



Stewardship Report



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Engagement Inventory

Annual ESG and climate-related reporting can be found in our **2024-2025 Corporate Annual Report** on **BCI.ca**.

DEFINING STEWARDSHIP

BCI leverages common, standardized terminology to describe our responsible investment activities and approaches in the context of the investment management industry. For stewardship, we use the definition agreed upon by the UN Principles for Responsible Investment, CFA Institute, and Global Sustainable Investment Alliance.

Stewardship is the use of investor rights and influence to protect and enhance overall long-term value for clients and beneficiaries, including the common economic, social, and environmental assets on which their interests depend.



British Columbia Investment Management Corporation (BCI) is one of Canada’s largest institutional investors, managing \$295 billion in gross assets on behalf of 32 public sector and institutional clients as of March 31, 2025. For 25 years, BCI has partnered with its clients to help deliver on their commitments and create enduring value for British Columbia and beyond. From securing pensions to supporting communities, it’s investing that matters.

Headquartered in Victoria, British Columbia, with teams in Vancouver, New York, London, and Mumbai, BCI puts patient capital to work across public and private markets globally.

Learn more on [BCI.ca](#) or connect on [LinkedIn](#).

This report reflects information spanning January 1, 2024, to June 30, 2025, with date ranges for datasets as specified.



From our Global Head of ESG



JENNIFER COULSON

Senior Managing
Director &
Global Head
ESG

“Every engagement, every vote, and every policy submission is ultimately about protecting and growing the assets entrusted to us by our clients.”

The past year was marked by significant geopolitical upheaval and economic uncertainty, with some suggesting that ESG is inconsistent with delivering financial returns. Our experience managing \$295 billion in global assets tells a different story: effective stewardship drives sustainable value for our clients, and remains fundamental to our approach as a long-term investor.

This conviction leads to real-world outcomes. We directly engaged 176 public and private portfolio companies on material ESG issues, reached thousands more through collaborative initiatives, and expanded our policy advocacy in key markets like Asia. From encouraging governance reforms that address South Korea’s valuation discount to completing a seven-year engagement with Teck Resources to mitigate climate risk, our persistence paid off and reinforced that meaningful change is not always a linear path.

Our work benefits from many voices, and we regularly look for opportunities to expand our influence and share best practices. One such example is the inaugural Private Equity ESG Value Creation Conference hosted by BCI in New York. We brought together nearly 50 investment partners and portfolio companies to demonstrate and explore the financial links between sustainability performance and investment outcomes.

We firmly believe that in this era of heightened international tensions and rapid technological transformation, companies with robust governance, forward-thinking climate strategies, and effective human capital management will prove more resilient and competitive over the long term.

As an active owner, BCI has a responsibility to help position our portfolio for the risks and opportunities ahead. Every engagement, every vote, and every policy submission is ultimately about protecting and growing the assets entrusted to us by our clients.

JENNIFER COULSON
SENIOR MANAGING DIRECTOR & GLOBAL HEAD, ESG



Approach to Stewardship

We actively use our ownership rights and influence to safeguard and enhance long-term value for clients.

Learn more at [BCI.ca/ESG](https://www.bci.ca/ESG)

With a global portfolio comprising \$295 billion in gross assets under management as of March 31, 2025, BCI has a large sphere of influence and many tools and tactics we can leverage to drive sustainable value for our clients and the many people and communities they serve.

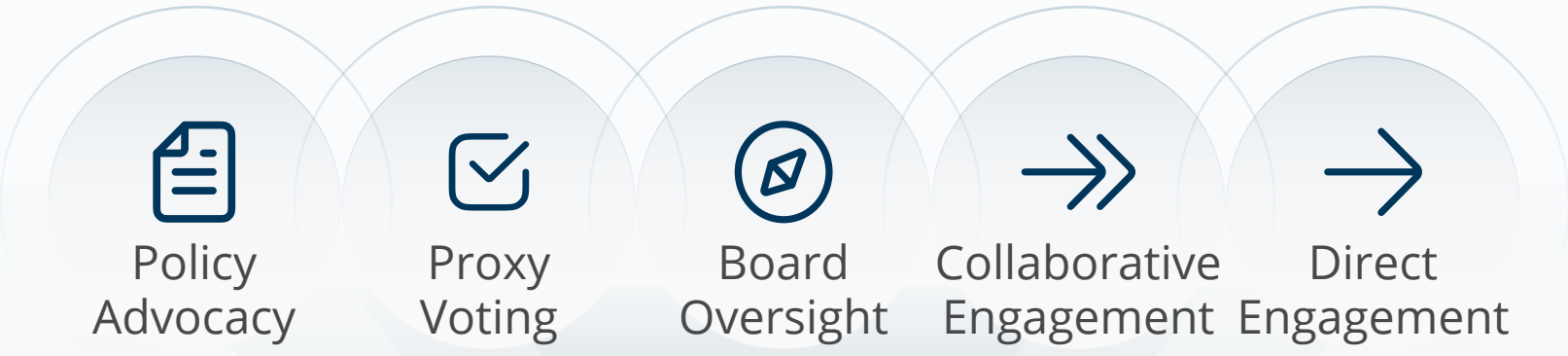
Our dedicated ESG team, embedded across all asset classes, takes a coordinated and strategic approach to stewardship – setting expectations for public companies through our [Proxy Voting Guidelines](#), providing input on regulation around the world through [policy advocacy](#), and engaging directly and collaboratively with public and private companies and other capital markets participants. To direct our efforts, we focus on what we identify to be the most material ESG-related risks and opportunities to our portfolio over the long term.

As a key component of our [ESG Strategy](#), which ensures corporate-wide consistency in our approach, stewardship at BCI is a shared responsibility guided by our [ESG Governance Policy](#). This policy outlines the roles and responsibilities of our Board of Directors, management, and employees in upholding our ESG principles and investment beliefs.

Reporting

BCI is committed to transparency. We publicly disclose our ESG initiatives and progress through our Corporate Annual Report, Annual Climate-related Disclosures, Stewardship Report, and proxy voting record. This ensures accountability and provides insight into BCI’s activities.

BCI LEVERS AND TOOLS



SPHERES OF INFLUENCE





Engagement Priorities

Establishing the focus areas most material to our portfolio.

BCI identifies and pursues engagement activities based on the risks and opportunities that are expected to have the greatest financial impact on our portfolio over the long term. With investments across public and private markets globally, we take a selective, specific, and pragmatic approach to maximize our resources and potential outcomes. This includes establishing priorities through regular, comprehensive materiality assessments that focus our efforts based on portfolio exposure.

In fiscal 2025, we revised our corporate ESG engagement priorities to reflect progress in certain areas and our expectations for the future.



PRIORITY ONE

Climate Change - Physical and Transition Risk

Climate change is widely expected to have large-scale economic impacts, both directly (physical risk) through flooding, drought, and other extreme weather events, and indirectly (transition risk) through regulatory measures to limit greenhouse gas emissions and promote low carbon technologies. Physical and transition risks are inextricably linked: as physical risk increases, so too does transition risk.

WHY IT MATTERS

Physical and transition risks can significantly impact asset valuations, increase operational costs, and create disruptions in supply chains. Uncertainty in the regulatory environment creates material financial exposures and the possibility of stranded assets.



PRIORITY TWO

Responsible Artificial Intelligence

Artificial intelligence (AI) offers significant opportunities and complexities for companies, enabling business model transformation, increased efficiency, and enhanced strategic decision making. However, AI also presents risks and challenges that require understanding and management. Investors expect companies to navigate these challenges while maximizing the benefits of AI integration in a responsible manner.

WHY IT MATTERS

Responsible AI adoption can drive competitive advantages and operational efficiency, but poor AI governance can create regulatory, cybersecurity, reputational, legal, and operational risk that materially impact company valuations and access to capital.



PRIORITY THREE

Human Capital Management

Effective human capital management is essential for long-term corporate sustainability and value creation through workforce development, employee engagement, and safety protocols. The overarching goal of BCI's engagement is to urge companies to effectively address risks associated with human rights, employee health and safety, and poor labour practices in their supply chains, activities, and operations.

WHY IT MATTERS

Poor human capital management and/or a lack of compliance with labour standards can lead to operational disruptions, regulatory fines, reputational damage, and talent retention issues – all of which can directly impact a company's productivity and profitability.



Basic Expectations and Ongoing Activities

While BCI’s corporate engagement priorities reflect the broad themes that we will focus on in the coming years, they do not represent the full depth or breadth of our activity. We continue to engage on foundational expectations and company, sector, or region-specific matters, where material.



Governance Practices

Considered fundamental and paramount to BCI’s approach. The principles of good corporate governance continue to underpin all of our engagement priorities and activities.



Transparency and Disclosure

Crucial for investors who incorporate ESG factors into investment decisions. BCI continues to encourage alignment with global best practices, including the [International Sustainability Standards Board \(ISSB\)](#) and the [ESG Data Convergence Initiative](#).



Data Security and Privacy

Previously a standalone engagement priority for BCI, data security and privacy has evolved into a foundational part of our regular ESG integration and monitoring processes across asset classes.



Indigenous Relations

Integrated into our investment decision-making and asset management processes. For example, we encourage Canadian companies to seek the [Partnership Accreditation in Indigenous Relations](#).

Actively Expanding Our Influence

Collaborative engagements play a key role in advancing our engagement priorities and our broader stewardship program – helping to ensure our efforts are far-reaching and creating advantages from pooling resources, sharing insights, and presenting a consistent message.

We intentionally take an active role with the organizations we’re involved with. Examples include:

- 30% Club**
Canada Investor Group Chair
- Asian Corporate Governance Association**
India and Korea Working Groups
- Ceres Investor Network**
Policy Working Group
Climate Asset Risk Working Group
Infrastructure Working Group
- Climate Action 100+**
Steering Committee Member
Utility Science-Based Target Working Group
- ICMA Green Bond Principles**
Climate Transition Finance Working Group
Sustainability-linked Bonds Working Group
- IFRS Foundation**
ISSB Investor Advisory Group

For the full list, visit [BCI.ca/collaborations](https://www.bci.ca/collaborations)



Policy Advocacy

Driving systemic and market-level change.

BCI identifies opportunities for strategic engagement at the policy and market levels. We use our influence as one of Canada's largest institutional investors to advocate for and support changes that incorporate ESG principles into regulatory frameworks. We believe our engagement activities may contribute to market stability and integrity among other factors within the global capital markets, ultimately improving the investment landscape for our clients.

Over the fiscal year ended March 31, 2025, we contributed to 22 ESG-related policy consultations, meetings, roundtables, and joint statements. Our participation in these policy initiatives in Europe, Asia, and North America covered a range of topics like climate change, sustainability disclosure, and corporate governance.

Explore our [policy submissions](#).

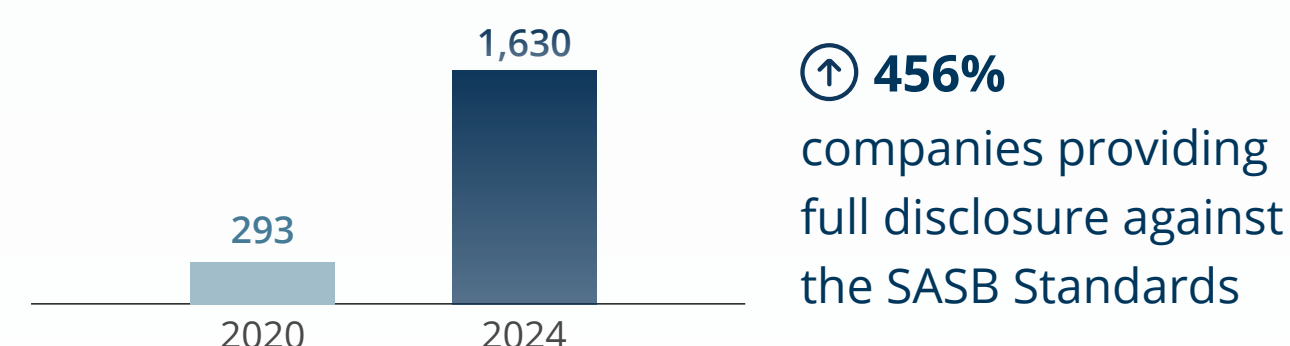
Advancing Global Disclosure Standards

The ISSB published two reporting standards (IFRS S1 and S2) in 2023, with the intention of setting a global baseline for mandatory sustainability reporting. At least 35 jurisdictions covering 40 per cent of global market capitalization and 60 per cent of global GDP have now incorporated these standards.¹

BCI strongly believes the ISSB standards should be adopted globally. Access to quality, comparable ESG and climate data is integral for investors to make informed decisions, effectively manage risks and opportunities, and advance engagement strategies.

Throughout 2024 and 2025, we continued our advocacy to achieve this through submissions to regulatory bodies, including the Canadian Sustainability Standards Board (CSSB), Korean Sustainability Standards Board (KSSB), and Sustainability Standards Board of Japan (SSBJ). We also collaborated with other leading Canadian pension plan investment managers to support CSSB adoption and signed joint statements endorsing these standards.

Global SASB Adoption (#)^{1,2}



¹ IFRS Foundation

² SASB Standards are incorporated into the ISSB framework. Both operate under the IFRS Foundation.

Protecting Investor Access to Information

BCI provided our views to the Canadian Competition Bureau on the greenwashing provisions included in the new amendments to the Competition Act (Bill C-59), which aim to prevent businesses from making false and misleading environmental claims in the marketing and labelling of products. While we support the intent to protect Canadian consumers, the changes prompted certain companies to pull back on their sustainability disclosures and make less information available publicly, particularly emissions data – an unintended consequence for investors who rely on access to material ESG data for investment decisions.

Through two public consultation submissions, BCI urged the Competition Bureau to clearly differentiate between corporate marketing materials and data-driven sustainability information for investors and regulators, and to provide more guidance around the requirement related to internationally recognized methodologies.

Following the law's enactment, BCI also pursued direct engagement with Canadian energy companies that had removed publicly-available sustainability disclosures, requesting timelines for reinstating amended disclosures and transparency on their advocacy efforts with regulators.



SPOTLIGHT

Deepening Influence in Asia

Asia is a growing focus for BCI’s stewardship program, and there is strong momentum in the region for corporate governance reforms that will enhance shareholder value.

We deepened our policy efforts in Hong Kong, India, Japan, Malaysia, Singapore, South Korea, and Thailand by collaborating with international investors, participating in meetings with regulators, making policy consultation submissions, and signing onto ESG-related joint statements. Through our engagements, we continue to emphasize the critical role that companies play in driving positive policy reforms and elevating these markets to align with global standards.

Learn more about our [engagement in Asia](#).



South Korea: Corporate Value-Up Initiative

South Korea’s Corporate Value-Up Program offered a platform to apply our influence in a key Asian market. Launched in early 2024, the government initiative aims to improve corporate governance and enhance shareholder value in response to South Korea’s persistent valuation discount compared to global peers. It also shows the country’s openness to hearing from international investors on governance reforms.

Leveraging this opportunity, BCI increased our strategic collaborative engagement in the country. This included participating in an Asian Corporate Governance Association (ACGA) delegation to South Korea to meet with regulators and attend corporate annual general meetings, as well as supporting the ACGA Korea Working Group’s broader governance initiatives. We also co-signed a letter to the Financial Services Commission advanced by the Asia Investor Group on Climate Change and responded to a KSSB consultation to enhance sustainability disclosures.

Shannon Gong
PRINCIPAL, ESG - CAPITAL MARKETS & CREDIT INVESTMENTS

“BCI embeds ESG into our investment decisions and champions market-wide reforms that enhance shareholder rights – recognizing that meaningful progress in transparency and governance standards is essential for attracting global capital.”

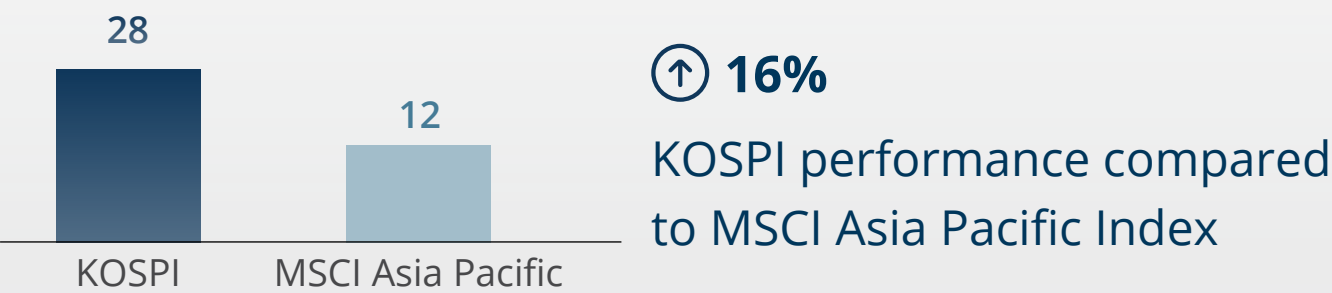
A Milestone for Market Reforms

In 2025, South Korea’s National Assembly passed significant amendments to its Commercial Act, aimed at addressing the structural issues behind the country’s valuation discount. Through participation in investor coalitions, BCI contributed to the broader reform momentum that led to these changes.

Notably, board director’s fiduciary duties were expanded to include shareholders alongside the company. Other improvements range from a higher threshold for board independence to mandatory electronic meetings, in addition to physical meetings, for listed companies with a market capitalization over KRW 2 trillion. A ‘3% Rule’ was also introduced, limiting the largest shareholders’ voting power to three per cent when appointing audit committee members.

The country’s primary stock market index (KOSPI) surged nearly 30 per cent in the first half of 2025, outperforming the MSCI Asia Pacific index, driven in part by optimism around governance reforms in addition to the new administration and other macroeconomic factors.

Market Returns (%)¹



¹ Bloomberg, index returns for the period of January 1 - June 30, 2025.

Proxy Voting

In public markets, BCI uses proxy voting as a tool to drive ESG improvements through board and management accountability. We aim to vote at the meetings of every public company in our portfolio in accordance with our [Proxy Voting Guidelines](#). In 2025, BCI released the 12th edition of these guidelines, affirming our commitment to using our voting rights to uphold our expectations for robust corporate governance, protection of shareholder rights, and effective oversight of ESG risks and opportunities.

2025 Proxy Season Summary

Voted on
29,182 agenda items

Voted against or withheld votes from
32% director nominees

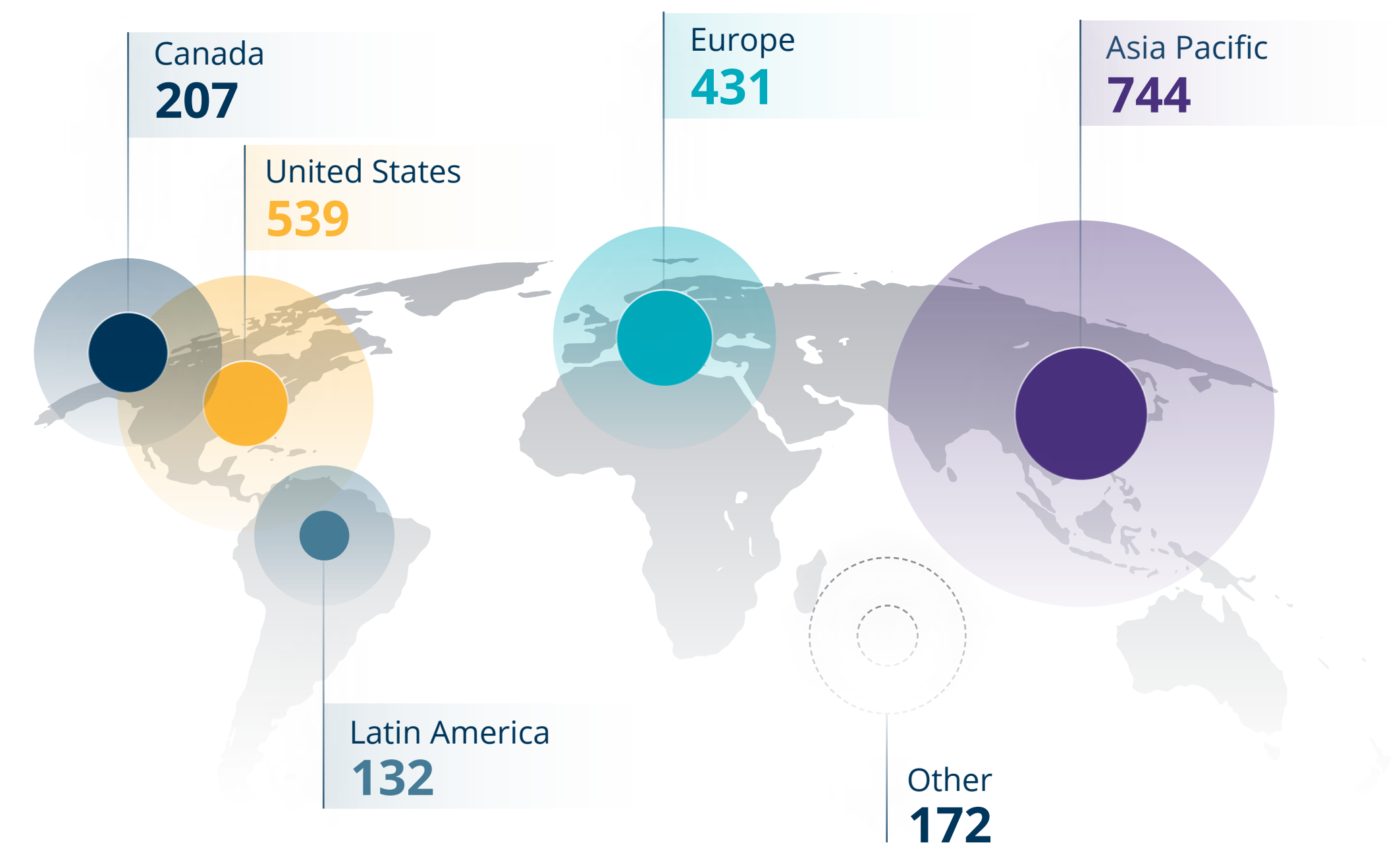
Voted in
52 countries

Voted on
1,017 shareholder proposals

Voted against management in
26% of cases

Supported
48% of shareholder proposals

BCI voted at **2,225 global meetings** during the 2025 proxy season.



Unless otherwise stated, proxy voting data and activities are from January 1 to June 30, 2025.



Proxy Voting Highlights

BCI is transparent about our proxy voting activity and we publish each vote prior to the company’s annual general meeting (AGM). Our complete [voting record](#) is available online and includes our rationale for votes against management proposals and votes on shareholder proposals.

The 2025 proxy voting season was markedly influenced by the dynamics of the U.S. with increased investor hesitancy in filing shareholder proposals. American regulatory changes also drove an increase in No Action requests¹ – companies petitioning to exclude shareholder proposals – to the U.S. SEC. Despite this, we observed continued support for ESG topics like governance, and were pleased to see climate action remain firmly on the global voting agenda.

Read more about the [proxy season in review](#).

¹ [PwC Proxy Season Preview](#)

Amazon.com: *Responsible AI*

BCI supported a shareholder proposal put forward by an individual investor asking Amazon to increase its disclosures on how expansion of AI data centres affects its climate commitments. As companies rapidly grow their use of AI, investors are increasingly concerned with both the governance of AI and the climate implications of higher energy demand. With the announcement of Amazon’s plans to expand its data centres, shareholders are seeking clarity on how it will maintain its climate commitments. The proposal received 20 per cent support, representing strong shareholder backing.

Canadian Banks: *Climate Disclosure*

BCI supported a shareholder proposal put forward by the Shareholder Association for Research and Education (SHARE) asking the Bank of Montreal (BMO), Canadian Imperial Bank of Commerce (CIBC), and Toronto-Dominion Bank (TD Bank) to disclose their energy finance ratios – a comparison of funding for renewable and non-renewable energy. The proposal at TD Bank received 38 per cent support from shareholders, the strongest support ever recorded for a climate-related proposal at a Canadian bank.² The same proposal received 37 per cent support at CIBC and 32 per cent at BMO, representing the second and third-strongest levels of support for a climate resolution at a Canadian bank.

² [SHARE: Investors at Canadian banks support climate proposals at historic highs](#)

UnitedHealth Group: *Executive Compensation*

BCI voted against UnitedHealth Group’s (UNH) advisory vote on executive compensation following problematic changes to the CEO compensation structure, including a one-time \$60 million stock option award vesting over three years. While the company stated there will be no additional equity awards during the period, large front-loaded equity awards can limit the board’s ability to adjust future compensation based on performance. The options were also granted during a stock price decline, creating potential for a windfall upon rebound rather than rewarding exceptional performance. Forty per cent of shareholders voted against the plan, demonstrating significant concern. We expect the company to engage with shareholders on reforms to better align executive pay with long-term performance.

Japan: *Climate Risk Management*

BCI supported shareholder proposals at Japanese companies, including Mitsui & Co., Mitsubishi Corporation, Sumitomo Corporation, and Chubu Electric Power Co., asking for increased disclosure on the impact of failing to meet a 1.5°C target under the Paris Agreement. This request aligns with IFRS S2 which will become a mandatory disclosure requirement in Japan within the next several years. Support for these proposals ranged from five to nine per cent. This is considered notable as each shareholder proposal in Japan is binding, which implies a higher level of responsibility for the company if it were to pass.



Leveraging AGMs: *Climate Action*

Beyond BCI’s regular voting activities, we leveraged opportunities to attend select 2025 AGMs to encourage climate action across global markets. We focused on direct participation through collaborative statements and individual questions in Asia and Canada.

Working with Asia Research & Engagement (ARE), we delivered statements addressing critical issues like net-zero target setting, financed emissions disclosure, decarbonization roadmaps, and transition planning for coal-fired power generation at major Chinese financial institutions – including Agricultural Bank of China, China Construction Bank, and Huaneng Power International. We submitted questions at SK Hynix Inc., a South Korean memory chip and semi-conductor company, on their emission reduction targets and renewable energy strategy. In Canada, BCI delivered a climate-focused statement and raised a question at TC Energy’s AGM covering methane measurement and monitoring, and emissions data assurance.

These actions demonstrate our strategic use of AGMs as platforms for direct and collaborative engagement with board directors, maximizing our influence through additional visibility.

Voting on Governance

Strong governance is fundamental to a well-functioning company and crucial for adequate representation of shareholder interests. These votes continue to receive strong investor support – including from BCI.

Shareholder Proposals

BCI evaluated 789 governance-focused shareholder proposals. We supported 46 per cent, including proposals to adopt majority vote standards, enhance shareholder rights, separate board and management role, and improve disclosure of voting results.

789
Total Voted

46%
Supported



Susan Golyak
DIRECTOR, ESG - CAPITAL MARKETS & CREDIT INVESTMENTS

“Good governance isn’t revolutionary, it’s foundational. We’re reinforcing and upholding our basic expectations of independence, accountability, and transparency.”

Director Elections

We cast ballots for over 12,000 director elections, voting against or withholding our vote for 32 per cent primarily based on poor governance practices. Insufficient independence was the top reason, representing over half of these votes.

12,000+
Total Voted

32%
Against / Withheld

1,940
Insufficient Independence

301
Lack of Board Gender Diversity

262
Combined Chair and CEO Roles

314
Classified Boards

292
Problematic Compensation Practices

203
Executive Chair Role with No Termination Date



SPOTLIGHT

Expectations on Climate Change

BCI's climate-related voting decisions are strategically aligned with our broader engagement objectives, serving as an accountability mechanism and escalation tool to drive continuous improvement. This reflects our commitment to implement our [Climate Action Plan](#), most recently updated in 2022.

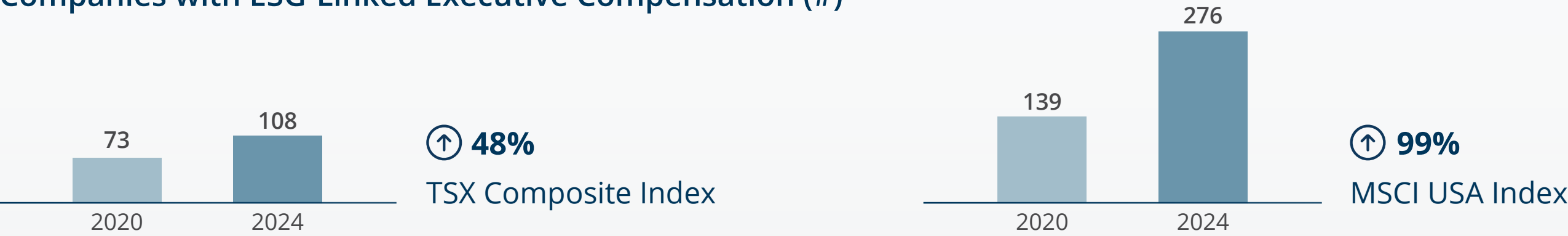
We focus on portfolio companies with material climate governance gaps, enabling us to direct our voting efforts where they can drive the most meaningful improvements. BCI pays close attention to the disclosures, targets, and practices of our most carbon-intensive investments to assess the maturity level of their net-zero plans.

In cases where companies are not progressing toward our expectations, BCI may vote against the board chair, lead independent director, or chair/members of the sustainability committee to provide clear feedback about the importance of climate stewardship and board accountability. By combining patient, constructive dialogue with targeted proxy voting, we can influence corporate behaviour and support the transition to a low-carbon economy across our holdings.

32 Climate-related Proposals Evaluated	Voted against 111 directors at 94 companies	for insufficient climate-related disclosures.
59% Climate-related Proposals Supported by BCI	Voted against 23 directors at 21 companies	for not linking climate change targets to executive compensation.
	Voted against 37 directors at 17 companies	for a lack of emissions reduction targets and six more directors for a lack of board oversight on climate-related issues.

BCI tracks market-level indicators to measure broader advancements and trends. Between 2020 and 2024, we observed an increase in ESG-linked pay and net-zero target setting, demonstrating progress on our climate-related engagement objectives.

Companies with ESG-Linked Executive Compensation (#)¹



Companies with Net-Zero Targets (#)¹



¹ Bloomberg



Engagement

Achieving strategic outcomes through constructive dialogue.

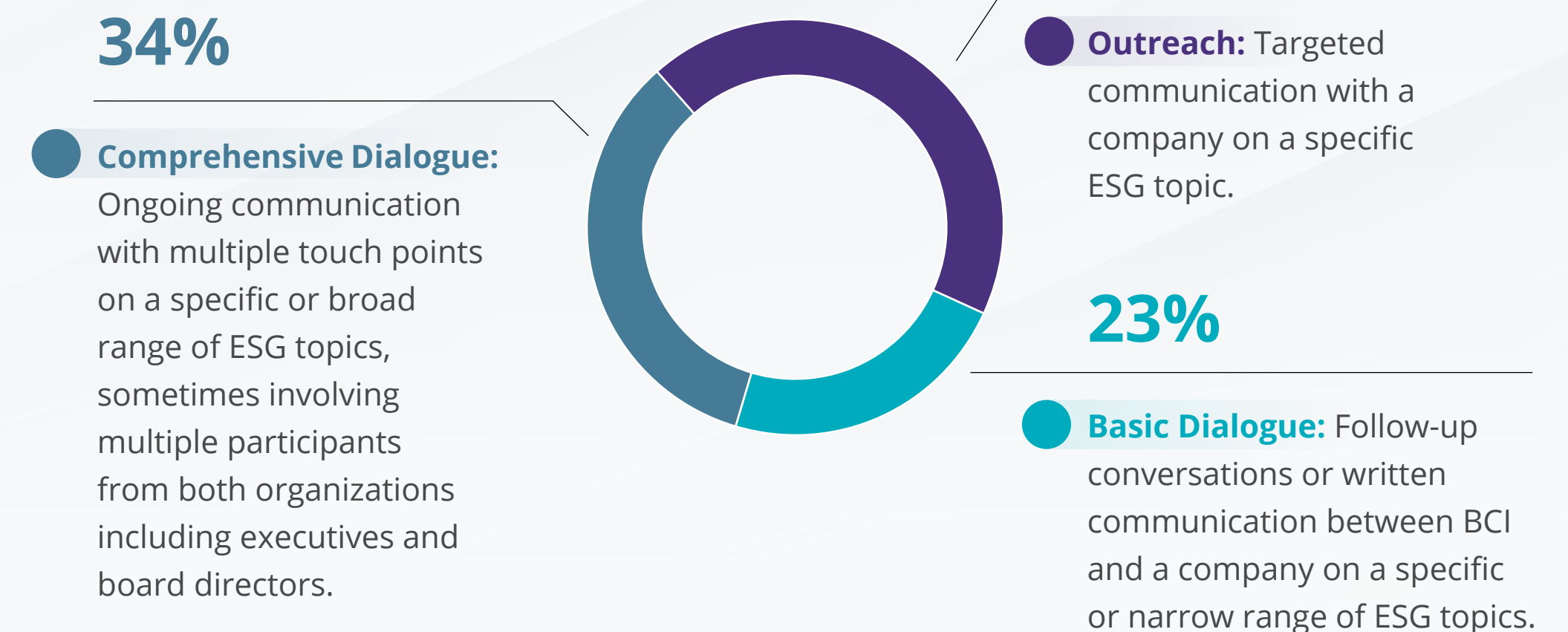
We work with public and private companies across sectors to encourage transparency of ESG risks and the adoption of sound corporate governance and operational practices, allowing us to make informed investment decisions and improve the long-term performance of our portfolio.

Our approach is multifaceted, with many interactions consisting of targeted outreach on a specific, material ESG issue, often through proxy voting follow-up letters, or direct correspondence. Depending on our objectives and the nature of the issue, we may pursue basic dialogue through follow-up conversations on a narrow range of ESG topics, or comprehensive dialogue involving multiple touchpoints on a broad range of ESG topics.

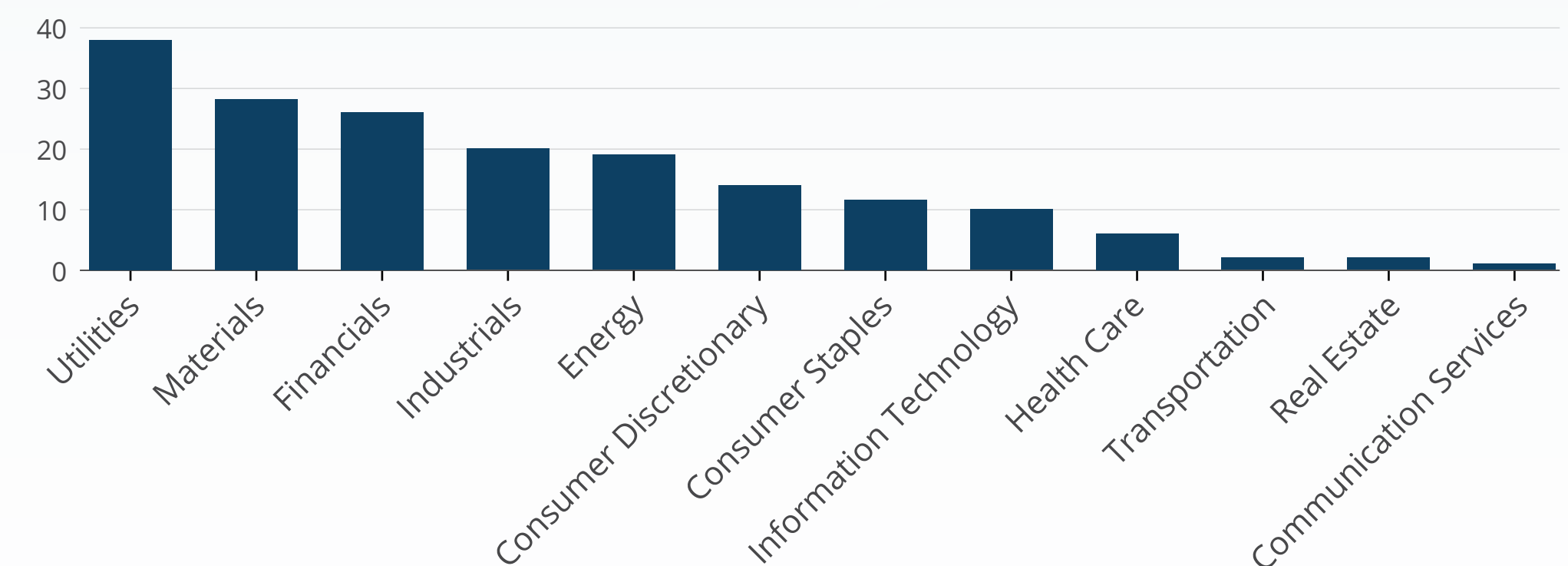
At times, we take a collaborative approach, working alongside other investors or groups to amplify our influence by pooling resources, sharing expertise, and presenting a consistent message. Collaboration can be used in all engagement types and ensures our efforts are far-reaching. In instances where BCI's expertise and influence can significantly contribute to the engagement's objectives, we may take a leadership role.

For a list of engagements, [explore our engagement inventory](#).

Engagement by Type¹



Engagement by Sector (#)



Unless otherwise stated, engagement data and activities represented are from January 1 to December 31, 2024.

¹ Figures presented do not precisely add up due to rounding.



Engagement Outcomes

Taking a systematic approach to measuring results.

Recognizing the ongoing and dynamic nature of engagement is essential to understanding and assessing potential outcomes. By categorizing each engagement activity based on the progress made toward achieving our objectives, BCI can track and adapt the strategies we employ to ensure they are as effective as possible.

In 2024, BCI directly engaged 176 companies across public and private markets. This includes select bond issuers who were engaged prior to an issuance. Our engagement program delivered meaningful progress with 34 per cent of our engagements demonstrating positive momentum or achieving our objectives. Our experience this year reinforces that effective stewardship is often a multi-year process, where progress is not always linear, and persistence is required to drive meaningful change.

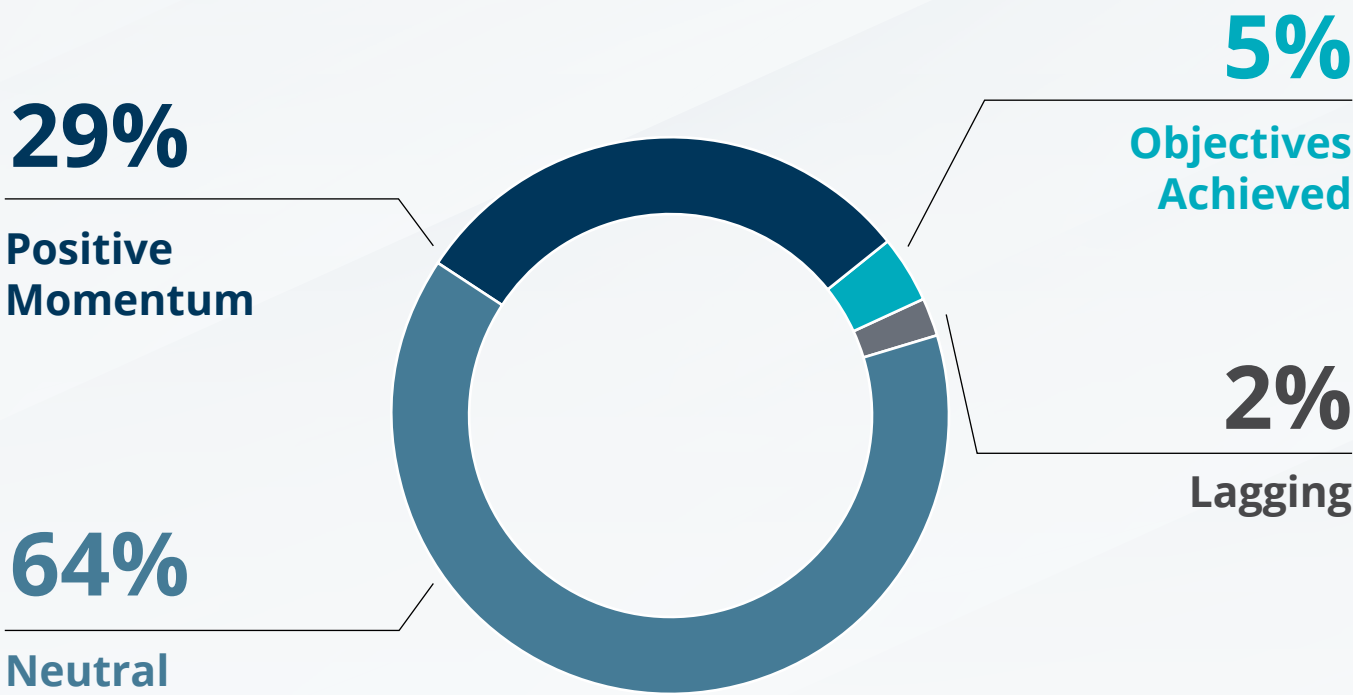
Public Markets

With over 3,000 portfolio companies, we are selective and targeted in our engagement strategies, prioritizing materiality. In 2024, BCI directly engaged 160 public companies and supported collaborative engagements targeting over 2,000 additional public companies.

Private Markets

Engagement in private markets is integrated into broader discussions on long-term company direction and performance, working closely with our partners and portfolio companies. In 2024, BCI pursued comprehensive dialogue with 16 private portfolio companies.

Engagement Progress



- Positive Momentum**

Company has responded to outreach, there are indications of openness to our perspective, and/or signs of improvement.
- Objectives Achieved**

Company has satisfactorily addressed concerns, and further engagement is not necessary on the topic.
- Neutral**

Company has not yet responded to outreach or there is limited indication of progress.
- Lagging**

Company has declined our outreach and/or is resistant to our perspective.



Engagement Highlights

BCI publishes an annual inventory outlining our direct engagement with companies across public and private markets.

This year, governance and climate change remained key themes across our activity, with 56 engagements related to effective corporate governance practices and nearly 139 supporting climate action in the energy, utilities, and financial sectors – key enablers of the transition to a low-carbon economy.

Atacadao SA: Governance

In early 2025, Carrefour SA, a controlling shareholder, announced an offer to acquire Atacadao SA, a Brazilian chain of warehouse stores. The original offer was presented at a significant discount to the fundamental value of the company. BCI engaged the board of directors, anchored in the interest of minority shareholders, to outline concerns with the transaction valuation and independent board review process. We also engaged with the proxy advisors on valuation and governance considerations, with both advisors providing recommendations against the initial offer. Carrefour ultimately revised its offer, representing a 10 per cent increase over the original price.

Bank of Nova Scotia: Climate Action

BCI held comprehensive dialogue with the Bank of Nova Scotia’s CEO on climate-related topics including sustainable finance targets and the disclosure of its Energy Supply Banking Ratio (ESBR). Through participation in an Investor-Banking Roundtable on Canada’s Energy Transition, we further advocated for enhanced climate disclosure practices. In 2025, the company publicly committed to disclosing its ESBR, positioning the bank as a leader among its peers. Beyond climate, BCI discussed the bank’s Reconciliation Action Plan and related practices, recognizing its leadership in Indigenous engagement within the financial sector.

Emicool: Human Capital Management

BCI is actively supporting Emirates District Cooling LLC (Emicool), the UAE’s leading district cooling service provider and one of BCI’s Infrastructure & Renewable Resources portfolio companies, in fostering gender equality through their Women’s Inspiring Network (WIN) Program. Our engagement is focused on their workplace equality initiatives including women’s health awareness, health support, wellness, and facility upgrades. BCI is also working closely with Emicool on climate-related risks and opportunities for their business operations. These stewardship activities support Emicool’s positioning as a leader in both workplace equality and sustainable cooling solutions.

Hana Financial Group: Governance

BCI has actively engaged the South Korean financial institution, Hana Financial Group, on a range of material governance issues for several years. Following these efforts and related proxy voting escalations, the company appointed an independent board chairman and implemented other significant governance improvements. It also developed a comprehensive value creation plan aimed at enhancing shareholder returns.



TC Energy: Board Diversity

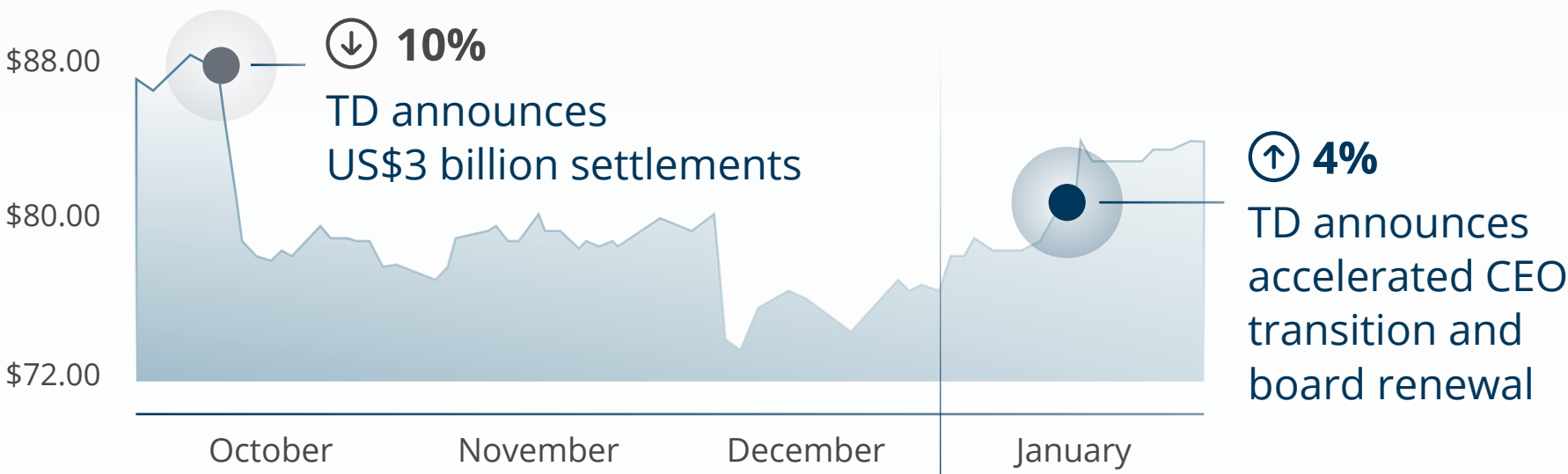
As part of our efforts to advance expectations for board diversity and expertise, BCI engaged with TC Energy Corporation, a major North American energy company, on its Reconciliation Action Plan (RAP). In fall 2024, the company announced the appointment of an Indigenous board director, which strengthens their RAP and board diversity. This outcome aligns with our advocacy for strengthened board effectiveness and community engagement.

TD Bank: Governance

Following the settlement of a money-laundering case against TD Bank in the U.S., BCI engaged the company’s board of directors on governance changes at the executive and board levels and shared expectations for executive compensation. As a result of regulatory pressure and shareholder feedback, the bank announced an accelerated CEO transition, stricter director term limits, nomination of four new board members replacing longer tenured directors, as well as enhanced risk management practices in 2025.

TD Bank’s shares had underperformed relative to its Canadian banking peers, driven by reports that anti-money laundering compliance failures forced the bank to abandon its acquisition of U.S.-based First Horizon in 2023. It further suffered after reaching settlements totalling US\$3 billion with multiple U.S. regulators the next year. Following its 2025 announcement on the CEO transition and board renewal, the company’s share price recovery accelerated – resulting in a meaningful partial rebound from previous lows and demonstrating the importance of board oversight and risk management in financial valuation.

TD Bank Share Price (OCT. 1, 2024 - JAN. 31, 2025)



Addressing Child Labour Risks in U.S. Supply Chains

In 2024, BCI launched targeted engagements with 11 portfolio companies identified as being at risk of child labour violations within their U.S. supply chains. These actions were reinforced by recent findings in a U.S. Department of Labour report which documented a 31 per cent increase in related violations between 2019 and 2024, along with heightened regulation enforcement and legal actions against major corporations.

We engaged companies, spanning the consumer discretionary, consumer staple, and industrial sectors, requesting dialogue on their processes and policies for managing child labour risks in their U.S. operations and supply chains. We emphasized the critical importance of implementing robust risk assessments, clear supplier communication protocols, comprehensive audit programs, and appropriate alert mechanisms to safeguard vulnerable workers. These practices also mitigate the reputational, financial, and legal risks that could impact long-term shareholder value.



SPOTLIGHT

Achieving Results with Climate Action 100+

BCI is committed to ensuring at least 80 per cent of our most carbon-intensive investments have mature net-zero targets by 2030. We recognize achieving meaningful results requires comprehensive engagement and significant time and persistence, and we have intentionally designed our climate engagement to support this objective.

As part of these efforts, we actively contribute to Climate Action 100+, where we are currently participating in collaborative engagements in a lead, co-lead, or contributing capacity with 11 companies in North America and Asia. While there is still work to do, we have observed substantial progress from the initiative’s target companies, including 80 per cent committing to achieve net-zero by 2050 for at least Scope 1 and 2 emissions and 90 per cent of company boards having oversight of climate change risks and opportunities.

Last year, Anne-Marie Gagnon, Director, ESG at BCI was appointed to the Climate Action 100+ steering committee, further strengthening our ability to influence the world’s most carbon-intensive investments to act on climate.



Engagement Success: Teck Resources

Beginning in 2018, BCI co-led a seven-year engagement with Teck Resources (Teck), demonstrating how sustained collaborative investor-company dialogue can drive meaningful progress. As Canada’s largest diversified mining company, Teck represented a significant opportunity to influence decarbonization practices within the global mining sector.

Our systematic engagement approach resulted in measurable progress. Between 2020 and 2024, Teck:

- Adopted net-zero commitments with specific and interim targets for material emissions categories;
- Integrated climate metrics into long-term executive compensation;
- Advanced its direct policy advocacy transparency and alignment with industry associations; and
- Launched a carbon capture utilization and storage pilot.

Anne-Marie Gagnon
DIRECTOR, ESG - CAPITAL MARKETS & CREDIT INVESTMENTS

“This engagement shows how sustained dialogue can support meaningful corporate change. By working collaboratively, we were able to help guide Teck through its transition to become a focused base metals producer, delivering climate progress and value for BCI’s clients.”

The engagement culminated with Teck’s divestment of its steelmaking coal business in July 2024, repositioning the company as a focused base metals producer of materials essential for the energy transition.

The company’s strong performance in the Climate Action 100+ Net Zero Company Benchmark reflected this progress, with Teck ranking among the top assessed global diversified mining companies across critical indicators including net-zero ambitions, long-term GHG reduction targets, decarbonization strategy, and climate governance and disclosure. Teck’s inaugural integrated climate change and nature report in December 2024 further demonstrates the company’s leadership and the lasting impact of the collaborative engagement.

As a result of the company’s reduced emissions profile, Teck has been removed from the Climate Action 100+ target list and the collaborative engagement has ended. This exemplifies how strategic investor collaboration can drive both climate outcomes and long-term value.



SPOTLIGHT

Leveraging ESG as a Source of Value Creation

ESG is integrated into BCI’s private markets processes for direct and fund investments, presenting unique stewardship opportunities. Our larger direct investments are often accompanied by governance rights like board representation that allow us to influence corporate strategy and management decisions – integrating engagement into broader discussions, creating alignment of interests, and setting expectations for ESG performance. We also collaborate and work closely with our general and limited partners to advance opportunities that will lead to stronger performance.

Ownership structures and holding periods in private markets enable us to prioritize long-term outcomes and take an active role in creating value through sustainability initiatives that can ultimately be realized when exiting an investment. Over the past year, our dedicated ESG teams in Private Equity and Infrastructure & Renewable Resources worked closely with our partners and portfolio companies to share best practices and pursue ESG-related opportunities.



Evan Greenfield
MANAGING DIRECTOR, ESG - PRIVATE EQUITY

“BCI Private Equity works with our partners and portfolio companies to innovate new business lines, quantify ESG-driven metrics, and share our deep networks and resources.”

Championing Industry Best Practices

In early 2025, Evan Greenfield, BCI’s Managing Director of ESG for Private Equity, hosted our first-ever Private Equity ESG Value Creation Conference – bringing together industry leaders to share their expertise and experience leveraging sustainability as a source of value creation. Nearly 50 participants, including investment partners, general partners, and BCI portfolio companies, took part with attendees spanning six sectors. The event featured presentations, fireside chats, and case studies demonstrating the financial links between ESG performance and portfolio outcomes.

BCI showcased our ESG framework and highlighted examples of tangible, results-driven portfolio company engagements that delivered quantifiable return impacts. The event reinforced our belief that stewardship activities support long-term value creation and provided a unique forum to advance industry best practices.

Learn more about the [ESG Value Creation Conference](#).

Enabling the Energy Transition

BCI Infrastructure & Renewable Resources’ ongoing stewardship with Corix exemplifies our approach in practice. We are supporting the company towards undertaking comprehensive greenhouse gas emissions reporting and positioning the business as a key enabler of the energy transition through delivery of low-carbon district energy systems. District energy systems generate thermal energy at a central plant and distribute heating and cooling to multiple buildings through underground pipes, providing significantly greater energy efficiency than decentralized building systems.

Corix’s innovative [Bellingham District Energy Utility Centre](#) has become Washington’s first waste energy capture system to exceed state energy code. The system captures waste heat from a Puget Sound Energy power plant and redistributes it to waterfront developments. It’s well positioned to support Western Washington University’s ambitious plan to replace its 80-year-old steam system – putting the university two years ahead of the state’s decarbonization requirements.



Mel de Jager
DIRECTOR, ESG - INFRASTRUCTURE & RENEWABLE RESOURCES

“We actively help our portfolio companies take advantage of sustainability opportunities that reduce risk, improve performance, and generate long-term returns.”



Engagement Inventory

This inventory lists the public and private portfolio companies, as well as select bond issuers, that BCI directly engaged between January 1 and December 31, 2024, and indicates the focus of these engagements as environmental, social, and/or governance.

It excludes over 2,000 public companies reached through collaborative initiatives where BCI participated but did not play a leading or supporting role.

COMPANY	E	S	G
AB Volvo	•		
Adani Power Limited	•		
Advantage Energy Ltd.	•		•
Ag Growth International, Inc.	•		
Agnico Eagle Mines Limited	•		•
Agricultural Bank of China Limited	•		
Air Canada	•		
Algonquin Power & Utilities Corp.	•		
Amazon.com, Inc.		•	
American Express Company	•		
Anhui Conch Cement Company Limited	•		
ARC Resources Ltd.	•		
Atacadao SA			•
ATCO Ltd.	•		
Authority Brands	•	•	•
Bank of America Corporation			•



COMPANY	E	S	G
Bank of Montreal	•		
Barrick Mining Corporation	•		
BDO Unibank, Inc.	•		
Berkshire Hathaway Inc.	•		
BMS	•		
Brookfield Infrastructure Partners L.P.	•		
Calian Group Ltd.			•
Canadian Natural Resources Limited	•		•
Capital Power Corporation	•		
Capitaland Investment Limited	•		•
Caterpillar Inc.	•		
CENTRICA PLC	•		
CGI Inc.			•
Charter Communications, Inc.			•
Chartwell Retirement Residences			•
Chevron Corporation	•		
China Hongqiao Group Limited	•		
China National Building Material Company Limited	•		
China Petroleum & Chemical Corporation	•		
China Resources Power Holdings Company Limited	•		
China Steel Corporation	•		
Chipotle Mexican Grill, Inc.		•	

COMPANY	E	S	G
CIMB Group Holdings Berhad	•		
Citigroup, Inc.		•	
City Developments Limited	•		•
Cleco	•		
CLP Holdings Limited	•		•
Coastal GasLink Pipeline Limited Partnership	•	•	
Colgate-Palmolive Company	•		
Compre	•	•	•
Consolidated Edison, Inc.	•		
Constellation Software Inc.	•		
Corix Infrastructure Inc.	•		
Cube Highways		•	
Cummins Inc.	•		
CVS Health Corporation		•	
DBS Bank Ltd.	•		•
Deere & Company		•	
Delta Air Lines, Inc.	•	•	
Dominion Energy, Inc.	•		
DRI Healthcare Trust	•		
Duke Energy Corporation	•		
Edison International	•		
Element Fleet Management Corp.	•		



COMPANY	E	S	G
Emera Incorporated	•		
Emicool	•	•	
Enbridge Inc.	•		•
Enghouse Systems Limited	•		
Exxon Mobil Corporation	•		
Fairfax Financial Holdings Limited	•		
First Quantum Minerals Ltd.	•		
FirstEnergy Corp.	•		
Ford Motor Company		•	
Fortis Inc.	•		
General Mills, Inc.		•	
General Motors Company	•	•	•
Grasim Industries Limited	•		
Grupo México, S.A.B. de C.V.	•		
Hana Financial Group Inc.	•		•
Hon Hai Precision Industry Co., Ltd.			•
Huaneng Power International, Inc.	•		
HudBay Minerals Inc.	•	•	•
Hydro One Limited	•	•	
Hyundai Motor Company		•	
Iberdrola, S.A.			•
Imperial Oil Limited	•		•

COMPANY	E	S	G
Integer Holdings Corp		•	
International Business Machines Corporation	•		
International Flavors & Fragrances Inc.		•	
Jardine Cycle & Carriage Limited	•		•
JBS S.A.		•	
JPMorgan Chase & Co.	•	•	•
JSW Energy Limited	•		
JSW Steel Limited	•		•
Kinaxis Inc.			•
Korea Electric Power Corporation	•		
Labrador Iron Ore Royalty Corporation	•		
LG Chem Ltd.	•	•	•
LG Energy Solution Ltd.			•
LyondellBasell Industries N.V.	•		
Malayan Banking Berhad	•		
Marathon Petroleum Corporation	•		
Martin Marietta Materials, Inc.	•		
McDonald's Corporation		•	
Meta Platforms, Inc. (Formerly: Facebook Inc.)	•		
Methanex Corporation	•		
Metro Inc.	•	•	•
National Bank of Canada	•		



COMPANY	E	S	G
National Gas Transmission	•	•	
National Grid plc	•		
Navitas Pty Limited	•	•	•
NextEra Energy, Inc.	•		•
Nexus	•		
Northland Power Inc.	•		
NRG Energy, Inc.	•		
NTPC Limited	•		
Nucor Corporation	•		
Nutrien Ltd.	•		
Ontario Power Generation Inc.	•		
Osisko Gold Royalties Ltd			•
PACCAR Inc	•		•
Pembina Pipeline Corporation	•		•
PepsiCo, Inc.		•	
Petróleo Brasileiro S.A. - Petrobras	•		•
PETRONAS Chemicals Group Berhad	•		
Pollard Banknote Limited	•		
Polska Grupa Energetyczna S.A.	•		
Portland General Electric Company	•		
POSCO Holdings Inc.	•		
PS Logistics		•	

COMPANY	E	S	G
Puget Sound Energy	•		
Restaurant Brands International Inc.		•	
Rolls Royce Holdings plc	•		
Royal Bank of Canada	•		
Russel Metals Inc.			•
Samsung Electronics Co. Ltd.	•	•	•
Santos Limited	•		
Sasol Limited	•		
Sempra Energy	•		
Singapore Airlines Limited	•		•
SK Hynix Inc.	•		•
Sun Pharmaceutical Limited		•	
Suncor Energy Inc.	•		•
Taishin Financial Holding Co., Ltd.	•		•
Taiwan Semiconductor Manufacturing Company Limited	•		
Tamarack Valley Energy Ltd.		•	•
Target Corporation		•	
TC Energy Corporation	•	•	•
Teays River Investments	•		
Teck Resources Limited	•		
Tenaga Nasional Berhad	•		



COMPANY	E	S	G
Tesla, Inc.		•	
The Bank of Nova Scotia	•	•	
The Boeing Company	•		•
The Canada Pension Plan Investment Board	•		
The Saudi National Bank	•		
The Siam Cement Public Company Limited	•		
The Southern Company	•		•
The Toronto-Dominion Bank	•	•	•
Tourmaline Oil Corp.	•		
Trisura Group Ltd.	•		
Türk Hava Yolları A.O	•		
Tyson Foods, Inc.		•	
Unilever PLC		•	
Vale S.A.	•		•
Valence		•	
Valero Energy Corporation	•		
Vedanta Limited	•		
Vermilion Energy Inc.		•	
Vinda International Holdings Limited	•		
Vista Hermosa	•		
Wal-Mart de México, S.A.B. de C.V.	•		
Walmart Inc.	•		

COMPANY	E	S	G
Waste Connections, Inc.	•		
WEC Energy Group, Inc	•		
Wells Fargo & Company			•
Wilmar International Limited	•		•
WSP Global Inc.	•	•	•
Zedra	•	•	•
Zomato Limited			•



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