PRESS RELEASE

SEPTEMBER 08, 2026

Morningstar DBRS Confirms British Columbia Investment Management Corporation at AAA, Stable Trends

PENSION FUNDS

DBRS Limited (Morningstar DBRS) confirmed British Columbia Investment Management Corporation's (BCI or the Corporation) Issuer Rating at AAA. Morningstar DBRS also confirmed its credit rating on BCI's Medium Term Notes (MTNs) at AAA. All trends remain Stable.

KEY CREDIT RATING CONSIDERATIONS

The AAA credit ratings and Stable trends are supported by a substantial and stable asset base, moderate leverage, ample liquidity, and strong operating performance. The Province of British Columbia (British Columbia or the Province; rated AA with a Stable trend) is a joint plan employer partner for BCI's four major public-sector pension clients, which provides considerable stability and certainty of cash flows. While BCI provides investment management services to British Columbia's public-sector clients, it is not responsible for those entities' pension obligations or other liabilities. The portfolio includes significant allocations to equities, real estate, and infrastructure, which generally offer higher long-term return potential but may also be subject to greater market risk and lower liquidity than traditional fixed income investments. The Corporation has demonstrated a solid long term track record of investment returns on an absolute and relative basis. To support this investment strategy, BCI maintains a prudent liquidity position and robust liquidity management practices. These measures help mitigate the risks associated with less liquid assets while providing flexibility to meet funding requirements, fulfill commitments, and capitalize on new investment opportunities as they arise.

CREDIT RATING DRIVER

Morningstar DBRS would downgrade the credit ratings if BCI were to experience an adverse material change in its legislated framework. Morningstar DBRS would also downgrade the credit ratings if BCI consistently delivered weak investment returns resulting in a material decline in assets under management (AUM).

CREDIT RATING RATIONALE

Legislated Framework: AAA

BCI was established in 1999 under the Public Sector Pension Plans Act (PSPPA) to provide investment management services to public-sector pension plans and other public-sector clients in British Columbia. Although there is no legislative requirement for clients to retain BCI as their investment manager, several structural features support a stable and long-standing client base. In particular, the joint trust agreements governing the four largest pension plans provide that their assets are to be managed by BCI, while preserving the ability of trustees to engage alternative investment managers where doing so is considered to be in plan members' best interests. Morningstar DBRS views any material change to BCI's role as the Province's public-sector asset manager as unlikely, reflecting the Corporation's strong client relationships and long-term investment performance. In addition, while clients may request the withdrawal of some or all of their investments from the Combined Funds (i.e., the pooled funds backing the Medium Term Notes program), those withdrawal rights are subject to limitations set out in the applicable fund management agreements (FMAs), investment policies, and product descriptions. These provisions help ensure that BCI can continue to meet its investment commitments and funding obligations in an orderly manner. BCI also retains the authority to withhold assets where necessary to satisfy obligations under the MTN program.

Plan Sponsors and Demographics of a Plan's Membership: AAA

The Province, employer associations, and employees are the joint sponsors of the four largest pension plans managed by BCI, providing a high degree of stability and predictability to the organization's asset base and cash flows. Morningstar DBRS also views joint sponsorship positively from a credit perspective, as it promotes active engagement among stakeholders in plan governance, benefit design, funding policies, and long-term performance objectives. In addition, these pension plans benefit from favourable demographic profiles. Based on the most recent plan census data, the active-to-retired member ratio across the four largest plans ranges from approximately 1.20 times (x) to 2.05x. Higher active-to-retired ratios generally indicate stronger demographic sustainability, as a larger pool of active contributors enhances the plans' ability to absorb funding pressures through contribution adjustments and, where permitted, changes to future benefit accruals.

Management Framework: AAA

The Corporation operates under a dual-accountability model established by the PSPPA, under which BCI is accountable both to its clients and to its board of directors (the Board). The chief executive officer/chief investment officer is directly accountable to each client for investment performance and the management of client funds. BCI's governance framework is supported by a comprehensive code of conduct and conflict-of-interest policies, as well as an organizational structure designed to ensure appropriate segregation of duties, independent oversight, and clear accountability for performance. The organization is governed by a seven-member Board. College Pension Board, Municipal Pension Board, Public Service Pension Board, and Teachers' Pension Board each appoint one director, while the remaining three directors are appointed by the minister of finance. Of the three directors appointed by the province, two must represent other BCI clients and the third is the Board chair. . To fulfill its governance responsibilities, the Board has established an integrated risk governance framework through its Investment Risk Management Policy and Enterprise Risk Management Policy. These policies clearly define the roles, responsibilities, and oversight mechanisms for risk management across the organization. Investment risk management is embedded throughout BCI's investment processes and decision-making activities, supporting prudent risk-taking and alignment with clients' long-term objectives.

Financial Resources: AAA

As of March 31, 2026, BCI had gross AUM and net AUM of $313.7 billion and $265.4 billion, respectively. The Combined Funds or recourse assets closed the year ended December 31, 2025, with gross AUM and net AUM of $226.1 billion and $194.2 billion, respectively. As of March 31, 2026, BCI generated a combined pension plan return of 6.7%, net of all fees, compared with a benchmark return of 7.6%. While short-term performance fell below the benchmark, over the 10-year period the Corporation achieved an annualized return of 8.1%, exceeding its 10-year benchmark return of 7.3%.

Funding Status: AAA

Exclusive asset managers are responsible only for managing investment assets without any direct pension liabilities. To that extent, we assign the highest score to the funding ratio.

Liabilities: AAA
BCI's funding program supports its investment strategy through a combination of government bond repurchase agreements (repos) and MTNs, while maintaining conservative leverage and strong liquidity management. As of March 31, 2026, funding liabilities totalled approximately $30.1 billion, comprising $19.8 billion repos and $10.3 billion of MTNs. Repos remain BCI's primary short-term funding source due to their reliability and resilience during periods of market stress. The result is a financial leverage of 11% (as calculated by BCI, it includes only unsecured debt and repo liabilities), which Morningstar DBRS considers strong relative to BCI's maximum permitted financial leverage of 30% of net AUM.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE CONSIDERATIONS
There were no Environmental/Social/Governance factors that had a significant or relevant effect on the credit analysis.

A description of how Morningstar DBRS considers ESG factors within the Morningstar DBRS analytical framework can be found in the Morningstar DBRS Criteria: Approach to Environmental, Social, and Governance Factors in Credit Ratings (July 20, 2026) at https://dbrs.morningstar.com/research/485522.

Notes:
All figures are in Canadian dollars unless otherwise noted.

The principal methodology is the Canadian Methodology for Rating Public Pension Funds & Exclusive Asset Managers (April 14, 2026), https://dbrs.morningstar.com/research/478748. In addition, Morningstar DBRS uses the Morningstar DBRS Criteria: Approach to Environmental, Social, and Governance Factors in Credit Ratings (July 20, 2026), https://dbrs.morningstar.com/research/485522 in its consideration of ESG factors.

The credit rating methodologies used in the analysis of this transaction can be found at: https://dbrs.morningstar.com/about/methodologies.

The related regulatory disclosures pursuant to the National Instrument 25-101 Designated Rating Organizations are hereby incorporated by reference and can be found on the issuer page at https://dbrs.morningstar.com.

The credit rating was initiated at the request of the rated entity.

The rated entity or its related entities did participate in the credit rating process for this credit rating action.

Morningstar DBRS had access to the accounts, management, and other relevant internal documents of the rated entity or its related entities in connection with this credit rating action.

This is a solicited credit rating.

For more information on Morningstar DBRS' policy regarding the solicitation status of credit ratings, please refer to the Credit Ratings Global Policy, which can be found in the Morningstar DBRS Understanding Ratings section of the website: https://dbrs.morningstar.com/understanding-ratings

The conditions that lead to the assignment of a Negative or Positive trend are generally resolved within a 12-

month period. Morningstar DBRS' trends and credit ratings are under regular surveillance.

For more information on this credit or on this industry, visit https://dbrs.morningstar.com.

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Ratings

British Columbia Investment Management Corporation

Date Issued	Debt Rated	Action	Rating	Trend	Attributes
08-Sep-26	Issuer Rating	Confirmed	AAA	Stb	CA
08-Sep-26	Medium Term Notes	Confirmed	AAA	Stb	CA

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