

Research Update:

# British Columbia Investment Management Corp. Downgraded To 'AA+' From 'AAA' Following Downgrade On Province

April 6, 2026

## Overview

- On April 2, 2026, S&P Global Ratings lowered its rating on the Province of British Columbia (B.C.) to 'A' from 'A+' with a negative outlook.
- We limit our ratings on British Columbia Investment Management Corp. (BCI) to four notches above those on the related government.
- Accordingly, S&P Global Ratings lowered its long-term issuer credit and senior unsecured debt ratings on BCI to 'AA+' from 'AAA'. We maintained our stand-alone credit profile on BCI at 'aaa'.
- The negative outlook reflects that on the province.

## Rating Action

On April 6, 2026, S&P Global Ratings lowered its long-term issuer credit and senior unsecured debt ratings on British Columbia Investment Management Corp. (BCI) to 'AA+' from 'AAA'. The outlook is negative.

## Outlook

The negative outlook mirrors the negative outlook on the fund's related government, B.C. (A/Negative/A-1). Nevertheless, we believe BCI is a sophisticated global investor with solid governance standards, sizable net assets, low debt levels, and strong liquidity. We expect the fund will continue to realize good medium-term investment returns, liquidity levels will remain healthy, leverage will remain low and manageable, and risk management practices will remain sound in the next two years. In addition, we do not anticipate any change to our assessment of a moderate likelihood that B.C. would provide extraordinary support to the fund in the event of financial distress.

## Downside scenario

### Primary Contact

**Hector Cedano, CFA**  
Toronto  
1-416-507-2536  
hector.cedano  
@spglobal.com

### Secondary Contact

**Jennifer Love, CFA**  
Toronto  
1-416-507-3285  
jennifer.love  
@spglobal.com

Because we limit our ratings on BCI to four notches above those on the related government, another downgrade on the province would lead to a similar action on the fund. In addition, we could lower the rating if liabilities increased substantially, such that total liabilities exceeded 50% of total assets in the next two years. We could also lower the rating in the event of a large investment loss, a substantial drop in liquidity, or what we consider significant deterioration in the quality of management (including risk management). Although unlikely, we could also lower the rating if we expected the province to deviate from its hands-off approach through legislative changes that undermined BCI's operational or financial independence. In this instance, we could revise our assessment of the likelihood of extraordinary support of the fund, which could lead us to lower the rating.

## Upside scenario

Conversely, we could revise the outlook to stable if we revised the outlook on the province to stable.

## Rationale

The downgrade follows the April 2, 2026, downgrade on B.C. to 'A' from 'A+' because we limit our ratings on BCI to four notches above those on the related government.

The rating on BCI, an investment manager that invests on behalf of pension plans and insurance funds, among other clients, in B.C., is based on a stand-alone credit profile (SACP), which we maintained at 'aaa'. We believe BCI is a sophisticated global investor with solid governance standards, sizable net assets, low debt levels, and strong liquidity. Moreover, unlike pension funds, BCI does not administer, and is not liable for, its depositors' diverse array of pension benefit obligations. The SACP also indicates the fund's operational independence from the B.C. government, high operational effectiveness, well-diversified portfolio, and strong management and governance. We believe the fund will continue to realize good medium-term investment returns and has sufficient liquidity to meet existing and planned debt obligations.

The rating also reflects our opinion of a moderate likelihood that the provincial government would provide extraordinary support in the event of financial distress.

Under our government-related entities analysis, we have capped BCI's maximum upward rating potential at four notches above our rating on B.C. This reflects our view of the inherent connection between the fund and the province, the latter of which created BCI through legislation and whose client base includes the province and its jointly trustee public sector pension plans (College Pension Plan, Municipal Pension Plan, Public Service Pension Plan, and Teachers' Pension Plan). The cap is higher than the three-notch rating cap we apply to pension funds above their sponsoring governments. Our decision to apply a higher cap reflects our opinion that the fund's relationship with B.C. is clearly less direct than what exists between pension funds and their related sponsors. Unlike pension funds, BCI does not administer, nor is it liable for, its depositors' diverse array of funding obligations.

We apply a ratings to principles approach, using our "Principles Of Credit Ratings" in conjunction with "U.S. Public Finance: Public Pension Funds," and "Rating Government-Related Entities: Methodology And Assumptions," as our criteria foundation for our analysis of BCI's creditworthiness. In our view, the fund's qualitative credit factors, like management (including operational effectiveness and financial risk management) and independence, are similar to those of rated pension funds and pension fund investment boards.

## Related Criteria

- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [General Criteria: Rating Government-Related Entities: Methodology And Assumptions](#), March 25, 2015
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011
- [Criteria | Governments | U.S. Public Finance: Public Pension Funds](#), June 27, 2007

## Related Research

- [Province of British Columbia Downgraded To 'A' From 'A+' On Persistent Large Deficits; Outlook Negative](#), April 2, 2026
- [S&P Global Ratings Definitions](#), Dec. 16, 2025

## Ratings List

### Ratings List

#### Downgraded

|   | To              | From            |
|---|-----------------|-----------------|
| <b><a href="#">British Columbia Investment Management Corporation</a></b> |                 |                 |
| Issuer Credit Rating  | AA+/Negative/-- | AAA/Negative/-- |
| Senior Unsecured  | AA+             | AAA             |

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at <https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria> for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352>. Complete ratings information is available to RatingsDirect subscribers at [www.capitaliq.com](http://www.capitaliq.com). All ratings referenced herein can be found on S&P Global Ratings' public website at [www.spglobal.com/ratings](http://www.spglobal.com/ratings).

Copyright © 2026 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Some of the Content may have been created with the assistance of an artificial intelligence (AI) tool. Published Content created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, [www.spglobal.com/ratings](http://www.spglobal.com/ratings) (free of charge), and [www.ratingsdirect.com](http://www.ratingsdirect.com) (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at [www.spglobal.com/usratingsfees](http://www.spglobal.com/usratingsfees).

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.