

With \$199.6 billion¹ of managed assets,
British Columbia Investment Management
Corporation (BCI) is a leading provider of
investment management services to British
Columbia's public sector. We generate the
investment returns that help our institutional
clients build a financially secure future. With our
global outlook, we seek investment opportunities
that convert savings into productive capital that
will meet our clients' risk and return requirements
over time. We offer investment options across a
range of asset classes: fixed income; public and
private equity; infrastructure and renewable
resources; real estate and mortgages.

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¹ Based on valuations as at March 31, 2021



Peter Milburn Chair, BCI Board of Directors April 8, 2021

Gordor V. Fyfe
Chief Executive Officer /
Chief Investment Officer
April 8, 2021

Evolving to Continue Meeting Our Clients' Investment Objectives

Over the past six years, BCI transformed with one singular purpose: meeting our clients' long-term return requirements. We partnered with our clients to diversify their asset mixes and reduce their exposure to the more volatile public markets. BCI also decreased our reliance on expensive external investment managers, and in so doing moved away from a primarily passive investment style. Today BCI is the steward of \$200 billion, and as an active, in-house asset manager we can support our clients' current and future investment objectives. As a result, clients are in a much stronger position and we thank them for their ongoing partnership.

We embark upon this business plan in the midst of the COVID-19 pandemic. Although we could not have predicted the catalyst for the market downturn in March 2020, our preparations for the possibility of both a market and business disruption allowed us to safeguard our clients' assets while ensuring our employees' health and safety. The collaboration across all teams throughout the year is a testament to our commitment to BCl's core value of putting clients first, irrespective of the challenges we face. Our clients entered the pandemic with defensively positioned portfolios, and our pension plan clients remain fully funded.

Over the 20 years since our formation, BCI has added \$10.8 billion of value for our pension plan clients above their combined benchmark. As we look to the future, this business plan charts our direction for the next three years. We will sharpen our competitive edge through four strategic ambitions: Strengthening the client value proposition; Optimizing risk-adjusted returns; Leveraging digital technology; and, Focusing on our talent.

Our commitment to continuously improving client engagement and consultation is a significant area of focus. Clients' ongoing needs and objectives are at the core of everything we do; being their investment manager of choice and trusted advisor is something we take very seriously — as is cost efficiency. With the increasing complexity of investment decisions, engaging with and providing more tailored consulting services to our clients allows us to be true partners.

We will also build out strategies that create sustainable value for our clients in a changing world. This includes broadening our perspective on environmental, social, and governance (ESG) considerations, and proactively using ESG to create

value while managing risk, especially climate change. We will extend our approach to sourcing investment opportunities within the competitive private markets — securing direct investments that optimize net returns, cultivating our networks, and proactively sourcing opportunities.

As investment management is knowledge-intensive, our people are our most important asset.

Strengthening our world-class approach to talent and retaining the specialized skills our clients require for managing their funds, allows BCI to drive our competitive edge. As a global business, diverse talent provides a deeper understanding of our clients' needs, drives business insight, and improves our decision making. Diversity of thought and the inclusion of different experiences will allow BCI to optimize our clients' returns.

It is with great pride that we share our business plan for F2022–2024. We are proud to be our clients' trusted advisor and partner on this journey.

BCI's Transformation and Long-term Vision How we adapted to continue supporting our clients' objectives

OUR TRANSFORMATION

Over the past six years, we completed an ambitious — and necessary — transformation to become an active, internal investment manager. We designed and executed this strategic plan in partnership with our clients to maximize the likelihood of meeting their financial objectives. As we complete our transformation, we can proudly say that our efforts have rewarded our clients with real results.

SERVING OUR CLIENTS TODAY, AND TOMORROW

OUR CLIENTS

As of March 31, 2021, BCI has 30 clients in three separate classifications:

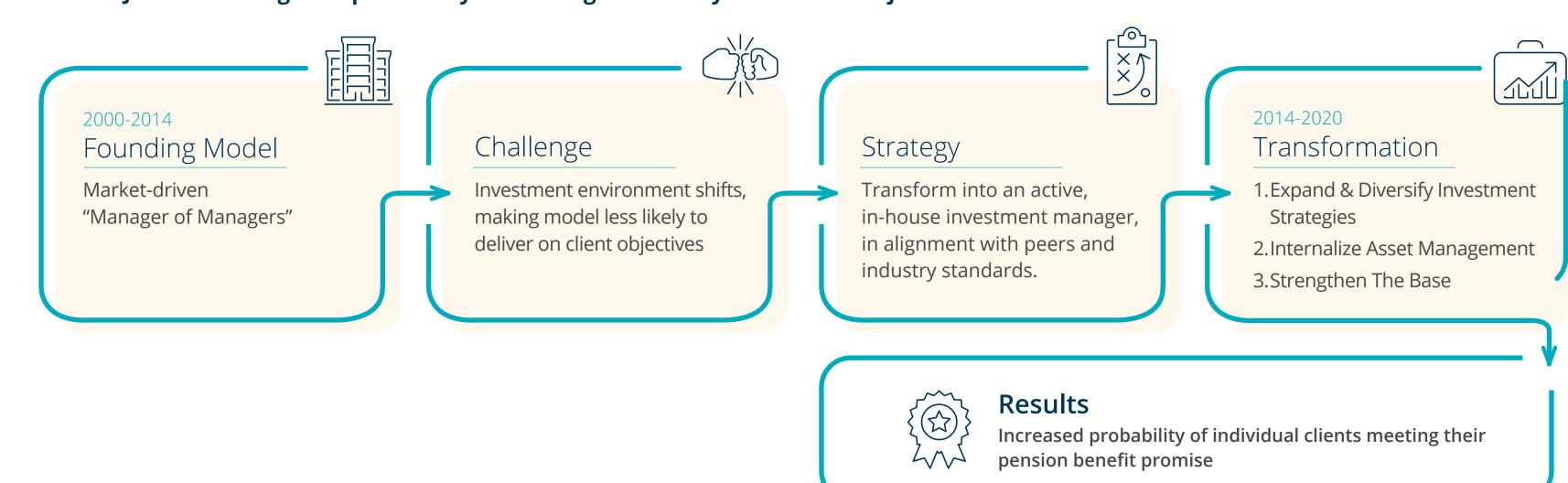
- Pension Funds
- Insurance Funds
- Special Purpose Funds

We invest on behalf of 12 public sector pension funds, helping secure the pensions and post-retirement group benefits of more

than 690,000 plan members. We also work to support the investment objectives of our insurance fund clients — one of which provides coverage for more than 2.5 million workers and 249,000 registered employers, while another provides customers in B.C. with vehicle insurance (both basic as well optional extended coverage). The remainder of our clients include public trusts, endowments, and government bodies who have funds and investments requiring professional management.¹

BCI's investment activities contributed to \$8.6 billion in client distributions in F2021.²
Despite recent market volatility, our clients were well-positioned entering into the pandemic, and they remain fully funded.

OUR OBJECTIVE: Manage the probability of meeting clients' key investment objectives



¹ Client statistics are as of March 31, 2021

² Gross cash flows from BCI to clients

OUR STRATEGIC AMBITIONS

Guided by our Long-Term Vision, BCI is evolving our corporate strategies for F2022 forward.

These strategies are grouped under four strategic ambitions that form the basis of our business plan:

- 1. Strengthening the Client Value Proposition
- 2. Optimizing Risk-Adjusted Returns
- 3. Leveraging Digital Technology
- 4. Focusing on Our Talent

MOVING FORWARD TOGETHER

While COVID-19 has impacted businesses and markets around the world, we have a solid foundation to plan our future with our clients. Our pension clients remain well-funded, and COVID-19 has demonstrated that increasing their exposure to private markets in their portfolios is working. As we do not have private market exposure to those sectors most impacted by the pandemic — such as airlines, long-term care homes, and hotels — we are confident our clients'

portfolios are well positioned in the current economic headwinds. As long-term investors with capital to deploy, the current markets provide us with unique opportunities, and we continue to actively source new investments.

With our transformation largely complete, we have developed our **Long-Term Vision** — a picture of changing external forces, the investment industry, and, most importantly, what BCI needs to be to continue to meet clients' needs in that future.

OUR F2022-F2024 BUSINESS PLAN GOALS

This business plan is intended to optimize our ability to generate long-term financial sustainability for our clients. We continue to have the following goals:

- Over a rolling 10-year period, generate absolute returns that meet or exceed our clients' actuarial discount rate targets
- Deliver value-added performance (relative returns) over a five-year period¹
- Provide cost-efficient investment management services

Partnering with clients to secure financial futures in a changing world

Partnership

BCI and its clients will collaborate with aligned goals and objectives

H

Value Creation

BCI will work to ensure clients achieve their long-term financial objectives



Adaptability

BCI will embrace a culture of agility to respond to the world's increasing pace of change.

¹ Calculated as the clients' total portfolio return net of investment management fees and minus the benchmark return





Strategic Ambition #1

STRENGTHENING THE CLIENT VALUE PROPOSITION

Our clients have more factors to consider regarding the management of their assets than ever before. Maturing pension plans, a lower expected return environment, and the ongoing impacts of the pandemic will all affect our clients as we move into the future together. In this environment, demonstrating our value goes beyond our results. ESG commitments and deep plan insights are just some of today's expanded client expectations, which are part of a more significant trend of client relationships and the associated flow of information becoming more dynamic and bi-directional.

Through our transformation, we have succeeded in distinguishing BCI as a client-centric institutional investor. We are proud to be our clients' trusted advisor — focused on delivering information and insights. Now, we are continuing to strengthen the ways in which we communicate and consult with our clients, addressing their evolving needs holistically. True to our client-centric culture, our goal is to better engage with our clients so as to equip them to adapt to today's challenging environment.



- Refining and building out our client communication channels, methods, and approaches to most effectively deliver the information our clients need.
- Holding (virtual) client events, including deep dives into the most top-of-mind strategies and topics our clients have requested.
- Strengthening our investment consulting function to support our clients in utilizing increasingly sophisticated investment offerings.





Strategic Ambition #1 STRENGTHENING THE CLIENT VALUE PROPOSITION

FOCUS #1

Create new client engagement opportunities

Explore new alternatives for client interactions, from forming a formal feedback loop to fully developing the self-service platform while ensuring prompt and proactive responses to news events.

FOCUS #2

Strengthen our focus on the client's total portfolio

Support clients in moving toward measures of success and overarching strategies that are better aligned with their financial health and sustainability needs.

FOCUS #3

Position as a premier partner in enabling clients' decision-making

Enable our clients to have a deep understanding of the embedded risks and the management strategies they can apply across funding, benefits, and investment policies.

OUR FOCUS AREAS Reinforce BCI's position as a trusted advisor with interactions reflecting clients' servicing needs and preferences

Develop a proactive approach to anticipate, monitor, and manage reputational risks

Refine governance and investment policies to ensure they remain meaningful for clients going forward

Align on and articulate BCI's Client Value
Proposition, including plan sustainability
tools and measures to improve visibility
into BCI's value add

Formalize a client education plan that leverages BCI thought leadership and relationships to drive insightful discussions with clients



Strategic Ambition #2 OPTIMIZING RISK-ADJUSTED RETURNS

BCI has transformed into an active, in-house asset manager by growing our investment and support teams, improving control systems, and offering new investment products and strategies to our clients. Now, as we enter into the next phase of our evolution together, we will leverage these accomplishments to continue delivering the results our clients need. Many aspects of today's investment environment require sophisticated approaches to ensure the resilience and sustainability of our portfolio returns. The continuation of low interest rates, ever-evolving geopolitical tensions, and the ongoing economic effects of the pandemic will all impact and inform our strategies as we move forward.

Within this new era, we will capitalize on our well-constructed, diversified portfolio to continue creating value — aiming to meet or exceed our clients' return objectives without taking on unnecessary risk. Competition remains high in this environment, with other institutional investors around the globe seeking the same assets we are. In response, we will capitalize on our reputation and partnerships, expand our focus on environmental, social, and governance factors (ESG) from a predominantly risk-mitigation approach to one that includes ESG as a source of value creation, and continue to evolve and reinforce our approach to risk management.



STEPS ALREADY TAKEN

- Generating value for clients through a number of recently launched public markets funds and initiatives, including the Leveraged Bond Fund, Global Quantitative ESG Equity Fund, and our Partnership Portfolio.
- Exploring additional infrastructure & renewable resources opportunities in the areas and strategies that complement where we are already achieving success.
- Continuing to focus on direct investing in our private equity program to maximize client returns while also promoting active oversight.



FOCUS #1 Optimize each client's total investment portfolio

Develop a shared long-term view of the ideal investment offering that will provide clients with the continued ability to achieve the highest risk-adjusted net returns for their portfolio.

OUR FOCUS AREAS Expand on ESG as source of long-term value creation

FOCUS #2 Improve deal access

Extend the range of available opportunities to allow for best capital allocation by expanding existing relationships, increasing sourcing proactiveness, and driving additional direct investments.

Compare and evaluate current practices for gaining deal access across all asset class teams

FOCUS #3 Magnify shared insights across departments

Guided by asset classes, develop basic research and house views on economic fundamentals, developing forums and technologies to drive asset class collaboration that elevates the best ideas and uncovers new opportunities.

Develop an investment advisory committee comprised of senior leaders to drive collaboration across asset classes



STRATEGIES IN ACTION

ESG & CLIMATE CHANGE

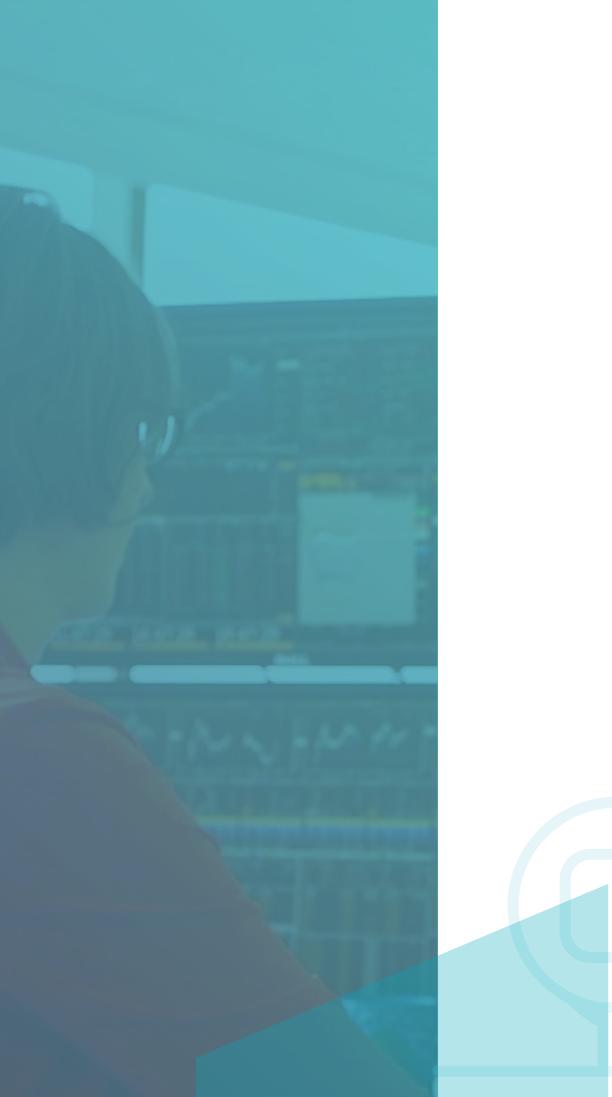
As a long-term investor, integrating ESG considerations into our approach is an essential part of who we are and what we do. Until recently, our core focus was on assessing and managing ESG investment risk in our clients' portfolios.

Now, in addition to managing risk, we will broaden our focus to actively seek ESG investment opportunities that create long-term value.

This includes initiatives related to our Climate Action Plan, which positions clients to capitalize on investment opportunities arising from the transition to a lower carbon economy, while also protecting their portfolios from undue physical and transition risks.

THREE-YEAR BUSINESS PLAN F2022-2024

opkins Ridge Wind Facility was Puget Sound Energy's st wind facility in Washington State, U.S.



Strategic Ambition #3 LEVERAGING DIGITAL TECHNOLOGY

As the pace of change and disruption accelerates across markets and industries, investors must be agile in navigating opportunities and challenges. This requires fully leveraging technology across all business functions, from using new sources of data to identify and capture investment opportunities, to applying technology to improve operational efficiency throughout the corporation.

BCI has strengthened our operational infrastructure and talent base to support more sophisticated investment strategies.

Through this evolution, we have become better positioned to capture more advanced value creation opportunities. Now, we aim to leverage those advances. Through new, extended partnerships (both internal and external), we aim to integrate technology that enables improved collaboration, analysis, and decision-making — fostering a culture of innovation throughout the organization.



- Continue to improve data accessibility, consistency, and quality for BCI business areas and approved projects through a data governance program.
- Working to build next generation workplace communication and collaboration tools to support the virtual workforce anywhere, anytime, and from any device.
- Exploring a comprehensive approach to technology-enabled innovation at BCI and generating a pipeline of innovative ideas.





FOCUS #1 Deepen busines

Deepen business and technology alignment

Establish data sharing and collaboration principles to drive concerted use and implementation of data and technology across BCI, making data accessible and reliable for all parties.

OUR FOCUS AREAS Develop a common governance framework for BCI-wide data sharing and accountability

FOCUS #2 Accelerate digital transformation

Adopt modern technologies to optimize processes and support collaboration while improving business resilience.

Develop and execute on a plan to transform BCI's technology capabilities Extend and improve the virtual workplace

FOCUS #3 Further BCI's data and analytics capabilities

Deliver actionable insights from multi-sourced data and advanced analytics to support business initiatives.

Develop an integrated data and analytics environment and ecosystem

Provide a governed, streamlined reporting and dashboarding capability

FOCUS #4

Strategically develop and source technical talent to drive value-add

Continue to develop internal expertise, while building a network of key external partners to access technology and data capabilities.

Continue to develop internal capabilities

Pursue opportunities to develop strategic partnerships



FOCUSING ON OUR TALENT

As trends like digital transformation and the immediate realities of the global pandemic accelerate the evolution of work, the role of talent is becoming increasingly foundational to our success. We will strengthen our strategic people practices and maximize the effectiveness of both current and future employees. As well, competition for talent now extends globally and across sectors. To remain competitive, BCI will embrace a culture and practices that are agile, inclusive, and purpose-

We have worked diligently to strengthen the foundation for our approach to talent. To generate results for our clients today and into the future, we must leverage this accomplishment and capitalize on our work to date. In the highly knowledge-intensive investment industry, our people are our greatest asset, which is why we are focused on retaining a highly effective team. We are committed to further embedding our cultural values, leveraging diversity and inclusion practices, strengthening and promoting the BCI brand, developing an employee value proposition, and reimagining sourcing alternatives to respond to market and technology changes.

STEPS ALREADY TAKEN

- Executing on our Diversity & Inclusion strategy.
- Building our succession plan framework, which will be further entrenched in F2022.
- Achieving recognition in both 2019 and 2020 as one of Canada's Top 100 and Top Family-Friendly employers and as one of BC's Top Employers.



FOCUS #1 Strategically source talent

Consider our people on an enterprise basis (versus individual departments) and leverage competencies irrespective of where they exist. Be deliberate in our talent acquisition through proactive planning to strike the optimal balance of internal resources and long-term external agreements.

OUR FOCUS AREAS Develop a corporation-wide
Workforce Plan to drive more
strategic acquisition and deployment
of talent, with an emphasis on
cross-functional collaboration

FOCUS #2 Strategically invest in our people

Develop the potential of the people we have. We will develop and retain the best and the brightest.

Develop standardized career pathing and promotion strategies

Optimize and entrench succession plans

FOCUS #3 Leverage BCI's culture and values

Create synergy (where the team is greater than the sum of the individuals); foster an environment that values collaboration, innovation, diversity, and inclusiveness. Bolster the employee value proposition and employee experience for existing as well as new employees such that our environment is a competitive advantage.

Execute on our Diversity &
Inclusion strategic framework to
intentionally build diversity and
promote inclusion



STRATEGIES IN ACTION

DIVERSITY & INCLUSION

In 2020, we completed a diagnostic review, conducted learning sessions with people managers, and refreshed our Diversity & Inclusion strategy — setting ambitions to demonstrate our commitment to D&I. Under this business plan, we will intentionally build diversity and promote inclusion through the implementation of this strategy.



CLOSING THE LOOP

In accordance with Section 20(2)(e)(v) of the *Public Sector Pension Plans Act*, BCI is required to prepare and submit a business plan and annual report to the Honourable Minister of Finance. We report on our progress accomplishing our business plan in our corporate annual report, which is released each year in July.



BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION

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