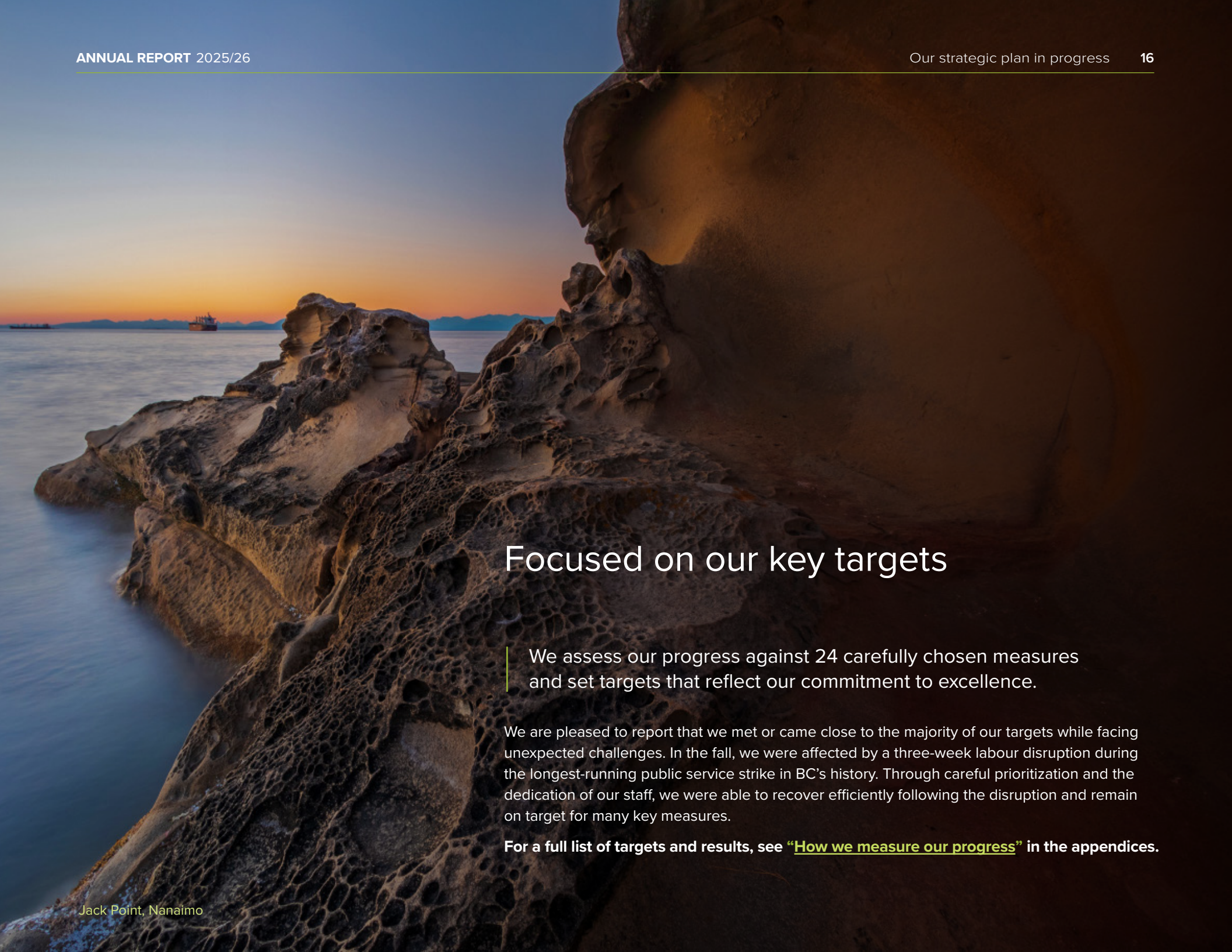
Bring new services to life

**Influence**

Be thought leaders and support the plans to increase the number of members




Mount Assiniboine, Kootenay Region



# Focused on our key targets

> We assess our progress against 24 carefully chosen measures and set targets that reflect our commitment to excellence.

We are pleased to report that we met or came close to the majority of our targets while facing unexpected challenges. In the fall, we were affected by a three-week labour disruption during the longest-running public service strike in BC's history. Through careful prioritization and the dedication of our staff, we were able to recover efficiently following the disruption and remain on target for many key measures.

**For a full list of targets and results, see "How we measure our progress" in the appendices.**

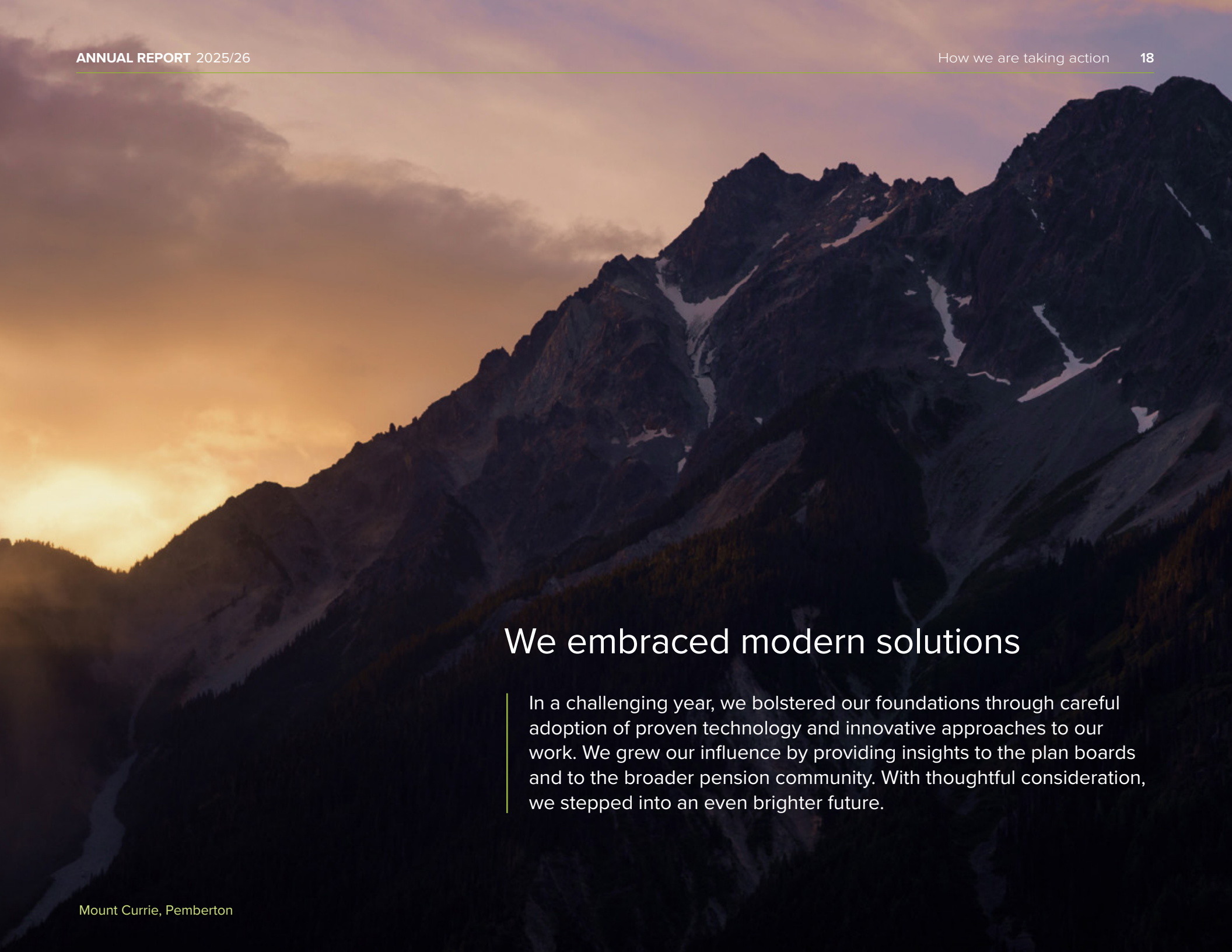
Jack Point, Nanaimo

# HOW WE ARE TAKING ACTION

We show up every day to deliver on our promises.



Vancouver Island



# We embraced modern solutions

In a challenging year, we bolstered our foundations through careful adoption of proven technology and innovative approaches to our work. We grew our influence by providing insights to the plan boards and to the broader pension community. With thoughtful consideration, we stepped into an even brighter future.

Mount Currie, Pemberton

# Enhanced our core information technology systems

## Strengthened our information security

We are committed to keeping the information in our care safe and secure. As cyber threats rapidly evolve, we continually optimize our approach to cybersecurity. This year, we implemented a 360-degree information security strategy, which looks at security from every angle and will steadily improve how we keep our information and data safe. We recently increased protections for our member and employer web portals. We also strengthened how vulnerabilities are identified and fixed, and increased monitoring of the dark web for leaked information.

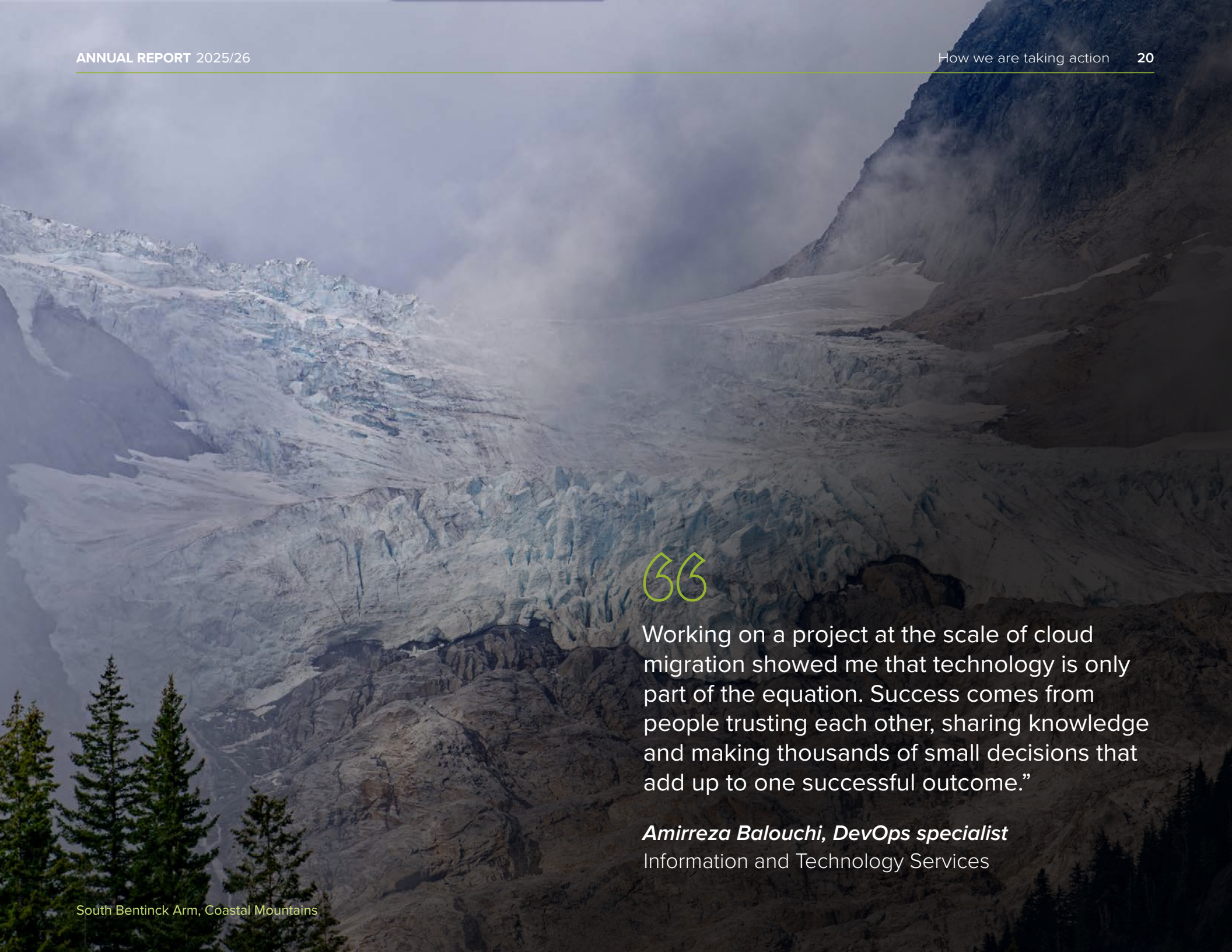
Cybersecurity includes our processes, training and culture; we promote a culture of cybersecurity awareness by delivering updated training to our staff through our new security awareness training. Together, these changes help lower risk and protect against new and emerging threats.

## Migrated our core systems to the cloud

In March, we successfully migrated our core information technology (IT) systems to the cloud—one of the largest IT projects we have ever undertaken. Cloud migration has strengthened our ability to deliver stable, secure, reliable services and support future digital services while continuing to meet our security, privacy and compliance obligations. Instead of maintaining physical servers, we now use cloud services with built-in resilience, automated recovery capabilities and continuous security updates. This allows our teams to focus on service delivery and continuous improvement rather than infrastructure maintenance. Benefits of the cloud include improved service reliability and resilience, enhanced operational efficiency, reduced technology risk, stronger security and compliance, and a firm foundation for future digital services.

## Adopted artificial intelligence technology thoughtfully

We are taking a disciplined, “thoughtful adopter” approach to artificial intelligence (AI). We are adopting proven enterprise solutions at the right time to balance innovation, stability, cost and risk. Our focus is to use AI to improve efficiency, accuracy and service quality so we can deliver great value to plan members, employers and the boards. We have started with practical use cases and are applying AI where it makes a measurable difference today: to automate routine work, improve decision making with better data, and enable faster, more responsive service. For example, staff now have access to Microsoft 365 Copilot to create correspondence and presentations, generate meeting transcripts and summaries, and support code reviews and security incident analysis. We are setting the stage for future AI use cases, such as natural language search within our internal knowledge base, workflow management and phone call transcripts.



“Working on a project at the scale of cloud migration showed me that technology is only part of the equation. Success comes from people trusting each other, sharing knowledge and making thousands of small decisions that add up to one successful outcome.”

***Amirreza Balouchi, DevOps specialist***
Information and Technology Services

South Bentinck Arm, Coastal Mountains

# Drove crucial conversations

## Hosted a trustee education event on AI

Each year, we invite pension trustees to learn about a timely governance topic with experts in the field. This year, we were thrilled to deliver an event focused on AI occupational exposure in the public sector. Presenters explored the current state of AI adoption in the Canadian public sector and how employers can address skills gaps for workers, and noted upcoming research into AI occupation exposure within the pension plans we administer. The presentation was followed by a panel discussion, which allowed trustees to ask questions about the information that mattered most to them.



## Provided thought leadership to the pension community

Our leaders regularly share their expertise and insights with the broader pension community. Some examples from this year include:

### ACPM's Pension Perspectives: A West Coast Forum

Renee Bilodeau, vice-president of Board and Communication Services, participated in an industry panel focused on communication in change management. Organized by the Association of Canadian Pension Management (ACPM), the session brought together pension professionals, trustees and industry leaders to examine the evolving landscape of pension governance, communication and strategy. Drawing on real-world experience, the discussion highlighted practical approaches to navigating complex stakeholder environments during periods of change.

### Pacific Pension and Investment Institute

Pension Corporation continues to benefit from our CEO Laura Nashman's longstanding board involvement with the Pacific Pension and Investment Institute (PPI). Since 2019, she has helped shape PPI's leadership agenda and currently serves as Dean of the PPI Leadership Lab—an exclusive program focused on developing the next generation of pension and investment leaders through high-level dialogue and strategic insight.

## Shared our Excellence Canada journey

In June, we co-hosted an event on our campus with Excellence Canada called *Intentional Excellence in an Evolving World*. Laura Nashman and Trevor Fedyna, vice-president of Strategy and Insights, and chief financial officer, joined Sean Slater, president of Excellence Canada, to talk about how we embedded an excellence framework in the corporation. The discussion highlighted how clearly defined standards, integrated practices and aligned performance measures have been implemented to drive consistency, accountability and continuous improvement across the organization. The session also included engagement with leaders from BC-based organizations pursuing or considering Excellence Canada certification. Overall, the event positioned Pension Corporation as an active contributor to advancing excellence practices, and reinforced our visibility and influence in shaping how organizations translate strategy into sustained, high-quality outcomes.

# Provided trusted advice to the boards

## Introduced a new way of working with the boards

In March, the Board and Communication Services division introduced a new client partner team model in its operations. These teams bring together the right people, skills and perspectives from across the corporation as we continue to elevate how we engage with the boards as trusted advisors. Client partner teams work collaboratively to identify priorities, clarify roles and responsibilities, and resolve issues more quickly and consistently. The new model has improved our ability to anticipate board needs, align resources, and ensure that work moves through the corporation with greater discipline and transparency. Most importantly, it enables us to support the boards with a more strategic, integrated and predictable service experience.

## Supported the plan boards with strategic planning

Throughout the year, we offered leadership and insights to help shape strategic planning for three of the plan boards. For the Teachers' Pension Board of Trustees, we engaged in roundtable discussions about strategic priorities and socio-economic trends and developments. For the College Pension Board of Trustees, we presented a comprehensive environmental scan about the post-secondary industry, and provided key information about plan membership changes since 2000 and forecasts for future membership trends. For the Municipal Pension Board of Trustees, we attended a strategic planning meeting, participated in several workshops, and collaborated with the board office to develop strategic objectives, activities and timelines. Our knowledge and expertise helped guide the plans in developing strategies that embrace modern solutions and governance best practices.

## Developed new communications strategies for the plan boards

We developed and delivered integrated communications strategies for all five pension plan boards. The new strategies reflect a significant shift in how we approach our communication work, moving from activity-based planning to an outcome-driven, evidence-informed strategy. The strategies are grounded in modern best practices. They are insight-led, evidence-based and anchored in research rather than assumptions. They articulate specific, measurable objectives and provide the boards with tools to lead confidently through change; manage issues proactively; and build credibility with members, employers and interest holders. The strategies prioritize plain language and accessibility to ensure members and employers can act on the information they receive.

With strategies now in place across all five plans, we are moving into implementation. The immediate next step is the development of annual content plans, which will flow directly from the communications strategies. Longer term, the strategies will inform and connect to several major initiatives currently underway.



“We are creating a new path for communications—one that connects strategy, audience needs and measurable outcomes—so we can clearly demonstrate the value communication brings to the organization, pension plans and the people we all serve.”

***Taryn Boyd, assistant director, Plan Communications***
Board and Communication Services

Heckman Pass, Coastal Mountains

# We anticipated the needs of those we serve

While we gathered momentum, we remained committed to our purpose: to provide peace of mind to those we serve. We introduced new tools and processes to improve our service to members and employers. We offered strategic insights to support the plan boards in achieving their objectives. And despite the challenges of the year, we met or exceeded the majority of our service targets.

## Gained efficiencies in how we provide service to members

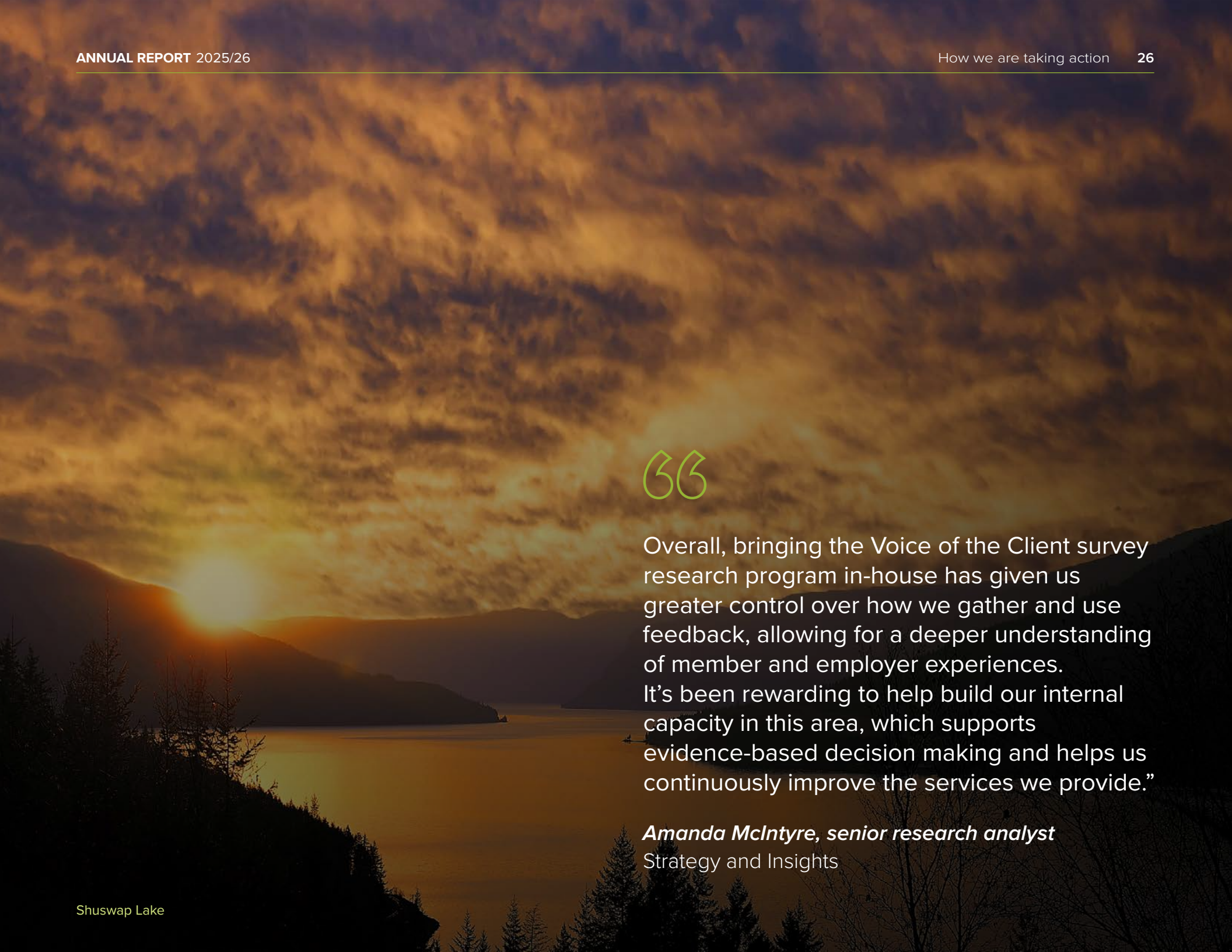
### Introduced an electronic signature capture tool

As customer preference has shifted towards digital services, we've introduced an electronic signature capture tool to improve operational efficiency, enhance service delivery, reduce costs and increase the security of the information in our care. The tool is now in place and being gradually rolled out, starting in areas with the most value. Once the tool is fully rolled out, members will no longer need to print or scan forms to sign and submit them.

### Brought our member and employer survey program in-house

In October, our Voice of the Client survey program transitioned to an in-house model. This shift marks a significant step forward in our commitment to member and employer service excellence, and demonstrates our growing expertise. The survey program gathers first-hand insights from members and employers to help us understand how they feel about our services and identify areas for improvement. It consists of several surveys with a range of frequencies, from twice a week to once a year. The surveys cover member and employer interactions, member and employer webinars, and active and retired member communications.

Our in-house approach is providing deeper insights, improving the quality of data as well our ability to analyze trends over multiple years, and increasing member and employer engagement. We have improved response rates and reporting capabilities, including advanced analytics, and plan to enhance how we review written comments to help us better understand what members and employers are telling us.



Overall, bringing the Voice of the Client survey research program in-house has given us greater control over how we gather and use feedback, allowing for a deeper understanding of member and employer experiences. It's been rewarding to help build our internal capacity in this area, which supports evidence-based decision making and helps us continuously improve the services we provide."

***Amanda McIntyre, senior research analyst***
Strategy and Insights

Shuswap Lake

# Met members where they're at

## Delivered education to members at all life stages

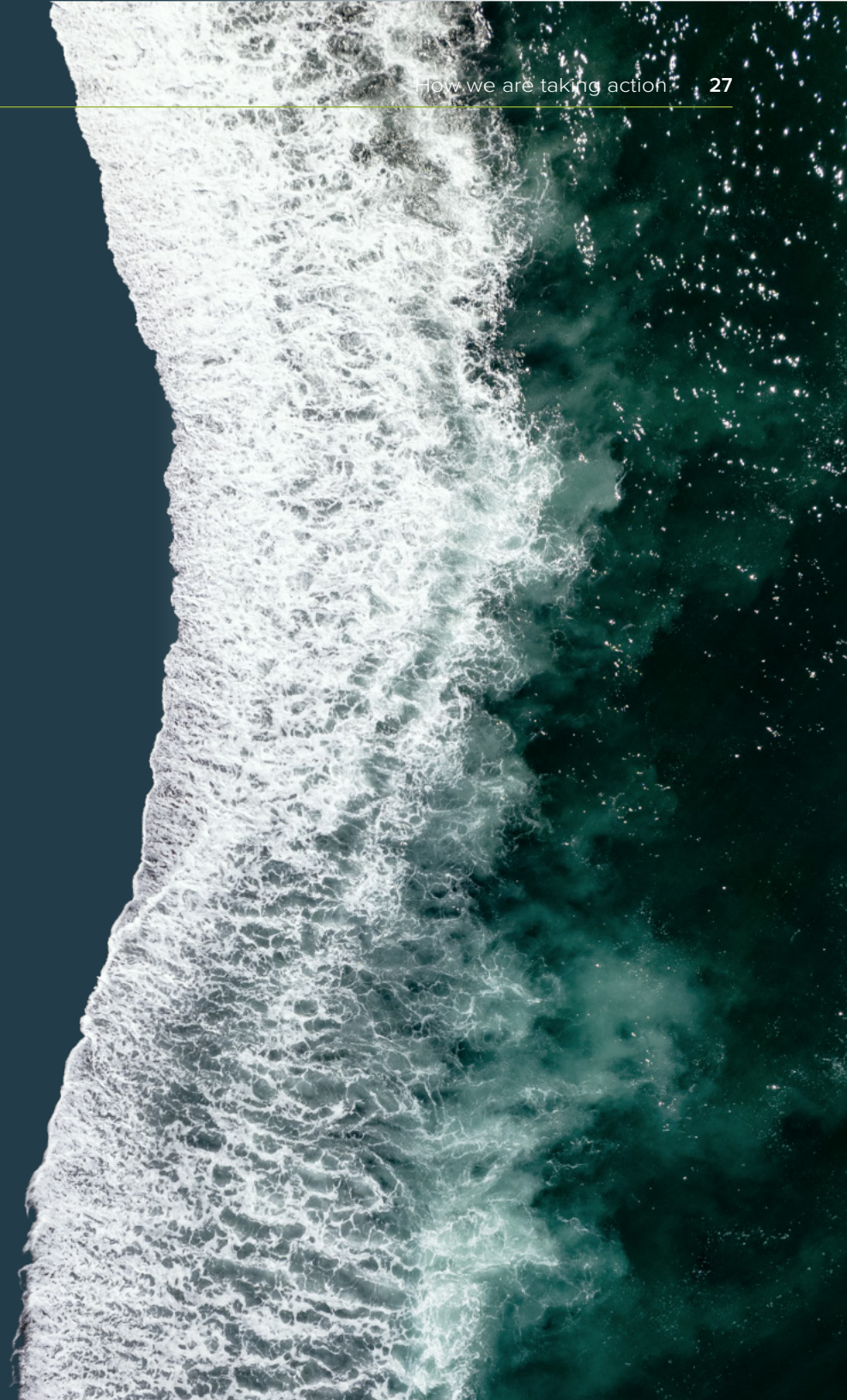
We offer tailored education opportunities for members across their career journeys, from 15-minute online learning for new members to personalized pension planning phone appointments for members retiring within the next year. This year, more than 7,000 members across all plans took advantage of our learning opportunities:

- More than 6,600 members attended one of 265 webinars
- Nearly 750 members approaching retirement participated in one-on-one pension planning appointments

Post-webinar surveys show that 97 per cent of members were satisfied with the webinar they attended. Whether members are just starting out, established in their career or approaching retirement, we have convenient learning options designed to work for them.

## Sent ambassadors to events and conferences

Our ambassador program allows us to send trained staff to engage with members at events and conferences. This year, plan ambassadors attended the Federation of Post-Secondary Educators of BC annual general meeting, the Health Sciences Association convention and the BC Teachers' Federation New Teachers' Conference. At these events, plan ambassadors delivered educational presentations and answered member questions.



# Partnered with the plan boards to achieve their objectives

## Supported MPP with plan expansion

We continue to support the Municipal Pension Plan (MPP) as it explores options to expand plan membership. This year, we implemented a targeted employer engagement pilot for two employer groups, launched a new employer landing page and supported the board office to host one-on-one meetings with prospective employers to learn about joining the plan. We supported MPP's plan expansion pathway (PEP) team by providing background research on target employer groups, participating in PEP marketing and branding development, as well as updating the *Join the plan* web page for employers.










## Completed plan innovation projects

We completed nine plan innovation projects that support the goals and requests of the plans we serve. Examples include:

### Changes to the earliest retirement age for PSPP wildfire fighters

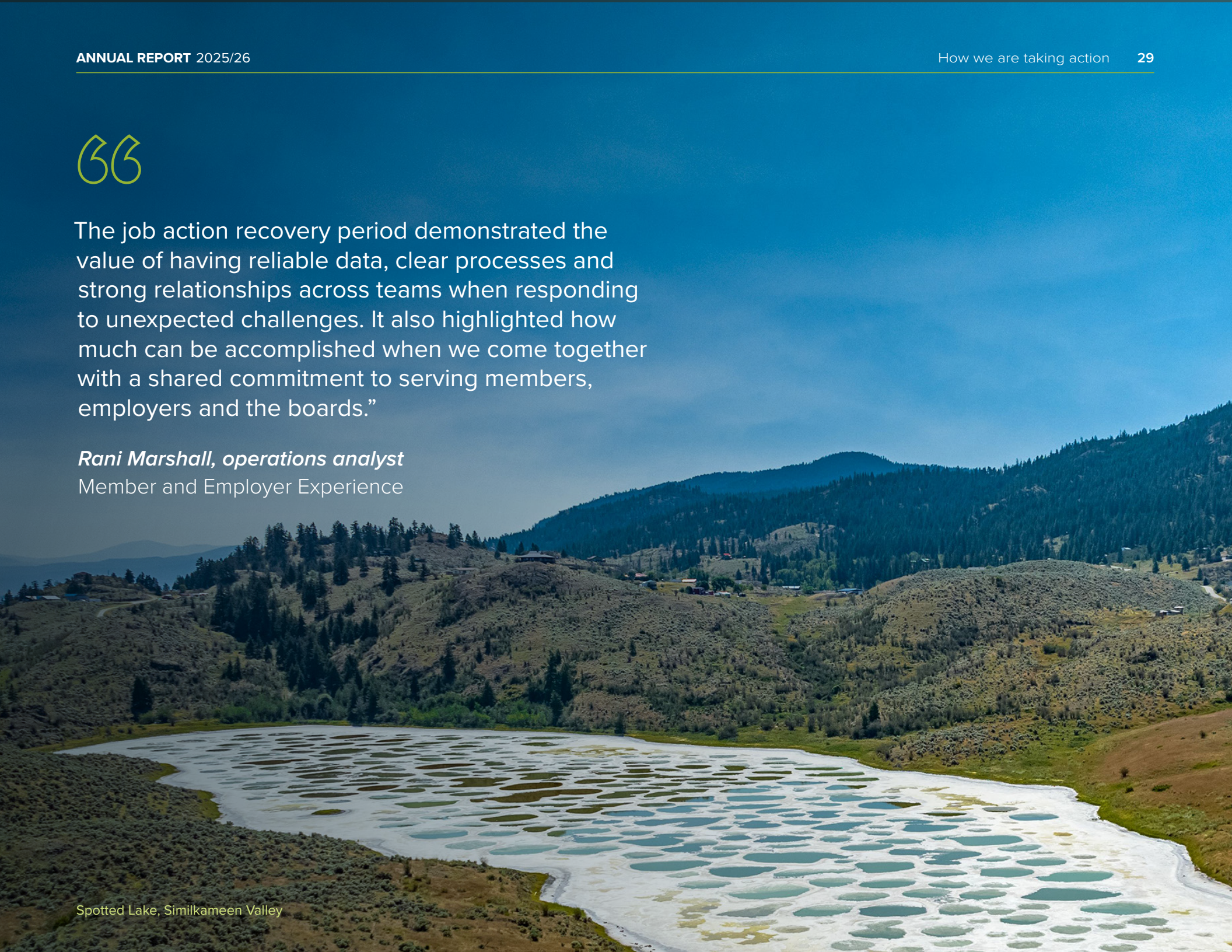
In March 2025, the Public Service Pension Plan (PSPP) plan partners reached an agreement to establish a public safety group for wildfire fighters that enhances early retirement provisions for eligible members. To strengthen BC wildfire fighters' long-term retirement security, the earliest retirement age for this public safety group was changed from 55 to 50. Eligible members will be able to retire as early as age 50 if their last plan employment was with the wildfire fighter public safety group. We updated our systems in preparation for the change and communicated with affected members.

### 2022 and 2023 *Income Tax Act* technical amendments

The federal government regularly makes amendments to the *Income Tax Act* and regulations. Two amendments proposed in 2022 and 2023, and brought into force in 2024, affected the plans. We updated our systems and communications materials to ensure we remain compliant with the act.

“The job action recovery period demonstrated the value of having reliable data, clear processes and strong relationships across teams when responding to unexpected challenges. It also highlighted how much can be accomplished when we come together with a shared commitment to serving members, employers and the boards.”

***Rani Marshall, operations analyst***
Member and Employer Experience



Spotted Lake, Similkameen Valley

# Met or exceeded service targets in a challenging environment

## Improved our CEM Benchmarking service score

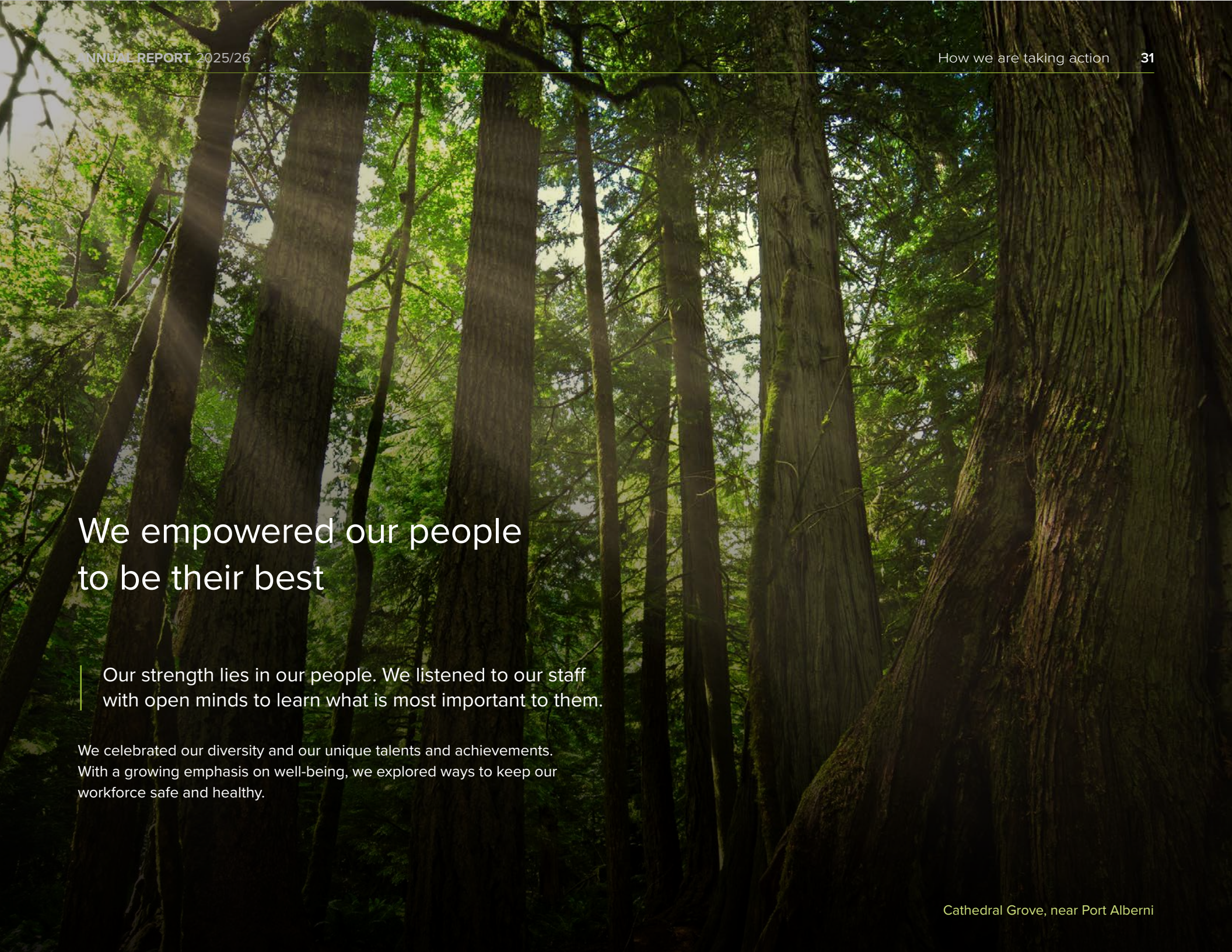
Every year, we participate in the CEM Benchmarking pension administration analysis. The annual CEM report gathers data on cost, service levels and complexity for 81 of the world's leading pension systems. It provides insights into how we compare to other participants and to a select peer group of similarly sized Canadian pension plan administrators. Our latest results show that we continue to provide high-value, quality service to plan members as measured against our peers. We have seen our service score increase steadily since 2021. This year, our service score met the median score among similar organizations for the first time. Our focus on more timely service delivery and increased digitization are the key drivers of our higher service score.

## Met operational targets despite a labour disruption

For the 2025/26 fiscal year, we achieved 100 per cent of our operational service delivery plan (SDP) targets while managing the unprecedented realities of the BC General Employees' Union (BCGEU) labour disruption in fall 2025. Our success can be attributed to the dedication of our employees as well as process efficiencies gained through our operational excellence and digitize programs. Over the past year, we implemented over 6,500 hours of process improvements, with a five per cent increase in business events per hour completed by employees in the Member and Employer Experience division. These efficiencies, coupled with collaborative and committed work by our employees, allowed us to respond to challenges and recover service levels quickly once the labour disruption was over.

## Recovered quickly following BCGEU job action

We are proud of our organizational efforts throughout and after the BCGEU labour disruption in fall 2025. During the disruption, we prioritized the safety and security of people and data, paying members' benefits, maintaining acceptable levels of regulatory compliance and delivering urgent, time-sensitive service. Essential services staff continued to process critical transactions to maintain income continuity for members and beneficiaries. Following the ratification of the new collective agreement and the return to work of BCGEU staff, our operations teams mobilized to process work that had accumulated during the disruption. By January, we had eliminated the backlog and largely returned to normal operational service levels for members and employers.



# We empowered our people to be their best

> Our strength lies in our people. We listened to our staff with open minds to learn what is most important to them.

We celebrated our diversity and our unique talents and achievements. With a growing emphasis on well-being, we explored ways to keep our workforce safe and healthy.

Cathedral Grove, near Port Alberni

# Listened to our people

## Completed employee pulse check surveys

Pulse checks are part of our Voice of the Employee (VOE) program. We gather opinions, feedback and ideas on the employee experience to create a meaningful and engaged workplace. It also helps us to better understand the organization and our changing workforce. Our VOE program reinforces a culture of open communication and engagement. We want staff to feel valued, heard and empowered to contribute to our continued growth and success. Feedback helps us make informed decisions to improve our workplace and the employee experience. In February, 75 per cent of staff completed a pulse check survey with nearly half providing written comments.

## Gathered feedback on our community impact

This year, we launched a community impact board to gather employee ideas about how we can support our communities. Employees shared their feedback and suggestions through both in-person and virtual boards. Their input helped us better understand what matters most to staff when it comes to community involvement, and will guide future opportunities for employees to engage with and support their communities.

## Engaged with staff to plan our office space

As we've adapted to hybrid work, our building needs have changed. This spring, we announced plans to relocate several teams to a newly leased building within our current neighbourhood. The move will empower us to provide strong value for the plans by making cost-effective and fiscally responsible decisions while maintaining a supportive workplace for our employees. We are focused on designing a modern, collaborative space that supports technical requirements and helps maintain or enhance our current service quality levels. We are working closely with leadership teams to ensure we hear from staff and incorporate their needs into our plans.



# Celebrated the diversity of our people

## Continued the work of our DEIA committee

Our Diversity, Equity, Inclusion and Accessibility (DEIA) committee continues to take action to make our workplace an accessible, safe and welcoming environment for all staff. This year, we enhanced our communications practices and expanded learning opportunities to support staff and leaders in growing their knowledge of diversity, equity, inclusion and accessibility. We also improved resources and support for staff and managers for work-related accommodations.

## Hosted our inaugural Pride picnic

On June 18, 2025, the DEIA committee hosted a Pride picnic to celebrate Pride Month. Despite cool weather, staff enjoyed snacks and lawn games. Participants contributed to a collective pride flag art project, sharing messages about what Pride and inclusion means to them. This inclusive and celebratory event is just one example of staff-led initiatives that support our DEIA goals. At Pension Corporation, we proudly support our 2SLGBTQI+ community. We continue to foster a safe work environment where everyone is free to express themselves and be who they are.



# Prioritized employee well-being

## Launched a health and well-being plan

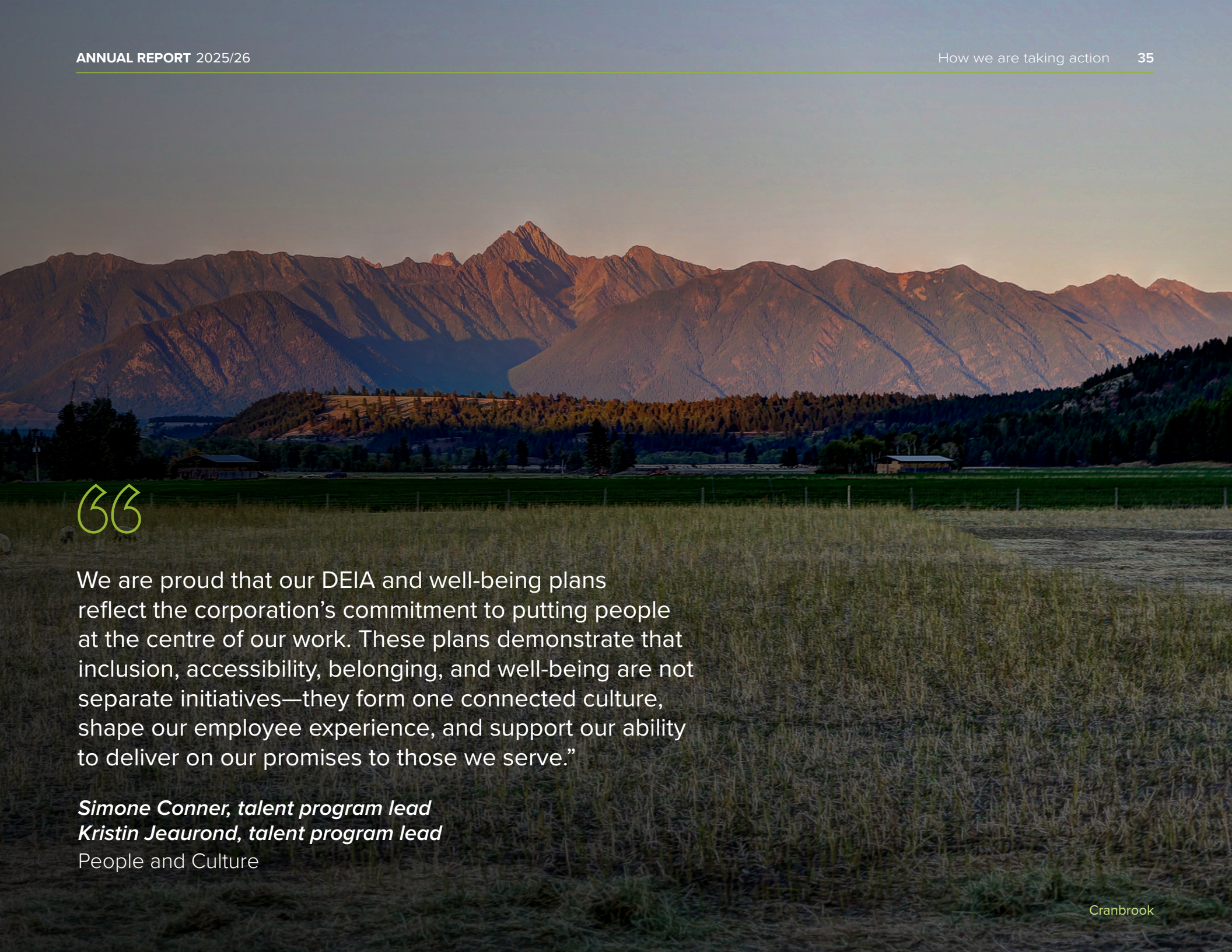
Employee health and well-being has always been a priority for the corporation. We offer many resources and services to support all dimensions of employee well-being, including a hybrid and flexible work environment, short-term counselling, on-site flu clinics, corporate fitness discounts, financial well-being supports and much more. To support our strategic goal of fostering belonging, we assessed our current employee well-being data and resources, and researched best practices to develop a new health and well-being plan. This plan is designed to close gaps in our current offerings and help everyone in the organization feel healthier, more supported and better equipped for success.

## Upgraded the accessibility of our buildings

As part of our 2023–2027 Accessibility Plan, we completed accessibility upgrades to several common areas in one of our buildings. Upgrades have improved accessibility in the lunchroom, prep kitchen and all-gender washroom to make the facilities suitable for wheelchair users. A more accessible space creates a safer, more inclusive environment for everyone. We will continue to identify areas where we can enhance accessibility.

## Introduced a new community for connection and support

This year, we were thrilled to launch PAUSE—an employee-led initiative dedicated to supporting those experiencing menopause as they navigate midlife wellness. PAUSE is more than just a monthly lunch session. By connecting with others on the same journey, employees can find support, strength and inspiration. Some sessions will feature special guests who bring valuable expertise and insights, while other gatherings will focus on sharing employee experiences and exchanging tips and resources, such as books or podcasts. Most importantly, PAUSE creates a safe and supportive space where employees can learn from each other, celebrate resilience and empower each other to thrive.



We are proud that our DEIA and well-being plans reflect the corporation's commitment to putting people at the centre of our work. These plans demonstrate that inclusion, accessibility, belonging, and well-being are not separate initiatives—they form one connected culture, shape our employee experience, and support our ability to deliver on our promises to those we serve."

***Simone Conner, talent program lead***
***Kristin Jeaurond, talent program lead***
People and Culture

Cranbrook

# Gathered to build community

## Celebrated employee excellence with ACE awards

ACE Awards recognize the significant achievements of our employees in six categories. We honour those who anticipate the needs of others, champion new ideas, provide clear and trustworthy leadership, build organizational community, collaborate effectively and exemplify excellence in their work. All employees are encouraged to nominate deserving individuals and teams. ACE Awards provide an opportunity for employees to recognize their colleagues, and inspire everyone to strive for excellence and embody our corporate values. Winners of this year's ACE Awards were announced at our spring town hall in a ceremony themed around recognizing the corporation's everyday superheroes.



## Embraced community and connection

We provide employees several opportunities to gather in less formal settings to build collaboration, strengthen teamwork and promote a sense of community. Summer and winter socials allow teams or branches to gather twice a year for seasonal festivities. This year, teams decorated gingerbread houses, competed in photo scavenger hunts and enjoyed appetizers on sunny patios.

The 2026 Winter Olympics and Paralympics also offered a unique opportunity to build connections and camaraderie. We streamed events on our lunchroom monitors and supplied nutritious snacks. We invited staff to stop by for a bite to eat and watch the sporting action during breaks. The air was filled with laughter, cheers and occasionally sighs as we watched Canadian athletes vie for gold.

## Connected at virtual town halls

We continue to use virtual town halls to connect, deepen our corporate community, and share timely and important information. In December, we heard from Laura and some of our corporate board members about our organization's achievements and what we were looking forward to in coming months. In the spring, we gathered to discuss our progress on *Plan 20|30,* celebrate the completion of our cloud migration project and announce our ACE Award winners.

This year, we introduced town hall watch parties where teams are encouraged to connect in-person on campus to stream the presentation together. As an extra treat, snacks were provided.

## Experienced winter cheer with the corporate board

In December, we hosted a meet-and-greet where staff mingled with our corporate board while enjoying hot chocolate, appetizers and treats. The event provided staff with greater visibility into how the corporation is governed while also offering trustees the chance to see the people behind our work. Staff relished the opportunity to have casual conversations with the corporate board while enjoying some winter cheer.



# Gave back to our community

## Awarded inVESTED scholarships to children of employees

This year, seven children of our employees were awarded scholarships through our inVESTED Scholarship for Children of Employees program. This initiative supports the pursuit of post-secondary education—whether vocational training, college or university—to help successful applicants gain the necessary skills and knowledge for their future careers. Each student who applied wrote a personal essay about their community involvement and how they plan to use their education to achieve their goals. The scholarships awarded this year ranged from $1,000 to $2,500.

## Ran, walked and rolled together

Over 40 Pension Corporation employees ran, walked or rolled in the Times Colonist 10k race. The race deepened community connections and demonstrated our pursuit of employee health and well-being. Our corporate team, the Pension Pacers, is already planning for its next race at the Royal Victoria Marathon.



## Shaped a brighter future through community initiatives

Together, we participated in several provincial, national and international initiatives aimed at making the world a kinder, safer and more sustainable place for all people. Guided by the results of our community impact board, we will continue to find new opportunities to deepen our connection to our community in the future.

### Pink Shirt Day

On February 26, staff were invited to wear a pink shirt to cultivate kindness and stand up to bullying. Pink Shirt Day offers an opportunity to reflect on our organization's commitment to workplace culture.

### Moose Hide Campaign

On May 14, staff were encouraged to take action against gender-based violence as part of the Indigenous-led Moose Hide Campaign. Moose hide squares were available across campus, and an intranet article provided resources for staff who wished to donate, reflect or participate in Moose Hide Campaign events.

### GoByBike Week

Across all GoByBike events in the 2025/26 fiscal year, Pension Corporation cyclists logged more than 8,000 kilometres and 664 rides. Together, we kept 1,893 kilograms of greenhouse gases out of the atmosphere. What's more, many of our staff take advantage of our secure bike lock-up and shower facilities to ride to and from work year-round.



# Cultivated a strong, future-ready workforce

## Offered a thriving co-op program

Each year, we welcome co-op students into a variety of business areas, such as finance, project management, communications, information technology, client service, data analytics, information management, human resources (HR) and office administration. We provide students with a co-op placement that allows them to work on projects that expand their skills and experience, and enhance their field of study. Co-op students are also enrolled in our Skills for Success program, which fosters connection and community with other co-op students in a monthly virtual event.

## Provided learning and development opportunities

We are dedicated to continuous professional development and skill enhancement for our staff. Regular training on privacy and security and our code of conduct keeps staff up to date and prepared. Our Lead Now leadership development program is designed to enhance the skills, qualities and competencies to help people become more effective leaders in current or future roles. Access to LinkedIn Learning courses allows staff to pursue bite-sized learning opportunities on a variety of topics when it works best for them.

# RISK MANAGEMENT DISCUSSION

We make informed decisions to protect what matters most.



Squamish-Lillooet Regional District

> In the fiscal year 2025/26, the enterprise risk management program continued to monitor and manage the risks most likely to impact our strategic objectives.

We formalized our processes for identifying and analyzing emerging risks to better understand how threats could grow into material risks over time. Risk mitigation remains a key priority. With the completion of the cloud migration project, we saw a measurable decrease in risks related to information security, digital enablement and IT legacy.

## AI risk and opportunity in focus

AI risk management became a focus area this year. We applied a risk-informed approach for AI adoption to ensure we realize the benefits of this technology in a controlled and responsible way that matches our risk tolerance levels and supports the corporate strategy.

## Business continuity sustained critical functions

The BCGEU labour disruption put our procedures to the test. We delivered a coordinated response to ensure critical functions, such as member benefit payments, continued without interruption. We developed and applied recovery principles to prioritize work and clear backlogs. We were able to return to normal service levels in a reasonable timeframe.

This year, we completed a full-team cyber response exercise to strengthen our cyber response capabilities and reviewed our approaches to different cybersecurity scenarios. These improvements sharpened our ability to identify, contain and recover form cyber incidents, which reduces the risks of service interruption and data loss or corruption.

## Operational compliance and legislated obligations achieved

We consistently met plan board rules and compliance requirements throughout the fiscal year. We also improved our fraud monitoring capabilities and preventative controls to better protect member accounts. Our commitment to operational compliance mitigates risk and provides assurance that member interests are protected.

## Audit and assurance of internal control effectiveness continued

Audit and assurance activities were affected by the labour disruption and some planned activities were moved later in the fiscal year. Our independent audit program supports continual process improvement and delivers internal control assurance.



# FINANCIAL DISCUSSION

We deliver excellent service while remaining a value leader.

> We take seriously our obligation to provide services in a fiscally responsible way. We do not receive direct funding from the Province of British Columbia or any other level of government. We operate on a cost-recovery basis, as we receive funds from each pension plan for services provided.

Every dollar we receive from the plans goes to support services for plan members, employers and boards of trustees, and to sustain and improve those services. In 2025/26, we continued to be a value provider relative to our peers.

## Well-managed budget

For the year ending March 31, 2026, we were well under budget. In fall 2025, we experienced the BCGEU labour disruption and a Canada Post strike, which significantly affected our finances and resulted in savings across the budget. Despite these challenges, we fulfilled all service delivery commitments and completed the corporation's cloud migration—an important milestone that positions us for future success.

Below is a summary of total service delivery charges to the pension plans and boards we serve. The statement is a management report that represents our performance against our approved budget and reflects 2025/26 charges to the plans for core services, strategic projects, enhanced services and secretariat requirements.

## Total service delivery charges to the pension plans

*for the year ended March 31, 2026*

| | **2025/26 actual** ($ thousands) | **2025/26 budget** ($ thousands) | **Budget variance** ($ thousands) | **Budget variance** (%) |
|---|---|---|---|---|
| **Core services** | 87,122 | 89,698 | (2,576) | (2.9) |
| **Strategic projects** | 16,719 | 20,000 | (3,281) | (16.4) |
| **Enhanced services** | 1,158 | 1,026 | 132 | 12.9 |
| **Secretariat services**[1] | 3,662 | 4,581 | (919) | (20.1) |
| **Total charges to pension plan** | **108,661** | **115,305** | **(6,644)** | **(5.8)** |

1 The above costs for secretariat services exclude executive director costs.

**Core services**, or day-to-day operations, were $2.6 million under budget this year, largely due to savings from the labour disruption and Canada Post strike in the fall. We are proud that all service delivery commitments were met during the year.

**Strategic projects** are the charges to implement projects to improve our organizational performance. Strategic projects were $3.3 million under budget at year-end, primarily due to the labour disruption. Resources were shifted to priority tasks, and we postponed some non-critical projects to 2026/27 with minimal impact to the corporation. Despite these challenges, we completed the cloud migration—a key milestone that positions the corporation for future success.

**Enhanced services** are charges in addition to our main service delivery plan budgets. These are charges approved off-cycle by plan boards for unique items.

**Secretariat services** are charges to carry out day-to-day plan board operations and to serve as liaisons between the plan boards and others.

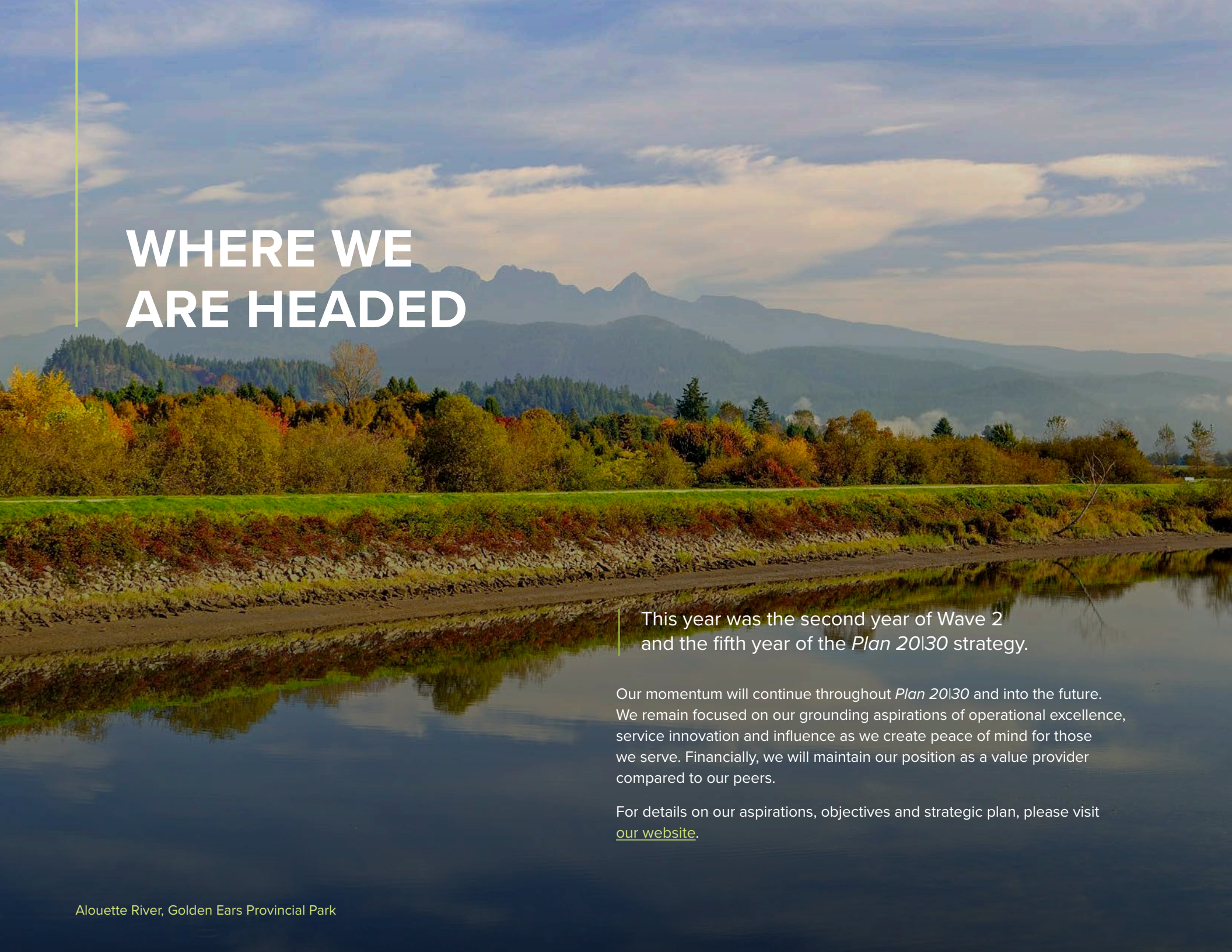
Okanagan Lake

# Audited financial statements

The audited financial statements, starting on page 57, give a different perspective than the total service delivery charges to the pension plans. The audited statements, which align with Canadian accounting standards, present a view where some charges are capitalized and amortized over the period that assets provide value. We present both views in this annual report for transparency.

In the audited financial statements for the current fiscal year ended March 31, 2026, total revenue and expenses were consistent with 2024/25. This variance can be attributed to increased salaries and amortization. Increased salaries were primarily driven by the BCGEU collective agreement and were included in the budget.
As capitalized projects are completed, those amounts on the statement of financial position as an asset are amortized over time. We expect that amortization will continue to increase as the corporation continues to invest in strategic projects and more projects are completed. A reconciliation between the total charges to the plan and the audited financial statements is provided in notes 11 and 12 of the audited financial statements.

# WHERE WE ARE HEADED



> This year was the second year of Wave 2 and the fifth year of the *Plan 20|30* strategy.

Our momentum will continue throughout *Plan 20|30* and into the future. We remain focused on our grounding aspirations of operational excellence, service innovation and influence as we create peace of mind for those we serve. Financially, we will maintain our position as a value provider compared to our peers.

For details on our aspirations, objectives and strategic plan, please visit our website.

Alouette River, Golden Ears Provincial Park



# APPENDICES

# How we measure our performance

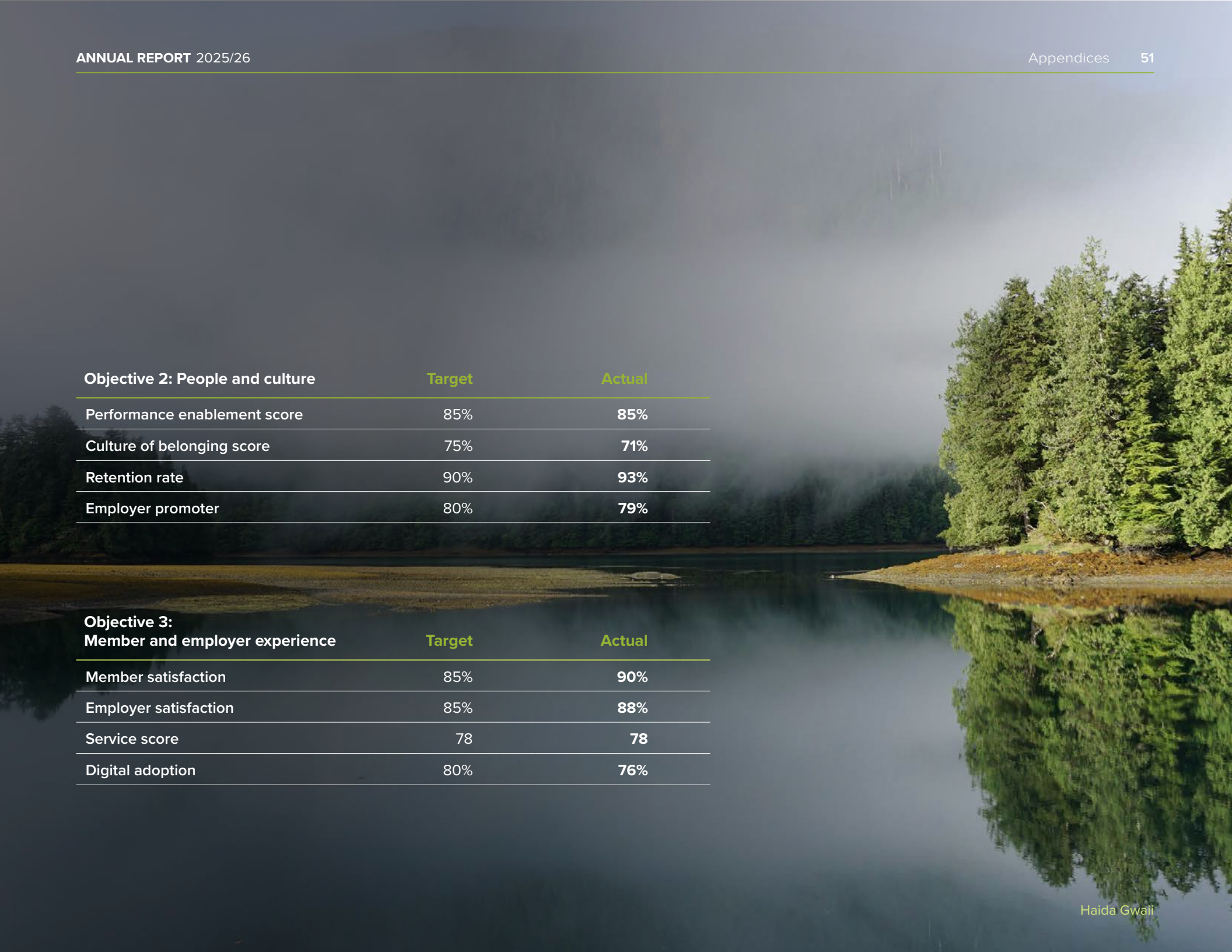
The table below summarizes our performance measures and shows we achieved or exceeded many of our targets for fiscal 2025/26.

| Objective 1: Efficiency and quality | Target | Actual |
|---|---|---|
| Cost per member | $145 | **$138** |
| Security maturity score | 3.5 | **3.5** |
| Pension accuracy | 99.9% | **99.9%** |
| Business events per hour | 0.68 | **0.67** |
| SDP operational targets | 100% | **100%** |
| Employer data submission | 97% | **96%** |
| Technical debt measure | ≤25% | **25%** |
| Benefits realization maturity | 4.1 | **3.0** |
| Self-serve analytics maturity score | 2.9 | **2.9** |
| Corporate compliance maturity score | 3.0 | **2.5** |

Harling Point, Vancouver Island

| Objective 2: People and culture | Target | Actual |
|---|---|---|
| Performance enablement score | 85% | **85%** |
| Culture of belonging score | 75% | **71%** |
| Retention rate | 90% | **93%** |
| Employer promoter | 80% | **79%** |

| Objective 3: Member and employer experience | Target | Actual |
|---|---|---|
| Member satisfaction | 85% | **90%** |
| Employer satisfaction | 85% | **88%** |
| Service score | 78 | **78** |
| Digital adoption | 80% | **76%** |



Haida Gwaii

| Objective 4: Supporting plan needs | Target | Actual |
|---|---|---|
| SDP commitment score | 100% | **99%** |
| Thought leadership[1] | 80% | **97%** |
| Trustee satisfaction[2] | 90% | **100%** |
| Board material accuracy | 95% | **99%** |
| Board material quality score | 85% | **90%** |

1 The measures for thought leadership are collected every two years for the College, Public Service and Teachers' pension plans, while the Municipal Pension Plan (MPP) gathers this data annually. The score for the 2025/26 fiscal year is for MPP only.

2 The measures for trustee satisfaction are collected every two years for the College, Public Service and Teachers' pension plans, while MPP gathers this data annually. The score for the 2025/26 fiscal year is for MPP only.

| Objective 5: Plans' membership growth | Target | Actual |
|---|---|---|
| Membership growth activity score | 100% | **100%** |

Gulf Islands

# Board compensation

The Pension Corporation Board of Directors oversees governance of BC Pension Corporation. Board members are remunerated through an annual retainer and per diem fee for board and committee meetings. The retainer and fees are paid to board members or the organization that employs them while they serve on the board. In addition, members are reimbursed for travel and education expenses.

| **Name** | **Position** | **Renumeration** ($) | **Expenses** ($) | **Total** ($) |
|---|---|---|---|---|
| Elizabeth Baverstock | Vice-chair | 11,095 | 5,173 | 16,268 |
| Cheryl Eason | Chair, audit, finance and risk committee | 12,487 | 15,526 | 28,013 |
| Geraldine Hutchings[1] | Board member | 2,261 | 0 | 2,261 |
| Chan-Seng Lee | Chair | 21,267 | 1,327 | 22,594 |
| Cameron McRobb | Board member | 8,159 | 1,527 | 9,686 |
| Adam Molineux[2] | Board member | 5,686 | 0 | 5,686 |
| Chris Rathbone | Board member | 15,175 | 6,353 | 21,528 |
| Harpinder Sandhu | Board member | 8,177 | 3,438 | 11,615 |
| Gary Yee | Chair, HR and governance committee | 14,327 | 3,664 | 17,991 |

1 Geraldine Hutchings' term ended June 24, 2025.

2 Adam Molineux was appointed to the board effective September 12, 2025.

Board members also serve on the board's audit, finance and risk committee, and the HR and governance committee.

## Audit, finance and risk committee

The audit, finance and risk committee helps the board fulfil its oversight responsibilities in the areas of financial administration and risk management, such as reviewing the audited financial statements and monitoring and reporting on management of principal risks.

| Name | Position |
|---|---|
| **Cheryl Eason** | Committee chair |
| **Geraldine Hutchings**[1] | Member |
| **Chan-Seng Lee** | Member |
| **Adam Molineux**[2] | Member |
| **Chris Rathbone** | Member |
| **Ex officio members** | Board chair and vice-chair |

1 Geraldine Hutchings' last committee meeting was June 5, 2025.

2 Adam Molineux was appointed to the committee September 29, 2025.

## Human resources and governance committee

The HR and governance committee helps the board fulfil its responsibilities for HR strategy and provides a focus on board governance to enhance board performance, such as making recommendations on HR practices, policies and procedures, and best practices and current issues related to board governance.

| Name | Position |
|---|---|
| **Gary Yee** | Committee chair |
| **Elizabeth Baverstock** | Member |
| **Cameron McRobb** | Member |
| **Harpinder Sandhu** | Member |
| **Ex officio members** | Board chair and vice-chair |

Howe Sound, Sunshine Coast

# Board and committee meeting attendance

In 2025/26, the Pension Corporation Board of Directors held five board meetings; three audit, finance and risk committee meetings; and six HR and governance committee meetings.

| Name | Board meetings attended | Audit, finance and risk committee meetings attended | HR and governance meetings attended | Total meetings attended |
|---|---|---|---|---|
| Elizabeth Baverstock | 5 | 3 | 6 | 14 |
| Cheryl Eason | 5 | 3 | 6 | 14 |
| Geraldine Hutchings[1] | 1 | 1 | 1 | 3 |
| Chan-Seng Lee | 5 | 3 | 5 | 13 |
| Cameron McRobb | 5 | 2 | 5 | 12 |
| Adam Molineux[2] | 4 | 1 | 1 | 6 |
| Chris Rathbone | 5 | 3 | 6 | 14 |
| Harpinder Sandhu | 5 | 2 | 5 | 12 |
| Gary Yee | 5 | 3 | 6 | 14 |

1 Geraldine Hutchings' term ended June 24, 2025.

2 Adam Molineux was appointed effective September 12, 2025.

# Executive compensation

Pension Corporation has six divisions, each led by a vice-president with a focused portfolio. This ensures we effectively execute core business functions along with our transformational efforts.

The board determines the chief executive officer's compensation, and the executive team falls under the *Public Service Act* and its relevant compensation framework.

| **Name** | **Position** | **Base salary** ($) | **Employer pension contributions**[1] ($) |
|---|---|---|---|
| Laura Nashman | Chief executive officer | 460,000 | 45,310 |
| Joel Levinson | Vice-president, Information and Technology Services, and chief information officer | 299,190 | 29,470 |
| Aaron Walker-Duncan | Vice-president, Member and Employer Experience | 283,168 | 27,892 |
| Trevor Fedyna | Vice-president, Strategy and Insights, and chief financial officer | 273,600 | 26,950 |
| Karlena Lewis | General counsel and privacy officer | 273,600 | 26,950 |
| Erika Taylor | Vice-president, People and Culture | 254,626 | 25,081 |
| Renee Bilodeau | Vice-president, Board and Communication Services | 220,000[2] | 21,670 |

1 Employer pension contributions are based on 9.85 per cent of base salary. There are other forms of benefits such as medical and health benefits estimated to be 7.15 per cent of salary, as well as vehicle allowances. Executive may also receive other payouts, such as for unused vacation time.

2 The base salary for Renee Bilodeau has been pro-rated based on a salary change effective August 3, 2025.



# AUDITED FINANCIAL STATEMENTS

BC PENSION CORPORATION

# MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and information in the Annual Report are the responsibility of management of British Columbia Pension Corporation (Corporation) and have been approved by management and the Board of Directors (Board).

Management is responsible for the integrity and fairness of the data presented, including significant accounting judgments and estimates. This responsibility includes selecting appropriate accounting policies in accordance with Canadian accounting standards for not-for-profit organizations. Other financial information contained in the Annual Report conforms to these financial statements.

In discharging its responsibility for the integrity and fairness of the financial statements, management maintains the internal controls necessary to provide reasonable assurance that relevant and reliable financial information is produced and that assets are properly safeguarded. The Board, primarily through its Audit, Finance and Risk Committee (Committee), is responsible for ensuring that management fulfils this responsibility. The Committee reviews the financial statements and recommends them to the Board for approval. The Committee meets with management and external auditors to discuss internal controls, auditing matters and financial reporting issues.

The firm of KPMG LLP has been appointed the independent auditor of the Corporation by the Board. The role of the auditor is to perform an independent audit of the financial statements of the Corporation in accordance with generally accepted auditing standards in Canada. The resulting audit opinion is set out in the Auditor's Report attached to these financial statements.

**Trevor Fedyna, CPA, C.Dir**

Vice-president, Strategy and Insights, and Chief Financial Officer

British Columbia Pension Corporation

**Allan Chen, CPA**

Controller

British Columbia Pension Corporation

KPMG LLP
777 Dunsmuir Street, 11th floor
Vancouver, BC V7Y 1K3
Canada
Tel 604 691 3000
Fax 604 691 3031

# INDEPENDENT AUDITOR'S REPORT

To the Shareholder of British Columbia Pension Corporation

## *Opinion*

We have audited the financial statements of the British Columbia Pension Corporation (the "Corporation"), which comprise:

- the statement of financial position as at March 31, 2026
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2026, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English Corporation limited by guarantee. KPMG Canada provides services to KPMG LLP.



### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada

June 23, 2026

BC PENSION CORPORATION

# Statement of Financial Position

($thousands)

| As at March 31 | Note | 2026 | 2025 |
|---|---|---|---|
| **Assets** | | | |
| Current | | | |
| Cash and cash equivalents | 4 | $ 8,993 | $ 7,746 |
| Accounts receivable | | 3,580 | 3,936 |
| Due from pension plans | 5 | 1,149 | 484 |
| Prepaid expenses | | 3,312 | 2,900 |
| | | 17,034 | 15,066 |
| Computer systems and other assets | | | |
| Intangible assets | 6 | 46,164 | 42,709 |
| Tangible assets | 6 | 2,235 | 2,838 |
| | | 48,399 | 45,547 |
| **Total assets** | | **$ 65,433** | **$ 60,613** |
| **Liabilities** | | | |
| Current | | | |
| Accounts payable | | $ 4,736 | $ 3,925 |
| Accrued salaries and benefits | 7 | 12,037 | 10,942 |
| | | 16,773 | 14,867 |
| Deferred capital funding | 8 | 48,399 | 45,547 |
| | | 48,399 | 45,547 |
| **Net assets** | | | |
| Share capital | | - | - |
| Surplus | | - | - |
| Internally restricted net assets | | 261 | 199 |
| **Total liabilities and net assets** | | **$ 65,433** | **$ 60,613** |

Commitments (note 9)
Contingent liabilities (note 10)
The accompanying notes are an integral part of these financial statements.

British Columbia Pension Corporation
Board of Directors

British Columbia Pension Corporation
Board of Directors

BC PENSION CORPORATION

# Statement of Operations

($thousands)

| For the year ended March 31 | Note | 2026 | 2025 |
|---|---|---|---|
| **Revenues** | | | |
| Pension services | 11 | $ 102,236 | $ 98,570 |
| Pension boards' secretariat services | 12 | 4,403 | 3,623 |
| Investment income | 13 | 575 | 945 |
| **Total revenues** | | **$ 107,214** | **$ 103,138** |
| **Expenses** | | | |
| Salaries and benefits | | 72,533 | 68,382 |
| Amortization | | 10,601 | 8,532 |
| Information services and systems | | 8,482 | 9,714 |
| Professional services | | 6,910 | 7,613 |
| Premises | | 4,987 | 4,860 |
| Other | 14 | 3,639 | 3,978 |
| **Total expenses** | | **$ 107,152** | **$ 103,079** |
| **Excess of revenues over expenses** | | **$ 62** | **$ 59** |

# Statement of Changes in Net Assets

($thousands)

| For the year ended March 31, 2026 | Share capital | Surplus | Internally restricted |
|---|---|---|---|
| Opening balance | $ - | $ - | $ 199 |
| Excess of revenues over expenses | - | 62 | - |
| Transfers | - | (62) | 62 |
| **Closing balance** | **$ -** | **$ -** | **$ 261** |
| **For the year ended March 31, 2025** | | | |
| Opening balance | $ - | $ - | $ 140 |
| Excess of revenues over expenses | - | 59 | - |
| Transfers | - | (59) | 59 |
| **Closing balance** | **$ -** | **$ -** | **$ 199** |

The accompanying notes are an integral part of these financial statements.

BC PENSION CORPORATION

# Statement of Cash Flows

($thousands)

| For the year ended March 31 | Note | 2026 | 2025 |
|---|---|---|---|
| **Operating transactions** | | | |
| Excess of revenues over expenses | | $ 62 | $ 59 |
| Add (deduct) items not involving cash | | | |
| Amortization of computer systems and other assets | | 10,601 | 8,532 |
| Amortization of deferred capital funding | | (10,601) | (8,532) |
| | | 62 | 59 |
| Changes in non-cash working capital balances | | | |
| (Increase) decrease in due from pension plans | | (665) | 3,748 |
| Decrease (increase) in accounts receivable | | 356 | (3,510) |
| Increase in prepaid expenses | | (412) | (524) |
| Increase (decrease) in accounts payable | | 811 | (5,155) |
| Increase in accrued salaries and benefits | | 1,095 | 536 |
| Total operating activities | | **$ 1,247** | **$ (4,846)** |
| **Investing transactions** | | | |
| Acquisition of computer systems and other assets | | (13,453) | (15,086) |
| Total investing activities | | **$ (13,453)** | **$ (15,086)** |
| **Financing transactions** | | | |
| Deferred capital funding received | | 13,453 | 15,086 |
| Total financing activities | | **$ 13,453** | **$ 15,086** |
| **Increase (decrease) for the year** | | **$ 1,247** | **$ (4,846)** |
| Cash and cash equivalents at beginning of year | | 7,746 | 12,592 |
| **Cash and cash equivalents at end of year** | 4 | **$ 8,993** | **$ 7,746** |

The accompanying notes are an integral part of these financial statements.

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

### 1. AUTHORITY

British Columbia Pension Corporation (Corporation) was established as a corporation on April 1, 2000, under section 5 of the *Public Sector Pension Plans Act*, S.B.C. 1999 c. 44 (Act). The Act describes the composition, appointment, powers, functions and duties of the Board of Directors (board) for the Corporation.

### 2. NATURE OF OPERATIONS

The Corporation operates on a not-for-profit-organization (NFPO) basis providing pension services as agent for the boards of trustees responsible for the College, Municipal, Public Service and Teachers' pension plans. It may also provide services to other British Columbia public sector pension clients. The Corporation's board consists of eight directors, two directors from each of the four boards of trustees above. The chair and vice-chair of the board are elected by the directors.

Services provided by the Corporation include collecting and recording contributions, calculating and paying benefits, communicating to employers and plan members, and providing services to support the pension boards as well as other services specifically approved by the individual boards of trustees. These services are provided pursuant to service agreements with each pension plan.

The Corporation charges each pension plan for its respective share of the Corporation's operating expenses, computer systems and other asset purchases, less investment and miscellaneous income and amortization.

The issued share ($10.00 dollar par value) of the Corporation is held by the Province of British Columbia (Province), and accordingly the Corporation is exempt from income taxes. The Corporation collects and remits GST on the provision of services and recovers eligible taxes paid through the input tax credits.

### 3. SIGNIFICANT ACCOUNTING POLICIES

**a) Basis of presentation**

These financial statements are prepared in accordance with Canadian accounting standards for NFPOs under Part III of the Chartered Professional Accountants (CPA) Canada Handbook—Accounting.

**b) Cash and cash equivalents**

Cash and cash equivalents consist of cash and short-term highly liquid investments, such as pooled money market funds, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes of value.

**c) Computer systems and other assets**

Computer systems and other assets are classified into four categories:

- Major business application software consists of the Corporation's pension administrative systems, financial systems, and websites
- Computer systems include the Corporation's servers, networking systems, and computer hardware and software
- Furniture consists of the Corporation's furniture and other miscellaneous equipment
- Tenant improvements include changes and improvements to current accommodations

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**c) Computer systems and other assets (continued)**

In determining the total cost of computer systems and other assets, the following criteria are applied:

- Computer systems and other assets acquired or constructed are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets; the cost includes overhead directly attributable to construction
- Salaries and benefits costs incurred directly in the development, improvement, betterment or implementation of computer systems or other assets are recorded at cost

Computer systems and other assets under development are not amortized until the project is completed and implemented, and the asset is ready for use.

Computer systems and other assets are adjusted to fair value or replacement cost when conditions indicate they no longer contribute to the ability of the Corporation to provide services, or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The adjustments are accounted for as expenses in the statement of operations.

The cost, less residual value, of computer systems and other assets is amortized on a straight-line basis over the estimated useful life of the asset. These useful lives are reviewed on a regular basis or if significant events initiate the need to be revised. Estimated useful lives for computer systems and other assets are as follows:

| | |
|---|---|
| Major business application software | 3 to 10 years |
| Computer systems | 3 to 5 years |
| Furniture | 10 years |
| Tenant improvements | 5 to 10 years |

Or over the term of the underlying lease, whichever is shorter.

**d) Revenue recognition**

The Corporation receives cash funding in advance from the pension plans that receive services from the Corporation. Service revenue is recognized as operating expenses are incurred and as assets are amortized. The Corporation defers capital funding received in advance for computer systems and other asset purchases. This deferred capital funding is recognized as service revenue on the same basis as the related assets are amortized. Investment income is recorded on an accrual basis.

**e) Foreign currency translation**

Transactions denominated in foreign currencies are recorded in Canadian dollars at exchange rates in effect at the related transaction date. Monetary assets and liabilities denominated in foreign currencies are adjusted to reflect year-end exchange rates at the statement of financial position date. Any resulting exchange gains and losses are included in the determination of income.

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**f) Employee pension plan**

The Corporation and its employees contribute to a multi-employer contributory defined benefit pension plan. Defined contribution plan accounting is applied, as the pension plan exposes current participating organizations to actuarial risks associated with employees of current and former participating organizations, with the result that there is no consistent and reliable basis for allocating the pension plan obligation, assets or cost to individual participating organizations in the pension plan.

**g) Use of estimates**

The preparation of financial statements, in conformity with Canadian accounting standards for NFPOs, requires management to make estimates and assumptions that affect the reported amounts on the statement of financial position and statement of operations at the date on the financial statements. Actual results could differ from these estimates. The significant area requiring the use of management estimates relates to the estimated useful lives and impairment of computer systems and other assets.

**h) Internally restricted net assets**

Non-statutory plans will be assigned a negotiated charge for intangible assets and long-term infrastructure costs. Funds generated from this charge will be held as internally restricted net assets and used to improve service and/or operational excellence.

### 4. CASH AND CASH EQUIVALENTS

Cash equivalents consist of direct ownership in units of pooled investment portfolios managed by British Columbia Investment Management Corporation (BCI). Each unit gives its holder a proportionate share in the value of the net assets of the pooled investment portfolio. The pooled investment portfolios consist of Canadian money market securities, such as financial, government and corporate commercial paper. These investments are recorded at fair value.

| | 2026 | 2025 |
|---|---|---|
| Cash | $ 1,186 | $ 1,238 |
| Cash equivalents | 7,807 | 6,508 |
| | $ 8,993 | $ 7,746 |

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

### 5. DUE FROM PENSION PLANS

Due from pension plans represents total charges to pension plans less operating and capital funding received as follows:

| | 2026 | 2025 |
|---|---|---|
| Beginning balance, due from pension plans | $ 484 | $ 4,232 |
| Total charges to pension plans for: | | |
| Pension services (note 11) | 105,000 | 105,054 |
| Pension boards' secretariat services (note 12) | 4,429 | 3,635 |
| Operating funding received | (95,311) | (97,351) |
| Deferred capital funding received | (13,453) | (15,086) |
| Ending balance, due from pension plans | $ 1,149 | $ 484 |
| | | |
| Comprised of: | | |
| Municipal Pension Plan | $ 670 | $ 392 |
| Public Service Pension Plan | 395 | (78) |
| Teachers' Pension Plan | (80) | 107 |
| College Pension Plan | 142 | 42 |
| WorkSafeBC Pension Plan | (11) | 2 |
| Municipal Retiree Benefit Trust | 33 | 19 |
| Due from pension plans | $ 1,149 | $ 484 |

### 6. COMPUTER SYSTEMS AND OTHER ASSETS

| | 2026 | | | 2025 |
|---|---|---|---|---|
| | Cost | Accumulated amortization | Net book value | Net book value |
| Intangible assets | | | | |
| Major business application | $ 141,827 | $ (95,663) | $ 46,164 | $ 42,709 |
| Tangible assets | | | | |
| Computer systems | $ 21,044 | $ (19,703) | $ 1,341 | $ 1,513 |
| Furniture | 5,698 | (5,314) | 384 | 546 |
| Tenant improvements | 3,892 | (3,382) | 510 | 779 |
| Total tangible assets | $ 30,634 | $ (28,399) | $ 2,235 | $ 2,838 |
| | | | | |
| Total | $ 172,461 | $ (124,062) | $ 48,399 | $ 45,547 |

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

### 6. COMPUTER SYSTEMS AND OTHER ASSETS (CONTINUED)

The Corporation has entered into a contract for the provision of services to maintain and manage its data centre operations (note 9b). Under the agreement, assets purchased for use in the data centre are held in the name of the service provider and can be either funded directly by the Corporation or by way of lease with a third party. The assets are dedicated to the provision of services to the Corporation, and the Corporation has the option to take possession of the assets on termination of the master agreement with the service provider.

Funding obtained from the pension plans to acquire capital assets are recorded as unamortized deferred capital funding. The recovery of costs is recognized on the same basis as the capital assets are amortized.

### 7. ACCRUED SALARIES AND BENEFITS

| | 2026 | 2025 |
|---|---|---|
| Accrued salaries and benefits | $ 4,724 | $ 4,007 |
| Leave liability | 3,598 | 3,305 |
| Accrued retirement allowance | 3,715 | 3,630 |
| | $ 12,037 | $ 10,942 |

Accrued retirement allowances, previously managed by the Public Service Agency (PSA), are now overseen by the Corporation, which is responsible for these liabilities upon employee retirement. Included in accounts receivable is $3.4 million from the PSA for retirement allowances previously funded.

### 8. DEFERRED CAPITAL FUNDING

| | 2026 | 2025 |
|---|---|---|
| Opening balance | $ 45,547 | $ 38,993 |
| Computer systems and other assets additions | 13,453 | 15,086 |
| Amount amortized into revenue | (10,601) | (8,532) |
| Ending balance | $ 48,399 | $ 45,547 |

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

### 9. COMMITMENTS

**a) Contractual obligations—premises lease commitments**

One of the current leases will expire next year, and a new lease agreement will take effect in July 2027. Future payments under these lease arrangements are as follows:

| For the year ending March 31 | Lease total |
|---|---|
| 2027 | $ 4,735 |
| 2028 | 4,260 |
| 2029 | 4,159 |
| 2030 | 4,218 |
| | $ 17,372 |

Additionally, the Corporation has entered into an agreement for improvements at the new location, with commitments of $2,405 in the next fiscal year.

**b) Contractual obligations—data centre operations**

In fiscal 2014, the Corporation entered into a data centre services contract under the Province's master agreement. The agreement was later amended to extend the term by five years to March 31, 2029. Contract costs are as follows:

| For the year ending March 31 | Support services | Data centre services | Total |
|---|---|---|---|
| 2027 | $ 10 | $ 116 | $ 126 |
| 2028 | 10 | 120 | 130 |
| 2029 | 10 | 121 | 131 |
| | $ 30 | $ 357 | $ 387 |

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

### 9. COMMITMENTS (CONTINUED)

**c) Contractual obligations—application management and support services**

In December 2024, the Corporation entered into a contract with Oracle Canada ULC for application management and support services (AMS) for its Oracle Fusion platform, covering all modules and environments. Estimated service costs are as follows:

| For the year ending March 31 | AMS total |
|---|---|
| 2027 | $ 202 |
| 2028 | 133 |
| | $ 335 |

**d) Contractual IT obligations—other contracts and commitments**

The Corporation has commitments of $2.5 million (2025: $2.3 million) for various IT services, software licences, maintenance fees and other cloud applications as at April 1, 2026; most of these obligations are ending by March 31, 2027.

### 10. CONTINGENT LIABILITIES

From time to time, the Corporation is named in litigation in the normal course of providing pension services to pension plans. Management has evaluated all outstanding claims and believes that the outcomes of any claims are preliminary and not determinable, and accordingly believes that no provision is required in the financial statements for legal claims.

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

### 11. PENSION SERVICES

The Corporation's pension services consist of charges to the pension plans for the Corporation's operating expenses, and computer systems and other asset purchases, less capital funding received, plus amortization of deferred capital funding.

| | 2026 | 2025 |
|---|---|---|
| Total pension services | $ 102,236 | $ 98,570 |
| Intangible and long-term infrastructure charge | (62) | (59) |
| Total pension services before intangible charge | 102,174 | 98,511 |
| Purchase of computer systems and other assets | 13,427 | 15,075 |
| Capital funding recognized as service revenue: | | |
| Amortization of deferred capital funding | (10,601) | (8,532) |
| Total charges to pension plans for pension services and purchase of assets; see (a) below | $ 105,000 | $ 105,054 |
| (a) Total charges to pension plans for pension services | | |
| Municipal Pension Plan | $ 60,763 | $ 59,628 |
| Public Service Pension Plan | 21,939 | 21,696 |
| Teachers' Pension Plan | 14,755 | 15,424 |
| College Pension Plan | 5,351 | 5,257 |
| WorkSafeBC Pension Plan | 1,438 | 1,494 |
| Municipal Retiree Benefit Trust | 754 | 1,555 |
| | $ 105,000 | $ 105,054 |

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

### 12. PENSION BOARDS' SECRETARIAT SERVICES

The Corporation's pension boards' secretariat services consist of charges to the pension plans for the pension boards' secretariat operating and computer systems, and other asset purchases, less capital funding received. Pension boards directly approve the pension boards' secretariat operating and capital expenditure budgets, which the Corporation recovers.

| | 2026 | 2025 |
|---|---|---|
| Municipal Pension Plan | $ 2,929 | $ 2,185 |
| Public Service Pension Plan | 486 | 475 |
| Teachers' Pension Plan | 488 | 472 |
| College Pension Plan | 526 | 503 |
| Total secretariat services | 4,429 | 3,635 |
| Purchase of computer systems and other assets | (26) | (12) |
| Total charges to pension plans for pension boards' secretariat support services | $ 4,403 | $ 3,623 |

### 13. INVESTMENT INCOME

| | 2026 | 2025 |
|---|---|---|
| Interest from cash | $ 52 | $ 67 |
| Interest from cash equivalents | 523 | 878 |
| | $ 575 | $ 945 |

### 14. OTHER EXPENSES

| | 2026 | 2025 |
|---|---|---|
| Communication products and distribution | $ 982 | $ 1,337 |
| Travel and business expenses | 616 | 893 |
| Staff training | 615 | 454 |
| Bank charges and regulatory fees | 496 | 494 |
| Office supplies | 400 | 250 |
| Insurance | 336 | 382 |
| Corporate board | 194 | 168 |
| | $ 3,639 | $ 3,978 |

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

### 15. EMPLOYEES' PENSION PLAN AND RETIREMENT BENEFITS

The Corporation and its employees contribute to the Public Service Pension Plan (plan), a jointly trusteed pension plan. The plan is a multi-employer contributory defined benefit pension plan.

Members pay a contribution rate of 8.35% of salaries, and employers pay 9.85% of members' salaries. Employee and Corporation contributions include 1.25% and 2.75% of salaries, respectively, to fund contingent benefits such as future pension indexing and retired member group benefits that are subject to the availability of specified funding arrangements.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The latest actuarial valuation as at March 31, 2023, indicated a funding surplus of $4.5 billion for basic pension benefits. The plan does not attribute surplus or unfunded liability to individual employers; however, valuation results are used to determine future contribution rates.

As at March 31, 2026, the Corporation has approximately 703 (2025: 689) employees contributing to the plan, which has approximately 79,500 active plan members and 57,500 retired plan members.

In 2026, the Corporation paid $5.7 million (2025: $5.8 million) for employer contributions to the plan. Employer contributions to the plan are included in salaries and benefits and represent the amount of pension expense for the year.

Employees are entitled to specific retirement benefits, and the cost of these future benefits is included in salaries and benefits expense as well.

### 16. RELATED PARTY TRANSACTIONS

The College, Municipal, Public Service and Teachers' pension plans and BCI are related parties to the Corporation. The pension boards appoint members to the corporate board, and the Corporation provides services to the pension plans. These transactions are in the normal course of operations and consist of the recovery of the Corporation's operating expenses, and computer systems and other asset purchases.

The Corporation engages in transactions with the Province. These transactions are considered to be in the normal course of operations and include some limited supporting services: employee benefits, mail and printer, corporate records, building occupancy, and some information technology support services. Included in accrued salaries and benefits is $2.0 million (2025: $3.4 million) due to the Province of BC.

### 17. FINANCIAL INSTRUMENTS

The Corporation's financial instruments recorded at amortized cost consist of cash; accounts receivable, including due from pension plans; accounts payable; and accrued salaries and benefits. The fair value of these financial instruments approximates their carrying values.

Cash equivalents are recorded at fair value using current market yields held in a pooled investment fund managed by BCI and regularly monitored by management. Risks associated with financial instruments include market risk, credit risk and liquidity risk.

## British Columbia Pension Corporation

Notes to the financial statements for the year ended March 31, 2026

($thousands except as otherwise noted)

**17. FINANCIAL INSTRUMENTS (CONTINUED)**

Fair value measurements of the investment assets and liabilities are based on inputs from one or more levels of a fair value hierarchy. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities. The three levels of the fair value hierarchy are:

- Level 1—Inputs that are unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2—Inputs other than unadjusted quoted prices that are observable for the asset or liability either directly or indirectly
- Level 3—Inputs that are not based on observable market data

Cash equivalents, which total $7.8 million, are classified as level 1 (2025: $6.5 million as level 1).

Market risk is the risk that the fair values of an investment will fluctuate as a result of changes in market conditions. Market risk is composed of foreign currency risk, interest rate risk and price risk. Market risk is minimal as all investments are short term.

Credit risk is the risk that a loss may occur from the failure of another party to perform according to the terms of a contract. Credit risk is managed for investments by establishing specific investment criteria, such as minimum credit ratings for investees.

The majority of cash equivalents held within pooled investment portfolios have a credit rating of AAA/AA, as defined by the Standard & Poor's rating agency. Obligations rated AAA/AA have the highest rating assigned in such cases. The lender's capacity to meet its financial commitment on the obligation is very strong. The credit risk associated with the receivable from pension plans is minimal.

Liquidity risk is the risk of not being able to meet the Corporation's cash requirements in a timely and cost-effective manner. The Corporation's financial investments consist of highly liquid cash and units in money market funds. The Corporation forecasts its cash requirements over the near term to determine whether sufficient funds are available to meet forecast expenditures. The Corporation's primary source of liquidity is amounts charged to pension plans. The Corporation has a short-term unsecured bank facility of up to $1.5 million in place should it be required to meet temporary fluctuations in cash requirements. As at March 31, 2026 (2025: nil), the bank facility had a nil balance. The Corporation's accounts payable and accrued salaries and benefits are due within one year of the Corporation's year-end.

It is management's opinion that the Corporation is not exposed to significant risks arising from financial instruments.




Prince Rupert