



Learn more about the plan: college.pensionsbc.ca

Your plan and responsible investing

MESSAGE FROM THE TRUSTEES

Investment returns are crucial for your pension.

In fact, about 75 cents of every pension dollar is generated by investment returns. The rest—about 25 cents—comes from member and employer contributions.

As your plan’s board of trustees, we have a legal and fiduciary duty to invest in the best financial interest of plan members. Within that framework, we invest for the long term with companies that have strong environmental, social and governance (ESG) practices. This ensures your pension will be there when you retire.

BCI’s role in responsible investing

We take financial and ESG factors into account in the guidelines we provide to BCI (the plan’s investment agent) on how we want the plan’s assets invested. These guidelines align with BCI’s support of the global goal of achieving net-zero greenhouse gas emissions by 2050.

One of the biggest systemic risks facing the world today is climate change. BCI practises engagement rather than divestment in addressing climate change. ESG factors into BCI’s investment strategies and investment decisions, and in its ongoing asset management.

What is engagement?

Engagement means BCI uses its ownership position to influence companies to be transparent about their ESG risks and to adopt best practices. As an example, in 2022, BCI voted against 261 directors at 197 companies because of their weak response to climate change risk.

Engagement can also mean working with a company’s management team to push for positive change from within. Additionally, the companies BCI invests in can use investment dollars to help fund their transition to improved ESG practices. We believe engagement activities like these will ensure strong investment returns for the plan.

If BCI practised divestment and sold its share in companies with poor ESG practices, the opportunity to influence positive change would be lost. Selling shares would also allow other investors (who may not prioritize ESG issues) to buy those shares at a reduced price. The likely result is the company would continue to operate with no improvement to its ESG practices.

BCI’s Climate Action Plan, ESG Annual Report and Proxy Voting Guidelines, available at bci.ca, provide more information on responsible investing.

Year at a glance (\$ millions)

6,608	+	541	+	301	-	274	-	22	=	7,154
Net assets August 31, 2022		Investment income		Contributions		Pension payments		Investment fees and administration costs		Net assets August 31, 2023

Plan rule updates

Effective or approved in 2022 or 2023

There are no plan rule updates to report for 2022 or 2023.

Buying service can increase your pension

Are you thinking about taking time off work? Or have you taken time off work in the last five years?

If you answered “yes” to either of these questions, you may be able to buy that service. Buying service can mean increasing the pension you will receive in retirement.

Visit the *Taking time off work and buying service* section of *Your pension* on the plan website for more information on buying service, and learn about eligibility, ways to pay and more.

Thinking about retiring?

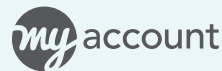
Get an instant estimate with the pension estimator in My Account. See how each pension option could affect your future payments. It takes just a few clicks and is available 24/7.

Register for My Account

The secure site trusted by over 389,000 plan members.

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- ✓ Choose to go paper-free
- ✓ Upload documents securely
- ✓ Check the status of a service request
- ✓ Manage your beneficiaries
- ✓ Apply for your pension
- ✓ Connect with a pension specialist using Message Centre

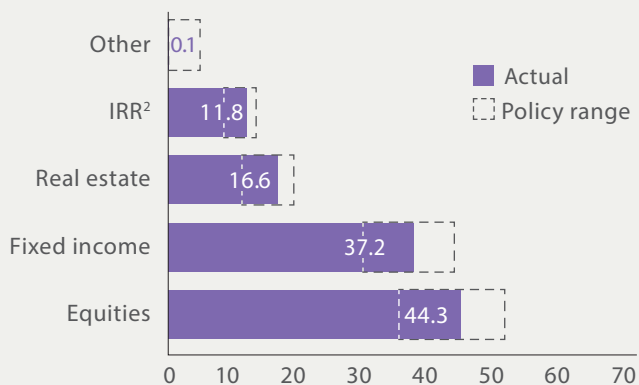
Visit myaccount.pensionsbc.ca or scan the QR code with your mobile device.



PLAN PERFORMANCE

These highlights are unaudited and as at August 31, 2023. The 2023 Annual Report with audited financial statements will be posted to the plan website in spring 2024.

Asset allocation¹ (%)



¹ Totals exceed 100 per cent due to borrowed capital.

² Infrastructure and renewable resources.

Annualized rate of return (%)

5-year

7.2

10-year

8.4

Exceeds the long-term investment return goal of 6.0%

Net assets available for benefits

(\$ billions)

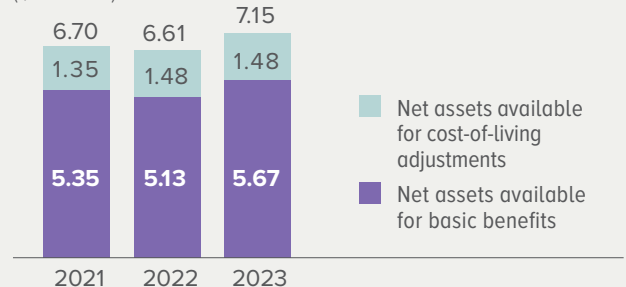


Photo: **Jasmine Nicholsfigueiredo**, College plan member

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