

A photograph of a man and a young girl walking hand-in-hand on a dirt path through a dense forest. The man is wearing an orange jacket and blue pants, and the girl is wearing a pink jacket and blue pants. The forest is filled with tall, thin trees and lush green foliage. The path is made of dirt and fallen leaves.

WORK SAFE BC

2026 Annual Report

Building our future, together

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A message from the Pension Committee

Building our future, together

For more than 80 years, WorkSafeBC and its dedicated staff have worked together to build a strong and resilient pension plan.

The WorkSafeBC Pension Plan is the result of collaboration between colleagues. Together, we have created a legacy of secure retirements for our co-workers and ourselves.

The plan has demonstrated strength and resilience over time. Its longevity reflects the dedication, expertise and commitment our people bring to their work every day.

We are pleased to present the plan's *2026 Annual Report*. This document contains updates on the plan's investments, membership, financial position and performance.

From the ground up

In our role as the Pension Committee, we recognize that every decision helps maintain a strong pension plan that members can rely on.

In many ways, it's like building a home—it comes together piece by piece, and every part contributes to a structure that is strong and durable for the future.

The plan's investment strategy has a long-term focus, with an emphasis on diversification. Its portfolio includes investments in British Columbia and across global markets.

Our members benefit from thoughtful investments in a variety of asset classes, including real estate, private equity, infrastructure, emerging markets and credit.

Through bull markets, bear markets and everything in between, the plan is positioned to make wise and measured choices for the long-term benefit of its members. The investment approach is designed to support stability and sustainability across market cycles.



Measure twice, build once

The pension plan undergoes a thorough valuation by an independent actuary at least once every three years.

The latest valuation found the plan had a funded ratio of 123.5 per cent as at December 31, 2024. It had an actuarial surplus of \$500 million. This means the plan remains strong and well funded. It has the money needed to pay pensions to all current and future retirees.

The valuation confirmed the plan's strong financial position and its ability to meet pension obligations. The surplus also supports contribution rate stability.

We recognize the importance of being thorough in our measurements. The plan works with an independent and reputable actuarial firm, Eckler Ltd., to ensure the decisions we make today benefit members well into the future.

A helping hand

Planning for retirement is a big job. Members are supported at every stage of their pension journey.

From the moment they join the plan, members benefit from tools and support to help with their planning. Our personalized pension estimator lets plan members get an instant report on what retirement income may look like in a variety of scenarios.

The estimator is one of many useful My Account (myaccount.pensionsbc.ca) features that make interacting with the plan easy, fast and secure.

The plan's web page is packed with learning resources to help people get the most from their pension plan. Helpful videos, online courses, articles and more are available to inform planning through every career and life event.

Retired members have benefited from cost-of-living adjustments that help their pensions keep pace with rising everyday expenses. Health plans paid for by WorkSafeBC are also available to the plan's retirees.





Thank you from the Pension Committee

The WorkSafeBC Pension Plan Pension Committee takes pride in managing the plan in the best interests of its members. Our colleagues past and present each had a hand in building a durable and lasting pension plan. It is a plan that members can count on to be there for them in retirement.

We invite you to review the highlights of the year, and we thank you for your continued interest in the plan.



Membership



Who's in the plan?

Membership in the WorkSafeBC Pension Plan is categorized into four groups:

Active	Currently contributing to the plan, on an approved leave of absence or receiving benefits from an approved long-term disability plan
Inactive	Not currently contributing to the plan; have ended their employment but left their contributions in the plan
Retired	Currently receiving a pension; this includes those receiving a survivor's pension
Limited	A plan member's former spouse who has the right to a portion of the plan member's pension and applies to become a limited member after a separation or divorce—these members are included in the retired member total if they are receiving a pension

Understanding the age of active members helps the Pension Committee forecast retirements. The ratio of active to retired members has held steady over the past five years. Tracking this ratio helps us keep the plan prepared to pay future retirees.

The gender breakdown of active members is also important, as life expectancy can affect how long pensions are paid.

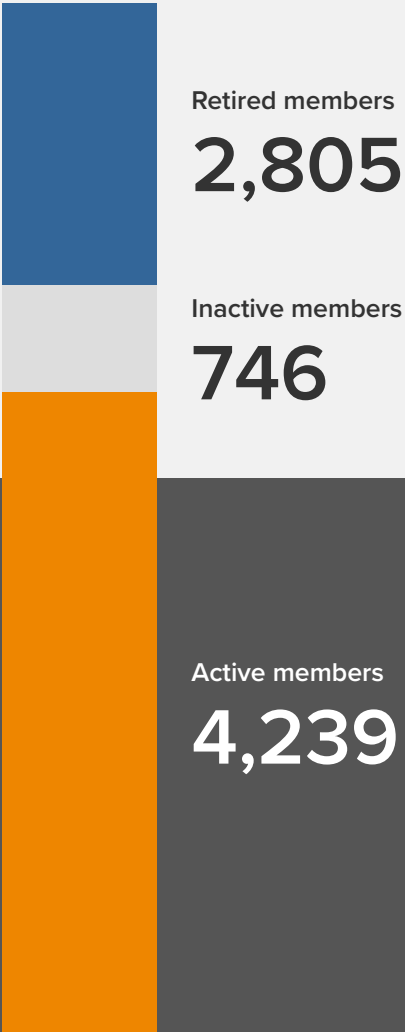
RATIO OF ACTIVE TO RETIRED MEMBERS

year ended March 31

2026	1.5
2025	1.5
2024	1.5
2023	1.5
2022	1.5

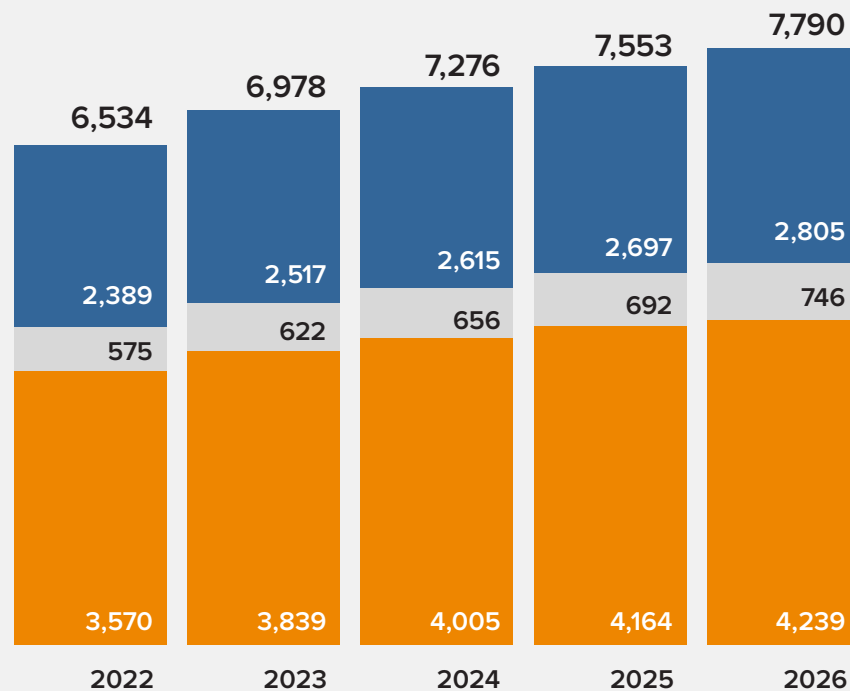
MEMBER PROFILE

as at March 31, 2026

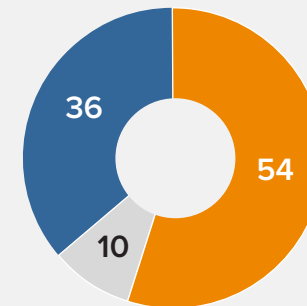


About the membership

NUMBER OF MEMBERS
as at March 31



MEMBERSHIP PROFILE (%)
as at March 31, 2026



Members are supported at every stage of their pension journey.

Active Inactive Retired

ACTIVE MEMBERS BY GENDER¹ (%)*as at March 31, 2026*

37%	Male	1,578
63%	Female	2,659

¹ The number and percentage of people who identify as gender X has been redacted to prevent member re-identification.

BY AGE AT RETIREMENT (%)*year ended March 31, 2026*

37%	≥ 65 years
34%	60 < 65 years
29%	55 < 60 years

ACTIVE MEMBERS BY AGE (%)*as at March 31, 2026*

11%	≥ 60 years	481
13%	55 < 60 years	542
14%	50 < 55 years	589
13%	45 < 50 years	539
15%	40 < 45 years	654
34%	< 40 years	1,434

Plan details



How plan benefits work

Basic lifetime pension

The basic lifetime pension is based on a formula that uses a member's years of pensionable service in the plan, the average of their highest five years of pensionable salary and their age at retirement. The basic lifetime pension is paid from the plan's Basic Account. The plan is pre-funded, which means contribution and investment earnings are set aside to help pay the lifetime pension now and into the future. Once members make their first contribution, they are entitled to a pension at the earliest retirement age. The plan provides the option of a survivor's benefit.

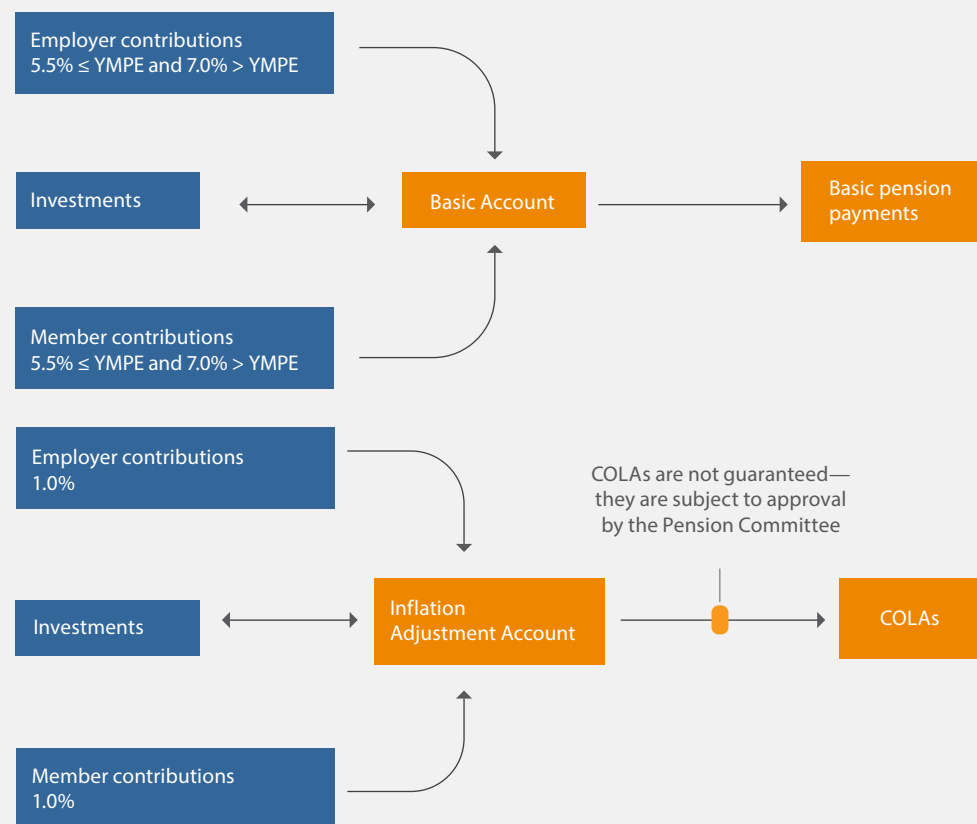
Cost-of-living adjustments

Cost-of-living adjustments (COLAs) are designed to help protect the value of retired members' pensions against the rising cost of living. COLAs are granted only if sufficient money is available in the Inflation Adjustment Account (which is funded by member and WorkSafeBC contributions). If sufficient money is available, a COLA may be applied to retired members' pensions each year. The amount of the adjustment is based on changes in the Canadian consumer price index. In 2026, retired members received a COLA of 2.4 per cent. We regularly monitor the plan's ability to continue providing COLAs. While future increases are not guaranteed, once granted, they become part of retired members' basic lifetime pensions.

How contributions work

Both members and WorkSafeBC pay contributions to fund future pensions. Members contribute through automatic salary deductions. When members end employment, retire or reach 35 years of pensionable service, they no longer contribute. The plan also provides pensionable and contributory service for members receiving long-term disability benefits; these members will continue to accumulate service as if they were still working, without making monthly pension contributions.

Both members and WorkSafeBC currently contribute 6.5 per cent of salary up to and including the year's maximum pensionable earnings (YMPE)—which is \$74,600 in 2026—and 8.0 per cent of salary above that amount. The YMPE is set annually by the federal government and determines the maximum salary for which Canada Pension Plan contributions must be made. Contributions fund the Basic Account (which pays pension benefits) and the Inflation Adjustment Account (which pays non-guaranteed COLAs).



Benefits and contributions



By the numbers

PENSIONS OVERVIEW

year ended March 31

				(\$ millions)		
	New pensions	Pension terminations	Pensions at end of year	Basic pensions paid	Inflation supplements paid	Total
2026	147	39	2,805	\$73.4	\$19.3	\$92.7
2025	133	51	2,697	70.0	18.4	88.4
2024	130	32	2,615	66.9	16.3	83.2
2023	164	36	2,517	63.5	12.2	75.7
2022	153	44	2,389	58.8	9.1	67.9

THE PLAN PAID OUT *as at March 31, 2026*

In pensions

\$92.7 million

Average annual pension

\$34,137

Median annual pension

\$29,157

NEW PENSIONS BY TYPE

year ended March 31

	Regular	Pre-retirement limited member	Post-retirement limited member	Long-term disability	Deferred	Survivor	Total
2026	113	4	0	8	21	1	147
2025	92	6	1	12	18	4	133
2024	82	4	0	9	32	3	130
2023	124	6	0	14	19	1	164
2022	121	2	0	9	20	1	153

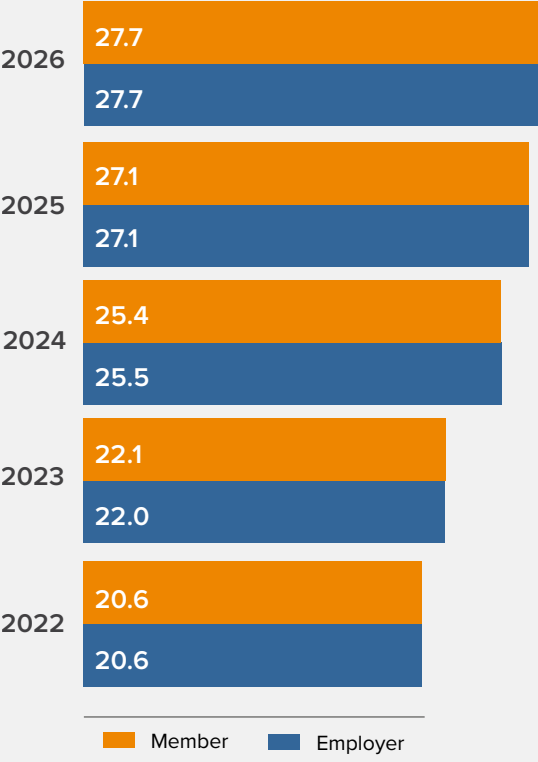
NEW PENSIONS BY AGE AND YEARS OF SERVICE

year ended March 31, 2026

Years of service	Age at retirement					Average annual		Median annual	Present value of pensions	
	< 55	55 < 60	60 < 65	≥ 65	Total	Salary base	Pension	Pension	Average	Total (\$ millions)
< 10		10	12	12	34	\$121,400	\$12,400	\$10,100	\$ 181,300	\$ 6.2
10 < 15		3	3	3	9	135,500	26,100	21,100	451,900	4.1
15 < 20		3	10	10	23	100,000	30,400	31,000	478,100	11.0
20 < 25		5	9	6	20	112,400	46,600	46,000	754,600	15.1
25 < 30		3	8	6	17	102,400	50,100	45,600	790,400	13.4
30 < 35		15	5	11	31	101,600	56,100	54,800	939,500	29.1
≥ 35		3	3	7	13	102,700	55,800	55,100	959,800	12.5
Total	0	42	50	55	147					\$91.4
Average of all pensions						\$109,600	\$38,100	\$37,300	\$625,300	
Average years of service	0	23	19	22	21					
Average age	0	57	62	67	62					

CONTRIBUTIONS (\$ MILLIONS)

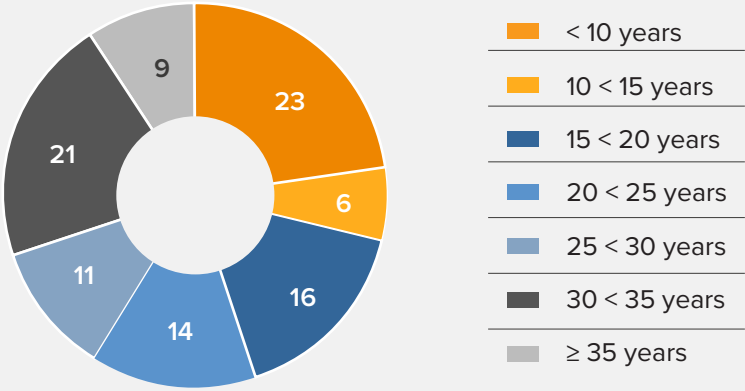
year ended March 31



PERCENTAGE OF NEW PENSIONS

BY YEARS OF SERVICE (%)

year ended March 31, 2026



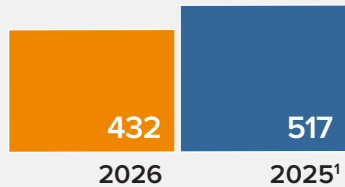
CONTRIBUTION REVENUE (\$ THOUSANDS)

year ended March 31, 2026



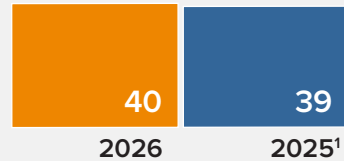
VALUE OF PURCHASES OF SERVICE (\$ THOUSANDS)
year ended March 31

Leaves of absence

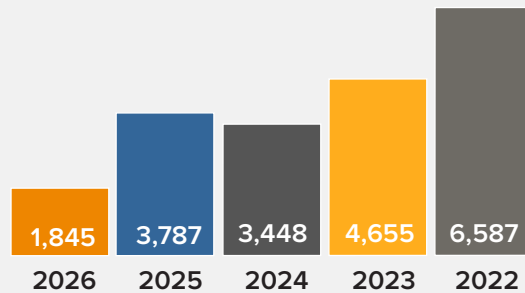


NUMBER OF PURCHASES OF SERVICE
year ended March 31

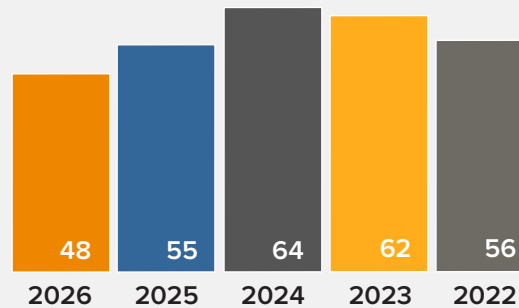
Leaves of absence



VALUE OF TERMINATION AND REFUND BENEFITS PAID (\$ THOUSANDS)
year ended March 31



NUMBER OF TERMINATION AND REFUND BENEFITS PAID²
year ended March 31



1 There was one arrears purchase in 2025 and none in 2026.

2 Termination and refund benefits paid include refunds of contributions and commuted value payments; deferred pensions are included in pension statistics.

Investments



Investment commentary (BCI)

The plan navigated a turbulent global environment over the 2025/26 fiscal year, bookended by the United States “Liberation Day” tariffs and geopolitical conflict in the Middle East. Despite these headwinds, the plan maintained a strong financial position, supported by prudent management from BCI, the plan’s investment agent. Diversification across geographies, asset classes and sectors continued to be central to delivering steady, risk-adjusted returns through a period of heightened market volatility.

The plan fell slightly short of its return objective over the one-year period, while exceeding the respective return objectives over five and 10 years. The return objective is the amount the plan’s investments need to earn over the long-term to pay for its obligations, including pensions. For the fiscal year ended March 31, 2026, the plan posted a 5.8 per cent return, falling just short of the 5.85 per cent return objective and trailing the 8.2 per cent benchmark. Over five years, the plan returned an annualized 6.2 per cent against a 5.85 per cent return objective and 6.7 per cent benchmark. The plan achieved a return of 7.5 per cent over 10 years, outperforming the 7.4 per cent benchmark and reflecting strong long-term performance through multiple market cycles.

The plan exceeded its return objectives over both the five- and 10-year periods, reflecting strong long-term investment performance.

OVERALL PERFORMANCE (%)

as at March 31, 2026

5.8

1-year return

5.85

1-year return objective

6.2

5-year return

5.85

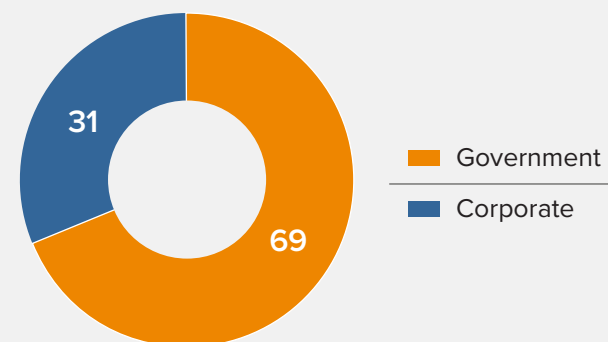
5-year return objective

Public markets

Within public markets, the plan is invested in fixed income (e.g., government and corporate bonds) and public equities (e.g., publicly traded stocks). Fixed income returns were positive over the year, with credit the primary driver of absolute return. On a one-year basis, fixed income returned 3.0 per cent, outperforming the 2.3 per cent benchmark. Credit returned 5.4 per cent and exceeded its benchmark by 1.3 per cent, supported by robust portfolio yields and active positioning that capitalized on market volatility and wider credit spreads. Fixed income also outperformed on a five-year basis, with a 2.8 per cent annualized return against a 1.9 per cent benchmark.

Public equities were the largest contributor to total portfolio return, benefiting from a strong rally in developed and emerging markets despite a turbulent end to the fiscal year. Public equities delivered 20.0 per cent against a 21.2 per cent benchmark on a one-year basis. The relative shortfall largely reflects the plan's underweight to precious metals and a preference for higher-quality companies during a period of strong commodity performance. Over five years, public equities returned 12.2 per cent, broadly in line with the 12.3 per cent benchmark.

BONDS—MARKET VALUE (%)
as at March 31, 2026



FIXED INCOME (%)
as at March 31, 2026

3.0	2.3
1-year return	1-year benchmark

2.8	1.9
5-year return	5-year benchmark

PUBLIC EQUITIES (%)
as at March 31, 2026

20.0	21.2
1-year return	1-year benchmark

12.2	12.3
5-year return	5-year benchmark

Private equity

The private equity industry continued to work through a challenging period last year. After two difficult years, deal activity began to pick up in 2025, but the rebound was concentrated in a small number of large transactions that did not fully extend across the broader market. Early 2026 introduced new headwinds, including the effects of rising energy costs on the broader economy, and a repricing of risk in the software sector. On a one-year basis, the portfolio returned 7.7 per cent against a benchmark of 18.4 per cent. The private equity benchmark reflects the exceptional performance of global public equity markets—a significant portion of which came from the “Magnificent 7,” a small group of large U.S. technology companies whose shares trade publicly and sit outside the investable universe of the private equity program. The portfolio, in contrast, reflects a still-recovering private equity market in which exit activity remains well below historical levels.

Improving market conditions enabled the program to deploy capital at nearly three times the rate of the previous year across high-conviction direct and fund investments. Over five years, the asset class returned 12.4 per cent against a 13.8 per cent benchmark. The allocation to direct investments increased meaningfully as a share of net asset value, moving the program closer to its target allocation. Direct investments continue to be the strongest-performing segment of the portfolio.

Direct investments continue to be the strongest-performing segment of the portfolio.

PRIVATE EQUITY (%)
as at March 31, 2026

7.7
1-year return

18.4
1-year benchmark

12.4
5-year return

13.8
5-year benchmark

Real estate

The real estate equity market continued to face challenges from elevated interest rates and the higher cost of capital, with the pace of central bank rate cuts insufficient to meaningfully reverse pressure on valuations. On a one-year basis, real estate equity returned –4.8 per cent, underperforming the 6.8 per cent benchmark. Income returns remained solid, but total returns were heavily influenced by a decline in valuations. Portfolio occupancy nonetheless remained healthy, with industrial and residential both holding steady. Over five years, the annualized return was 1.3 per cent, below the 7.3 per cent benchmark, reflecting the multi-year valuation correction across the global real estate market. The portfolio remains focused on the high-conviction sectors of residential, industrial and alternatives, such as data centres, student housing and self-storage, while exposure to office continues to decline.

While the real estate program has no direct exposure to areas of geopolitical conflict, it continues to be affected by the second-order impacts of these events on interest rates, inflation and global growth. Geographically, the portfolio remains concentrated in resilient, transparent markets, with notable exposure across BC, Ontario and the U.S. and UK markets.

Real estate debt continued to benefit from elevated yields and disciplined underwriting, even as higher interest rates weighed on real estate equity valuations. The portfolio remained resilient, with a focus on property sectors with long-term potential while reducing exposure to office and retail. On a one-year basis, real estate debt returned 5.2 per cent, exceeding the 3.8 per cent benchmark. Over five years, the real estate debt program generated an annualized return of 5.4 per cent, outperforming the 3.6 per cent benchmark.

REAL ESTATE EQUITY (%) as at March 31, 2026

–4.8

1-year return

6.8

1-year benchmark

1.3

5-year return

7.3

5-year benchmark

REAL ESTATE DEBT (%) as at March 31, 2026

5.2

1-year return

3.8

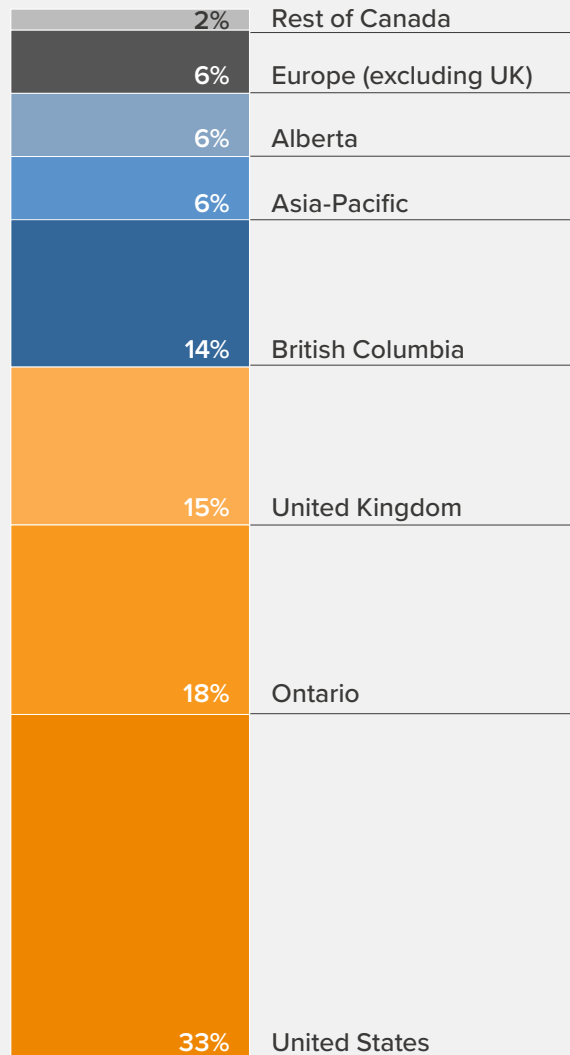
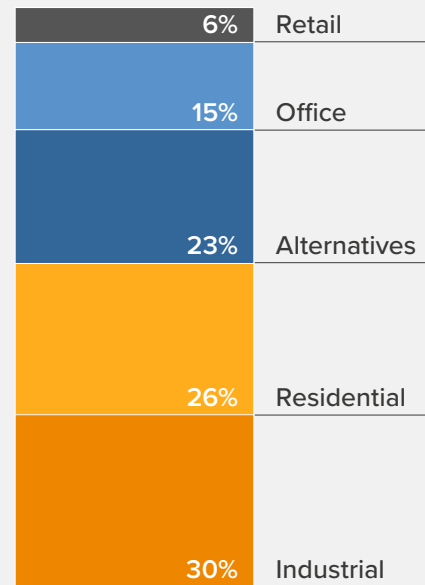
1-year benchmark

5.4

5-year return

3.6

5-year benchmark

REAL ESTATE BY LOCATION (%)*as at March 31, 2026***REAL ESTATE BY TYPE (%)***as at March 31, 2026*

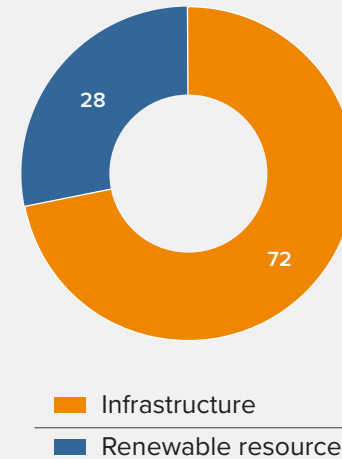
Geographically, the portfolio remains concentrated in resilient, transparent markets.

Infrastructure and renewable resources

Infrastructure and renewable resources (I&RR) had another strong year, with utilities leading absolute performance. North American and European assets represent the largest regions of investment within the portfolio. On a one-year basis, I&RR returned 9.2 per cent against the 6.5 per cent benchmark. I&RR's five-year annualized return was 9.5 per cent, also outperforming the 6.5 per cent benchmark. The program committed a record amount of capital in 2025 across new direct investments, additional commitments to existing holdings and a new fund partnership. The year included several firsts for the program, including its first take-private as sole investor, its first direct investment in the Philippines, and its first investment in the recycling and circular economy sector.

The portfolio's defensive characteristics continue to provide meaningful insulation through periods of global instability. At the same time, the team is monitoring a broader set of emerging risks, including affordability and regulatory pressures, cybersecurity threats to critical infrastructure, and the intensifying physical impact of extreme weather on timberland, transportation and utility assets. Looking ahead, structural demand for digital infrastructure, electrification and grid expansion is expected to create meaningful long-term opportunities for the program.

INFRASTRUCTURE AND RENEWABLE RESOURCES (%)
as at March 31, 2026



INFRASTRUCTURE AND RENEWABLE RESOURCES (%)
as at March 31, 2026

9.2

1-year return

6.5

1-year benchmark

9.5

5-year return

6.5

5-year benchmark

Responsible investing

Responsible investing is a key component of the plan's investment approach. BCI applies the plan's responsible investing practices as the investment agent, which involves integrating environmental, social and governance (ESG) factors into investment decisions. BCI also encourages positive ESG performance in its portfolio companies through its stewardship approach.

The Pension Committee and BCI agree that ESG integration is important in growing and protecting the value of the plan. ESG factors may be specific to a company—such as board composition, executive compensation and employee safety—or widespread systemic factors like climate change.

Our shared belief is that companies with strong ESG practices are better positioned to deliver risk-adjusted returns for plan members.

BCI's [ESG Strategy](#) focuses on four key actions to address the material factors to the plan's investments:

Integrate

ESG analysis and risk management are part of investment processes and decisions.

Influence

Through engagement and advocacy, BCI seeks to influence the companies it invests in, their partners and other participants in capital markets.

Invest

BCI actively seeks ESG-related investment opportunities that help improve long-term outcomes for clients.

Insight

An understanding of emerging trends and insights across all ESG activities is used to continually adapt and improve BCI's strategies, processes and approaches.



Addressing climate change

Climate change presents both an investment opportunity and a long-term material systemic risk to the plan.

On behalf of its clients, BCI is committed to supporting the global goal of achieving net-zero greenhouse gas emissions by 2050. BCI's Climate Action Plan outlines the actions it is taking to support this goal, aligned with creating and preserving financial value for clients through the uncertainty of the climate transition. This is achieved by actively engaging with portfolio companies, advocating for supportive policy changes, and participating in global initiatives on climate action reporting and transparency.

There is progress: the BCI portfolio's carbon footprint has decreased by 63 per cent compared with fiscal year 2020. More detailed information and metrics on climate action can be found in BCI's [Corporate Annual Report](#).

Additionally, BCI manages climate change risk across all asset classes and pursues meaningful opportunities in climate solutions. As at December 31, 2025, BCI's total exposure to climate-related opportunities reached \$12.3 billion, demonstrating how climate action creates value alongside risk mitigation.

BCI also invests in sustainable bonds, which can provide low-risk returns and help finance projects with positive environmental or social outcomes. BCI exceeded its 2026 objective of \$5 billion in sustainable bond investments, reaching \$6.9 billion as at March 31, 2026.

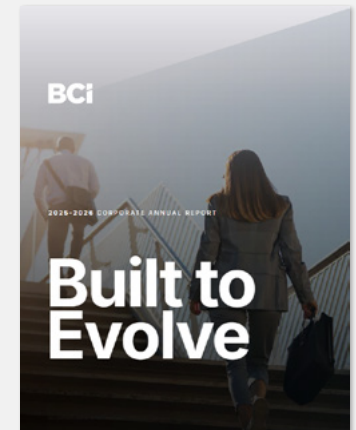
BCI's approach to stewardship

BCI's stewardship approach supports positive ESG performance in its portfolio companies through global policy advocacy, proxy voting and engagement. BCI's latest [Stewardship Report](#) covers more recent activity, and outlines key engagement activities, priorities and outcomes of this work.

Policy advocacy

BCI engages at the policy and market levels to strengthen the investment landscape. By advocating for policy changes that incorporate ESG principles into regulatory frameworks, it contributes to greater policy certainty in global capital markets.

BCI also participates in collaborative initiatives with like-minded investors and engages with regulators to promote robust ESG disclosure standards and practices that benefit the plan's investments.



Proxy voting

BCI uses proxy voting as a tool to encourage ESG improvements through board and management accountability. A full record of BCI's votes and rationale can be found through a [searchable database](#) on its website.

2025 proxy season summary¹

Voted on

29,182 [agenda items](#)

Voted in

52 [countries](#)

Voted against management in

26% [of cases](#)

Voted against or withheld votes from

32% [director nominees](#)

Voted on

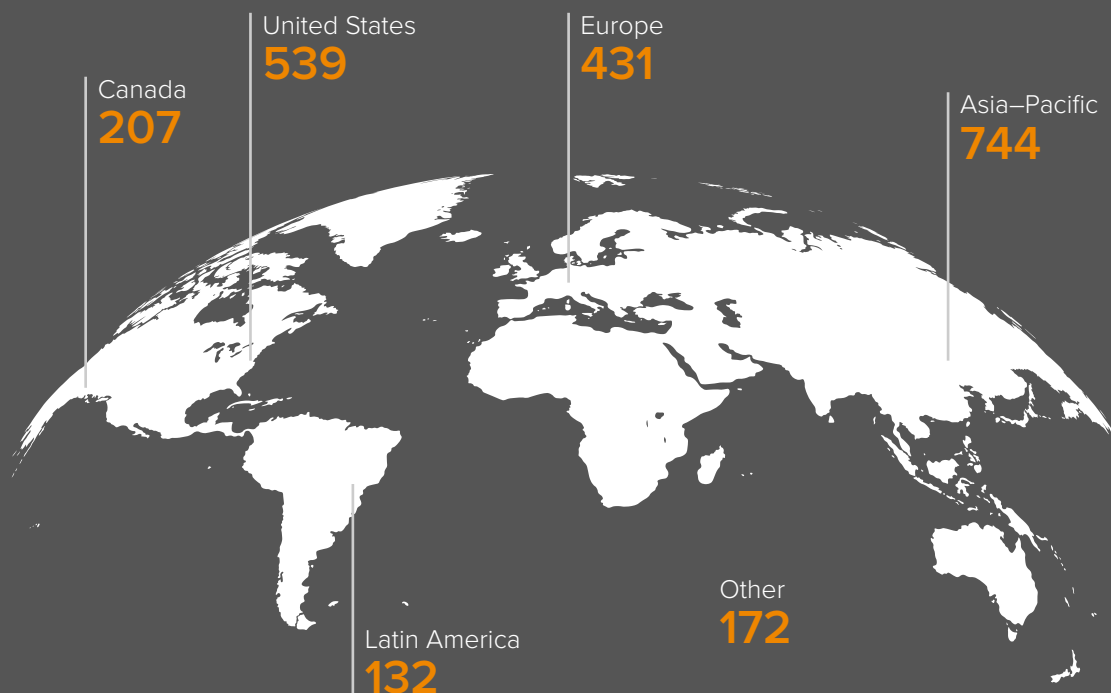
1,017 [shareholder proposals](#)

Supported

48% [of shareholder proposals](#)

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

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



Direct and collaborative engagement

BCI engages with public and private companies on a broad range of ESG topics. Some interactions consist of targeted outreach on a specific, material ESG issue, while others involve multiple topics and milestones.

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 risks 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.

Climate-related disclosure

Transparency plays a major role in climate action, and BCI follows market practices for climate-related disclosures. BCI supports the new Canadian Sustainability Disclosure Standards (CSDS), which align with the global baseline set out by the International Sustainability Standards Board. The CSDS aim to help Canadian companies voluntarily report on their sustainability practices and ESG activities.

For more recent information and ESG case studies, please see BCI's [Stewardship Report](#).



Investment results



Plan investment details

The plan has a strong foundation to weather market volatility. It is prepared for the future and performing well in challenging economic circumstances.

INVESTMENT PERFORMANCE (%)

year ended March 31

	Investment returns	Performance benchmark ¹
Annual rates		
2026	5.8	8.2
2025	8.1	9.2
2024	7.3	10.9
2023	2.5	1.7
2022	7.4	3.9
5-year annualized rates		
2026	6.2	6.7
2025	7.8	8.2
10-year annualized rates		
2026	7.5	7.4
2025	6.8	6.5

¹ Benchmarks are standards to compare against actual investment returns.

INVESTMENT HOLDINGS (%) (\$ MILLIONS) as at March 31, 2026

0%	Other	\$8.8
2%	Short-term	\$58.2
3%	Emerging markets equities	\$99.8
5%	Real estate debt	\$154.1
11%	Private equity	\$350.4
13%	Developed market equities	\$416.3
15%	Infrastructure and renewable resources	\$482.5
15%	Real estate	\$488.4
17%	Credit	\$566.4
19%	Government bonds	\$620.8

ASSET MIX AND PERFORMANCE (%)*as at March 31, 2026*

	Approved range	Target asset mix	Asset mix market value	Rate of return	Performance benchmark
Fixed income	30–52	42	43.1	3.0	2.3
Short-term	0–7	2	1.8	2.1	1.8
Real estate debt	0–8	5	4.7	5.2	3.8
Government bonds	12–30	18	19.1	0.3	0.2
Credit	7–23	17	17.5	5.4	4.1
Equities	15–40	26	26.7	15.0	20.0
Developed equities	5–25	12	12.8	18.1	19.6
Emerging markets	0–8	3	3.1	28.6	25.6
Private equity	7–15	11	10.8	7.7	18.4
Real assets	20–38	32	29.9	1.8	6.7
Real estate	11–20	17	15.0	(4.8)	6.8
Infrastructure and renewable resources	9–18	15	14.9	9.2	6.5
Other	0–5	0	0.3	n/a	n/a
Total portfolio		100	100.0	5.8	8.2

INVESTMENT PORTFOLIO (\$ THOUSANDS)*as at March 31, 2026*

	Market value	Market value (%)
Short-term	\$ 58,228	1.8
Government bonds	620,806	19.1
Real estate debt	154,073	4.7
Credit	566,445	17.5
Developed market equities	416,260	12.8
Emerging market equities	99,825	3.1
Private equity	350,372	10.8
Real estate	488,416	15.0
Infrastructure and renewable resources	482,468	14.9
Cash and unsettled trades	8,785	0.3
Total investments	\$3,245,678	100.0
2025 comparison	\$3,109,422	

Note: Asset classifications vary from the financial statements for the purpose of performance reporting.

**ANNUALIZED RATES OF RETURN VS.
BENCHMARKS (%)***as at March 31, 2026***5.8**

1-year return

8.2

1-year benchmark

6.2

5-year return

6.7

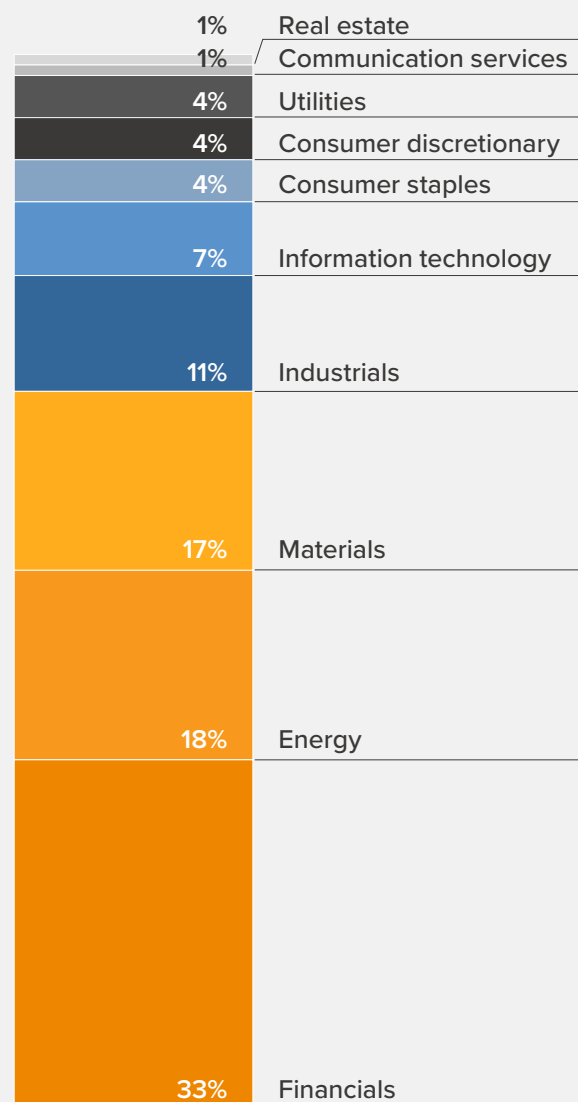
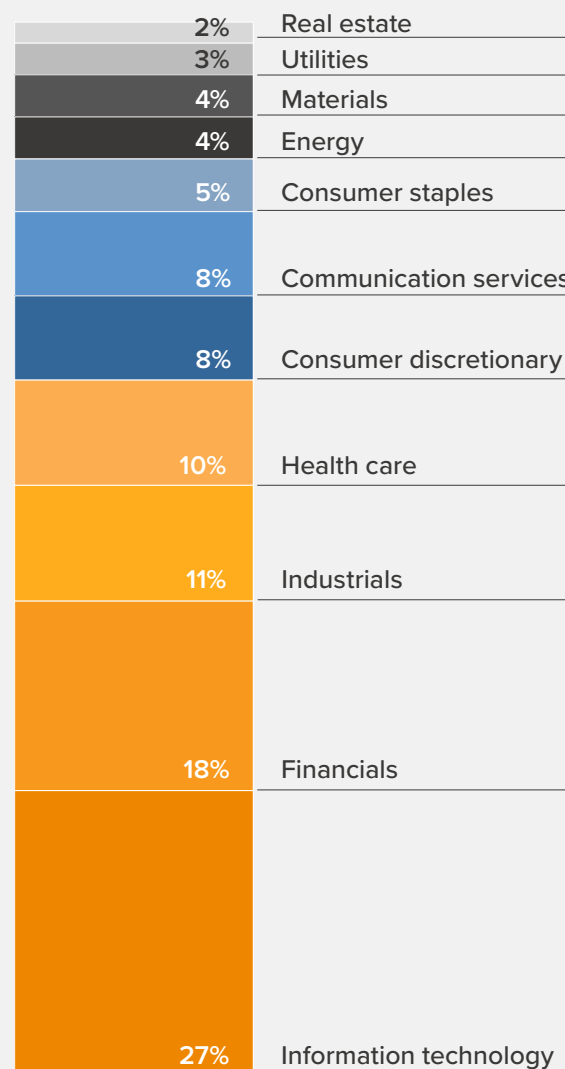
5-year benchmark

7.5

10-year return

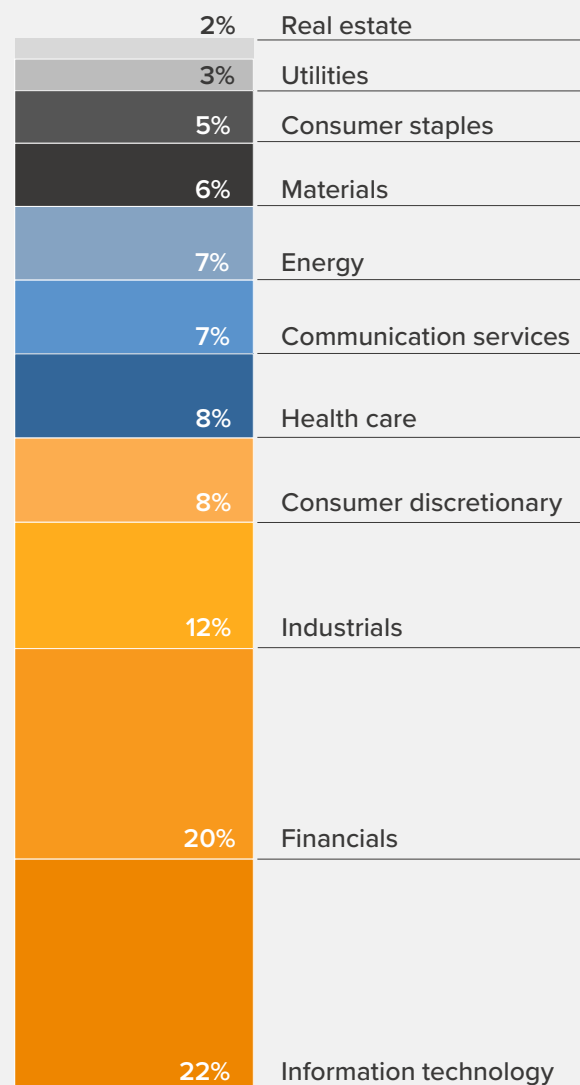
7.4

10-year benchmark

CANADIAN MARKET EQUITIES BY SECTOR (%)*as at March 31, 2026***GLOBAL MARKET EQUITIES BY SECTOR (%)***as at March 31, 2026*

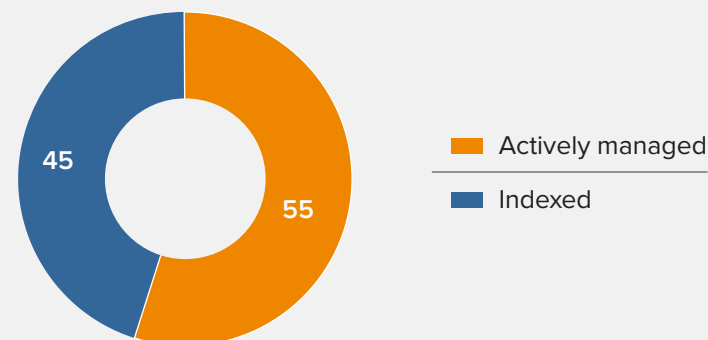
DEVELOPED MARKET EQUITIES BY SECTOR (%)

as at March 31, 2026



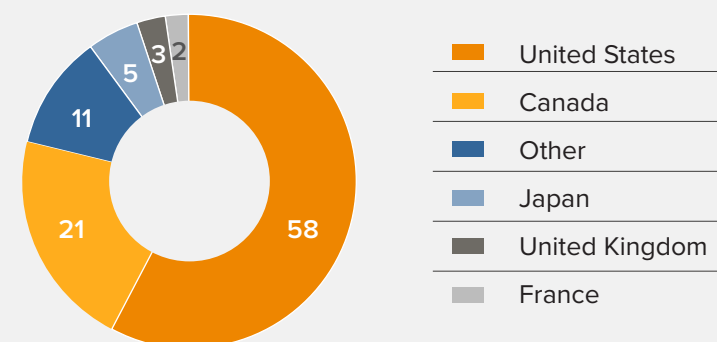
DEVELOPED MARKET EQUITIES—MARKET VALUE (%)

as at March 31, 2026



DEVELOPED MARKET EQUITIES BY COUNTRY (%)

as at March 31, 2026



FIVE-YEAR FINANCIAL SUMMARY (\$ THOUSANDS)*year ended March 31*

	2026	2025	2024	2023	2022
Increase in assets					
Investment income	\$ 185,052	\$ 240,673	\$ 205,677	\$ 72,615	\$ 190,103
Contributions					
Members	27,740	27,139	25,430	22,056	20,578
Employers	27,741	27,139	25,454	22,043	20,562
Transfers from other plans	1,696	1,898	1,974	4,219	1,741
Total increase in assets	242,229	296,849	258,535	120,933	232,984
Decrease in assets					
Pension, termination and refund benefits	94,499	92,184	86,678	80,338	74,522
Transfers to other plans	2,940	2,145	1,716	462	796
Investment and administration costs ¹	8,426	8,299	7,501	6,547	3,485
Total decrease in assets	105,865	102,628	95,895	87,347	78,803
Increase in net assets	136,364	194,221	162,640	33,586	154,181
Net assets available for benefits at beginning of year	3,108,228	2,914,007	2,751,367	2,717,781	2,563,600
Net assets available for benefits at end of year	\$3,244,592	\$3,108,228	\$2,914,007	\$2,751,367	\$2,717,781
Investment and administration costs as a percentage of net assets (%)^{1,2}					
Investment management ^{1,2}	0.39	0.37	0.36	0.35	0.26
Benefits administration	0.06	0.06	0.06	0.06	0.05

1 Investment costs as a percentage of net assets include certain external investment management costs totalling \$6.0 million (2025: \$4.6 million; 2024: \$4.4 million; 2023: \$4.6 million; 2022: \$5.1 million) that are netted against investment income. They are not included in investment and administration costs in the financial statements.

2 Investment costs as a percentage of net assets exclude external indirect investment management costs netted against investment income on the statement of changes in net assets available for benefits. This is consistent with current industry practice; including these costs using the budgeted amount would have increased investment management costs as a percentage of net assets by 35.1 basis points for the 2025/26 fiscal year. External indirect investment management costs include limited partnership management fees and other fees principally incurred within investments held in the private equity, infrastructure and real estate asset classes.

Valuation



Strong, durable, and prepared for the future

The last actuarial valuation, completed as at December 31, 2024, confirmed the plan is in a strong and healthy position. At least once every three years, an independent actuary assesses the plan's financial position. An actuary is a specialist in financial modelling, the principles of probability and risk management. The full results of our latest valuation can be found on the plan's website at worksafe.pensionsbc.ca/valuation-report.

For the WorkSafeBC Pension Plan, BC's *Pension Benefits Standards Act* prescribes the valuation of the plan's assets from two perspectives: going concern and solvency.

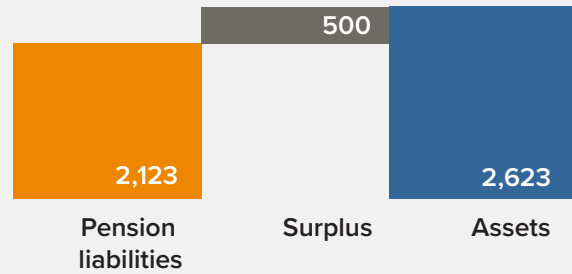
The going-concern valuation (which assumes the plan will continue at least as long as the lifetime of all current members) showed the plan's funded ratio as at December 31, 2024, was 123.5 per cent, with an actuarial surplus of \$500 million in the Basic Account.

The solvency valuation (which measures the plan's ability to pay out pensions in the unlikely event it was shut down on the valuation date) showed the plan's funded ratio was 134.6 per cent.

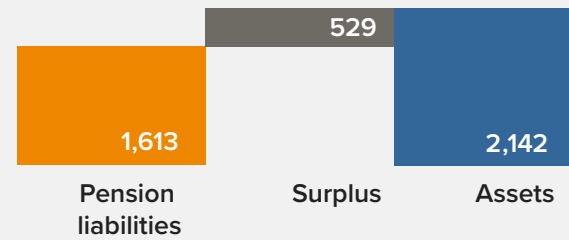


PLAN SURPLUS (\$ MILLIONS)

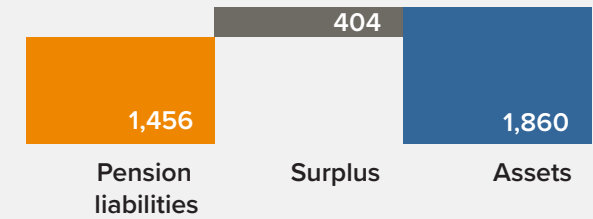
December 31, 2024



December 31, 2021

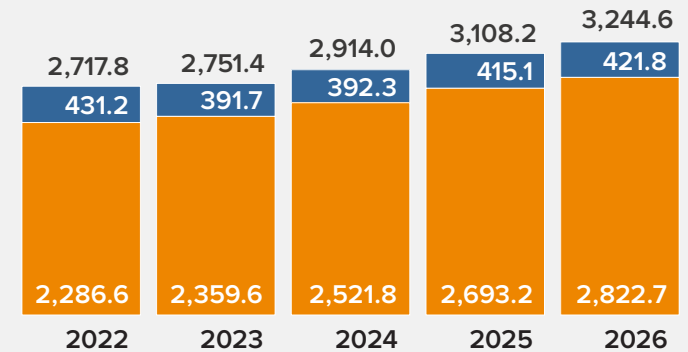


December 31, 2019



LATEST ACTUARIAL VALUATIONS (\$ MILLIONS)

	Basic pension benefits		
	December 31, 2024	December 31, 2021	December 31, 2019
Actuarial net assets	2,623	2,142	1,860
Actuarial liabilities	2,123	1,613	1,456
Net actuarial surplus	500	529	404

NET ASSETS AVAILABLE FOR BENEFITS (\$ MILLIONS)
as at March 31

■ Available for inflation benefits
 ■ Available for basic benefits

Governance and agents



Who we are

Pension Committee

The WorkSafeBC Board of Directors is responsible for appointing members of the Pension Committee. Among other duties, the Pension Committee assists WorkSafeBC in administering the plan, with a particular focus on investment and fund management. The plan has three committee members: Wendy Strugnell, employer representative; Jason Lin, member representative; and Alan Cooke, independent representative.

Alan Cooke

Independent representative

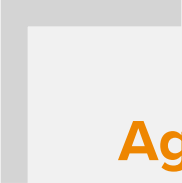
Wendy Strugnell

Employer representative

Jason Lin

Member representative





Agents

BCI

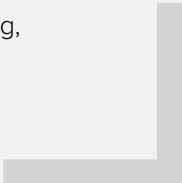
BCI is a leading provider of investment management services to British Columbia's public sector and is one of the largest asset managers in Canada. With its global outlook, BCI seeks investment opportunities that support its clients' risk and return requirements over time. BCI offers investment options across a range of asset classes: fixed income, public and private equity, real estate, and infrastructure and renewable resources.

BC Pension Corporation

BC Pension Corporation is one of the largest pension benefit administrators in Canada, serving public sector pension plans in BC. It provides plan information to members and employers, manages contributions and member records, and pays pension benefits. BC Pension Corporation also provides policy, financial and communications services to the Pension Committee.

Eckler Ltd.

Serving as the plan's independent actuary, Eckler Ltd. conducts an actuarial valuation of the plan's funding every three years and supports the Pension Committee and the WorkSafeBC Board of Directors in their decision-making, as appropriate.



Financial statements

A woman with long brown hair, wearing a bright yellow jacket and blue jeans, stands on a rocky outcrop. She is looking out over a calm blue lake towards a dense green forest on the opposite shore. A red backpack with a white water bottle is on her back. The scene is framed by a white L-shaped graphic element.



September 22, 2026

Re: WorkSafeBC Pension Plan

Administrative Agent's Responsibility for Financial Reporting

The financial statements of the WorkSafeBC Pension Plan were prepared by British Columbia Pension Corporation, the Plan's administrative agent, in accordance with Canadian accounting standards for pension plans. The WorkSafeBC Pension Plan Pension Committee is responsible for approving the financial statements of the Plan.

Pension Corporation prepares the financial statements and is responsible for the integrity and fairness of the data presented, including significant accounting judgments and estimates. This responsibility includes selecting appropriate accounting policies consistent with Canadian accounting standards for pension plans. In discharging its responsibility, Pension Corporation maintains a system of internal controls designed to provide reasonable assurance that transactions are properly authorized, reliable financial records are maintained and assets are adequately safeguarded, ensuring the fair presentation of the financial statements. Pension Corporation has assessed that the Plan will continue as a going concern and ensured that other financial information contained in the *WorkSafeBC Pension Plan Annual Report* is consistent with these financial statements.

The WorkSafeBC Board of Directors appointed Eckler Ltd. as the independent consulting actuary for the Plan. The role of the actuary is to complete an actuarial valuation of the Plan in accordance with accepted actuarial practice. The results of the valuation are included in the financial statements.

WorkSafeBC pension management, by the authority provided by the Board of Directors, appointed KPMG LLP as the independent auditor to perform an independent audit of the Plan's financial statements in accordance with Canadian generally accepted auditing standards. The resulting audit opinion is set out in the independent auditor's report attached to these financial statements.

A stylized handwritten signature in dark ink, consisting of a large 'T' followed by a sweeping line.

Trevor Fedyna, CPA, C.Dir.

Vice-President, Strategy, Insights
and Chief Financial Officer
British Columbia Pension Corporation

A stylized handwritten signature in dark ink, appearing as a series of connected loops and strokes.

Allan Chen, CPA.

Controller
British Columbia Pension Corporation

Mail: PO Box 9460
Victoria, BC V8W 9V8

Phone: 250 387-1014
Toll-free: 1 800 663-8823

bcpensioncorp.ca



KPMG LLP
 777 Dunsmuir Street, 11th floor
 Vancouver, BC V7Y 1K3
 Canada
 Tel 604 691 3000
 Fax 604 691 3031

INDEPENDENT AUDITOR'S REPORT

To the Members of the WorkSafeBC Pension Plan

Opinion

We have audited the financial statements of the WorkSafeBC Pension Plan (the Plan), which comprise:

- the statement of financial position as at March 31, 2026
- the statement of changes in net assets available for benefits for the year then ended
- the statement of changes in accrued pension obligations for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies.

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at March 31, 2026, and its changes in net assets available for benefits and its changes in accrued pension obligations for the year then ended in accordance with Canadian accounting standards for pension plans.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditor’s Responsibilities for the Audit of the Financial Statements**” section of our auditor’s report.

We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor’s report thereon, included in the annual report.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the annual report as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Plan's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Plan's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Vancouver, Canada

September 22, 2026

WORKSAFEBC PENSION PLAN

Statement of financial position

(\$ thousands)



As at March 31	Note	2026	2025
Assets			
Investments	3a	\$ 3,253,706	\$ 3,132,987
Directly held derivatives	3b	3,216	1,829
Interest and dividends receivable		248	228
Contributions receivable		110	37
Cash		64	170
Other		27	37
Prepaid		11	-
Total assets		3,257,382	3,135,288
Liabilities			
Directly held derivatives	3b	11,535	25,779
Taxes payable		1,038	1,010
Accounts payable and accrued expenses		217	271
Total liabilities		12,790	27,060
Net assets available for benefits		\$ 3,244,592	\$ 3,108,228
Accrued pension obligations			
Accrued basic pension obligations		\$ 1,967,746	\$ 1,851,268
Provision for adverse deviations	4a	331,565	162,912
Total basic pension obligations	4a	2,299,311	2,014,180
Non-guaranteed pension obligations	4b	421,849	415,056
Accrued pension obligations		2,721,160	2,429,236
Surplus			
Funding surplus	5a	512,062	667,465
Measurement differences between funding and accounting positions	5a	11,370	11,527
Surplus		523,432	678,992
Accrued pension obligations and surplus		\$ 3,244,592	\$ 3,108,228

All accompanying notes are an integral part of the financial statements including:
Commitments (note 14)

Approved by the WorkSafeBC Pension Plan Pension Committee:

Wendy Strugnell
Committee member
WorkSafeBC Pension Plan Pension Committee

Jason Lin
Committee member
WorkSafeBC Pension Plan Pension Committee

Alan Cooke
Committee member
WorkSafeBC Pension Plan Pension Committee

WORKSAFEBC PENSION PLAN

Statement of changes in net assets available for benefits

(\$ thousands)



For the year ended March 31	Note	Basic Account	Inflation Adjustment Account	Supplemental Benefits Account	Totals 2026	2025
Increase in assets						
Investment income	8	\$ 160,270	\$ 24,782	\$ -	\$ 185,052	\$ 240,673
Contributions						
Member	9	23,755	3,976	9	27,740	27,139
Employer	9	22,470	3,976	1,295	27,741	27,139
		46,225	7,952	1,304	55,481	54,278
Transfers from other plans		1,370	326	-	1,696	1,898
Total increase in assets		207,865	33,060	1,304	242,229	296,849
Decrease in assets						
Benefits paid	10	92,463	732	1,304	94,499	92,184
Investment and administration costs	11	7,539	887	-	8,426	8,299
Transfers to other plans		2,132	808	-	2,940	2,145
Total decrease in assets		102,134	2,427	1,304	105,865	102,628
Increase in net assets before transfers		105,731	30,633	-	136,364	194,221
Account transfers	12	23,840	(23,840)	-	-	-
Increase in net assets		\$ 129,571	\$ 6,793	\$ -	\$ 136,364	\$ 194,221
Net assets available for benefits						
at beginning of year		\$ 2,693,172	\$ 415,056	\$ -	\$ 3,108,228	\$ 2,914,007
Net assets available for benefits						
at end of year		\$ 2,822,743	\$ 421,849	\$ -	\$ 3,244,592	\$ 3,108,228

The accompanying notes are an integral part of the financial statements.

WORKSAFEBC PENSION PLAN

Statement of changes in accrued pension obligations

(\$ thousands)



For the year ended March 31	Note	2026	2025
Increase in accrued pension obligations			
Provision for adverse deviations	4a	\$ 168,653	\$ 7,580
Interest on accrued pension obligations		108,729	98,292
Benefits accrued		62,824	66,880
Experience losses	4a	38,748	-
Account transfers	12	23,840	15,340
Total increase in accrued pension obligations		402,794	188,092
Decrease in accrued pension obligations			
Benefits paid		97,764	94,382
Changes in actuarial assumptions	4a	19,899	-
Total decrease in accrued pension obligations		117,663	94,382
Net increase in accrued pension obligations		285,131	93,710
Accrued basic pension obligations at beginning of year		2,014,180	1,920,470
Accrued basic pension obligations at end of year	4a	2,299,311	2,014,180
Non-guaranteed pension obligations			
Increase in non-guaranteed pension obligations	4b	6,793	22,801
Non-guaranteed pension obligations at beginning of year		415,056	392,255
Non-guaranteed pension obligations at end of year	4b	421,849	415,056
Total accrued pension obligations		\$ 2,721,160	\$ 2,429,236

The accompanying notes are an integral part of the financial statements.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

1. DESCRIPTION OF THE WORKSAFEBC PENSION PLAN

The following description of the WorkSafeBC Pension Plan (Plan) is a summary provided for general information only. For more information, please refer to the WorkSafeBC Pension Plan Rules.

a) General

The Plan is a contributory defined benefit pension plan, established in 1941 under the authority of the *Workmen's Compensation Act Amendment Act*.

The Plan is registered with the Superintendent of Pensions, at the BC Financial Services Authority, which has responsibility for enforcing the *Pension Benefits Standards Act* (PBSA). PBSA governs employment pension plans registered in British Columbia that have active, inactive and retired members.

Membership in the Plan is open to all eligible employees of WorkSafeBC.

b) Roles and responsibilities

WorkSafeBC is fully responsible for the management of the Plan, including the investment of assets and administration of the Plan. The WorkSafeBC Board of Directors appoints members to the WorkSafeBC Pension Plan Pension Committee (Pension Committee). There are three pension committee members, one representing WorkSafeBC as the employer, one representing Plan members and one to provide an independent perspective.

British Columbia Pension Corporation (Pension Corporation) provides benefit administration services as an agent of WorkSafeBC.

British Columbia Investment Management Corporation (BCI) provides investment management services, including the valuation of investments, as an agent of WorkSafeBC.

c) Funding

Contributions and investment earnings fund plan benefits. Contributions are made by active members of the Plan and WorkSafeBC. The determination of the value of the benefits and required contributions is based on periodic actuarial valuations for funding purposes.

WorkSafeBC's funding policy is intended to secure the pension benefit obligation and achieve long-term stability in contribution rates for both WorkSafeBC and members.

d) Contributions

Basic Account

Members contribute to the Basic Account 5.5% of salaries, up to and including the Canada Pension Plan (CPP) Year's Maximum Pensionable Earnings (YMPE) (2026: \$74,600 dollars; 2025: \$71,300 dollars), and 7.0% of salaries above the YMPE, less amounts allocated to the Supplemental Benefits Account.

WorkSafeBC currently contributes to the Basic Account 5.5% of salaries, up to and including YMPE, and 7.0% of salaries above YMPE, less amounts allocated to the Supplemental Benefits Account.

Inflation Adjustment Account (IAA)

Members and WorkSafeBC each contribute 1.0% of salaries to the IAA.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

1. DESCRIPTION OF THE WORKSAFEBC PENSION PLAN (CONTINUED)

e) Pension benefits

All members are eligible for a pension benefit.

Members are eligible for an unreduced pension benefit:

- at age 65;
- at age 60, with at least two years of contributory service; or
- at age 55 or older, with age plus years of contributory service totalling 90 or more.

Other retiring members have a reduction formula applied to their pension benefit.

The defined basic plan benefit is integrated with the CPP. As a result, the Plan provides an unreduced benefit of 1.3% of pensionable earnings up to YMPE and 2.0% of pensionable earnings over YMPE, for each year of pensionable service (to a maximum of 35 years). Pensionable earnings are based on the member's highest five-year average annual salary (HAS).

The Plan provides a bridge benefit payable to age 65 (or the date of death, if earlier). The bridge benefit is 0.7% of the lesser of YMPE or HAS for each year of pensionable service.

Future cost-of-living adjustments are not guaranteed but may be provided each January 1 according to the cost-of-living adjustment provisions of the Plan. These cost-of-living adjustments are based on the annual increase in the Canada consumer price index (CPI) as at the previous September 30, subject to the availability of funds in the IAA, and reduced for the CPI decrease, if any, in the prior years.

f) Termination and portability benefits

Terminating members who have not yet reached the earliest retirement age may choose

- to leave their benefit on deposit—either for a deferred pension or in anticipation of future re-employment with WorkSafeBC, or
- a transfer of the commuted value of the pension benefit (the minimum value is the member's contributions with interest) to a locked-in retirement vehicle or similar tax-sheltered plan.

Where there is a reciprocal transfer agreement between the Plan and other pension plans, members may be able to transfer service to another pension plan.

g) Other benefits

All WorkSafeBC employees are covered by the WorkSafeBC long-term disability plan; therefore, members are not eligible for a disability benefit under the Plan. Active members receiving benefits from the WorkSafeBC long-term disability plan accrue pensionable service in the Plan.

A death benefit may be available to a surviving spouse or designated beneficiary upon the death of a member. Depending on eligibility requirements, the benefit may be paid in the form of a survivor pension or lump-sum payment.

Supplemental benefits are funded from the Supplemental Benefits Account (note 13).

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

1. DESCRIPTION OF THE WORKSAFEBC PENSION PLAN (CONTINUED)

h) Tax registration

The Plan is a Registered Pension Plan (RPP) as defined in the *Income Tax Act* (Canada) (registration number 0314146), except for any supplemental benefits, which are funded in addition to the RPP. The Plan is not subject to income taxes but is subject to indirect taxes, including British Columbia provincial sales tax (PST) and Canadian federal goods and services tax (GST). The Plan receives a 33% rebate of GST paid.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

These financial statements are prepared on the going-concern basis in accordance with Canadian accounting standards for pension plans, Part IV of the *Chartered Professional Accountants of Canada Handbook* (CPA Canada Handbook), and present the Plan as a separate financial reporting entity, independent of the Plan's contributing employer and members.

Accounting standards for private enterprises in Part II of the CPA Canada Handbook have been chosen for accounting policies that do not relate to the Plan's investment portfolio or accrued pension obligations.

b) Investments

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date.

Investment purchases and sales are recorded on the trade date (the date on which the substantial risks and rewards of ownership have been transferred).

c) Accrued pension obligations

Accrued pension obligations are determined based on an actuarial valuation prepared by an independent actuarial consulting firm. The Plan actuary is Eckler Ltd. The valuation of accrued pension obligations is based on data extrapolated to the financial statement date. The valuation uses the projected benefit method pro-rated on service, which incorporates the independent actuary's estimate of various economic and demographic non-economic assumptions. These assumptions are the same as those used in the determination of the actuarial position of the Plan for funding purposes. In addition, the obligations include a Provision for Adverse Deviation (PfAD), as required for funding purposes by the PBSA.

d) Investment income

Income from investments is recorded on an accrual basis and represents pooled investment fund income attributable to the Plan as a unit holder and income from directly held investments. The change in fair value includes realized and unrealized gains and losses that are included in investment income.

Within the pools, dividends are accrued on the ex-dividend date, and interest is recognized on an accrual basis. Gains and losses on derivative contracts are recognized concurrently with changes in their fair values.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the prevailing exchange rates on the year-end date. Income and expenses are translated into Canadian dollars at the prevailing exchange rates on the dates of the transactions. The realized and unrealized gains and losses arising from these translations are included in within the current period change in fair value in investment income.

f) Use of estimates

The preparation of financial statements, in conformance with Canadian accounting standards for pension plans, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of increases and decreases in assets and liabilities during the period. Significant areas requiring the use of management estimates relate to the valuation of investments based on unobservable inputs, as further described in note 7, and the calculation of the accrued pension obligation of the Basic Account for accounting and funding purposes, as further described in notes 4 and 5. Actual results could differ materially from these estimates.

3. INVESTMENTS

a) Investments

Fair value of investment holdings	2026	2025
Short-term	\$ 66,777	\$ 63,744
Bonds	894,426	859,891
Canadian equities	90,059	92,472
Global equities	326,202	299,843
Emerging markets equities	99,825	96,345
Mortgages	155,644	151,541
Real estate	491,454	502,813
Private debt	292,825	276,343
Private equity	350,543	337,670
Infrastructure and renewable resources	485,951	452,325
	\$ 3,253,706	\$ 3,132,987

Plan investments consist primarily of direct ownership in units of pooled investment funds. Each unit gives its holder a proportionate share in the value of the net assets of the pooled investment fund. The Basic Account and IAA are combined for investment management purposes.

One or more pooled investment funds exist for different types of investments, such as short-term investments; bonds; Canadian, global and emerging markets equities; mortgages; real estate; private debt; private equity; and infrastructure and renewable resources. While the purpose of each fund is to invest in a particular type of investment, given the timing of trading activities, the fund may at any time hold a certain amount of cash, short-term investments, accrued interest income and net accounts receivable or payable from outstanding sales and purchases of investments.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

3. INVESTMENTS (CONTINUED)

a) Investments (continued)

Short-term investments consist of Canadian and U.S. money market securities. Short-term investments are valued using industry-recognized pricing providers.

Bonds consist of government bonds, investment grade and non-investment grade corporate bonds, and debentures. Bonds are valued based on current market yields and, in some cases, quoted market prices.

Canadian, global and emerging markets equities consist primarily of publicly traded shares and are valued based on quoted market prices on the primary exchanges on which they are traded.

Mortgages are primarily in Canada and the U.S. and consist of construction, commercial and multi-family residential mortgages. The mortgages are secured by real estate and valued using current market yields adjusted for credit risk.

Real estate investments consist mainly of diversified Canadian and international income-producing properties and properties under development and held for development. Real estate investments are valued quarterly and at least once per year by an independent valuator.

Private debt consists of private debt instruments and private debt investee funds and is valued using discounted cash flows on current market yields and comparable securities, as applicable.

Private equity consists mainly of equity investments made outside the structure of public markets. Private equity investment values are updated quarterly by BCI based on data provided by external managers and are formally valued on an annual basis. The annual valuations are primarily derived from either audited financial statements provided by external managers or are independently valued by independent valuers.

Infrastructure and renewable resources consist of privately owned and managed infrastructure assets, as well as timber, agriculture and other renewable assets. Infrastructure and renewable resources investments are formally valued annually using a market-based approach or net asset value method.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

3. INVESTMENTS (CONTINUED)

b) Derivatives

Derivative contracts are directly and indirectly held by the Plan. The details of these contracts are as follows:

Fair value of derivative contracts	2026		2025	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Directly held				
Foreign currency forwards	\$ 3,215	\$ (11,531)	\$ 1,825	\$ (25,777)
Interest rate swaps	1	(1)	-	-
Cross-currency swaps	-	(3)	4	(2)
	\$ 3,216	\$ (11,535)	\$ 1,829	\$ (25,779)
Indirectly held in pooled investment funds				
Foreign currency forwards	\$ 1,487	\$ (9,578)	\$ 295	\$ (15,895)
Total return swaps	8,015	(8,076)	3,134	(9,021)
Interest rate swaps	83	(322)	19	(1,445)
Cross-currency swaps	42	(121)	-	(105)
Options	6	(365)	48	(141)
	\$ 9,633	\$ (18,462)	\$ 3,496	\$ (26,607)
Total derivatives	\$ 12,849	\$ (29,997)	\$ 5,325	\$ (52,386)
Derivatives by investment asset classification				
Short-term	\$ 376	\$ -	\$ 46	\$ (3)
Bonds	327	(3,557)	124	(4,483)
Canadian equities	78	(9)	-	-
Global equities	7,304	(8,896)	2,975	(12,629)
Emerging markets equities	842	(1,356)	239	(884)
Mortgages	106	(1,677)	22	(3,507)
Real estate	890	(3,931)	524	(10,344)
Private debt	723	(4,289)	112	(8,506)
Infrastructure and renewable resources	2,203	(6,282)	1,283	(12,030)
Total derivatives	\$ 12,849	\$ (29,997)	\$ 5,325	\$ (52,386)

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

3. INVESTMENTS (CONTINUED)

b) Derivatives (continued)

Derivative contracts consist of foreign currency forward contracts, total return swaps, interest rate swaps, cross-currency swaps, options and futures held directly or indirectly through various pooled investment funds. Directly held and indirectly held derivative contracts are reflected at fair value based on expected settlement amounts at the date of the Statement of Financial Position. Directly held derivatives are disclosed on the face of the Statement of Financial Position, while indirectly held derivatives are included in investments.

A foreign currency forward contract is a privately negotiated contractual obligation to exchange one currency for another at a specified price for settlement on a predetermined date in the future. Foreign currency forward contracts are held to manage exposure to foreign currency risk.

A total return swap is a swap agreement in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, including both the income it generates and any capital gains. In total return swaps, the underlying asset (referred to as the reference asset) is usually an equity index or basket of equity securities. Total return swaps are held indirectly through various pooled investment funds for synthetic indexing purposes and risk reduction. Synthetic indexing is a technique used to replicate the performance of a security or index without directly purchasing or selling the underlying assets and for risk control.

An interest rate swap is an agreement between two counterparties in which one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps usually involve the exchange of a fixed interest rate for a floating interest rate, or vice versa, to reduce or increase exposure to fluctuations in interest rates or to obtain a marginally better interest rate than would have been possible without the swap. Interest rate swaps are held indirectly through various pooled investment funds for risk reduction.

Cross-currency swaps are agreements that can involve the exchange of principal and interest payments in one currency for equivalent amounts in another currency. Cross-currency swaps are used to hedge against fluctuations in exchange rates in relation to future amounts that are receivable in foreign currencies. Cross-currency swaps are held to manage exposure to foreign currency risk.

Options are contracts that give the buyer the right, but not the obligation, to buy or sell a certain security or index at an agreed-upon price on or before a specified date. Futures contracts are exchange-traded contractual obligations to take or make delivery of an asset at a predefined price and date in the future. Options and futures are held for synthetic indexing and currency risk management.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

3. INVESTMENTS (CONTINUED)**b) Derivatives (continued)**

Derivative transactions are supported by collateral exchanged to mitigate counterparty credit risk. For each counterparty, a single net fair value is calculated across all transactions and margin is exchanged to collateralize this net exposure. Collateral approximately equal to the net positive fair value of the derivative transactions is received from counterparties, and collateral approximately equal to the net negative fair value of the derivative transactions is delivered to counterparties. Acceptable forms of collateral are Canadian federal or provincial bonds and U.S. federal government treasury bills and bonds.

The notional value of derivatives is either how much value a position controls or an agreed-upon amount in a contract.

Absolute notional value of the Canadian denominated portion of derivatives is disclosed in the table below.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

3. INVESTMENTS (CONTINUED)**b) Derivatives (continued)**

Notional value of derivatives				2026	2025
Term to maturity	Within 1 year	1 to 5 years	Over 5 years	Total	Total
Directly held					
Foreign currency forwards	\$ 714,837	\$ 48,332	\$ -	\$ 763,169	\$ 692,699
Interest rate swaps	728	426	-	1,154	-
Cross-currency swaps	594	-	-	594	1,881
Options	-	-	-	-	1,549
	\$ 716,159	\$ 48,758	\$ -	\$ 764,917	\$ 696,129
Indirectly held in pooled investment funds					
Foreign currency forwards	\$ 724,473	\$ 20,599	\$ 4,126	\$ 749,198	\$ 656,332
Total return swaps	449,340	47,489	-	496,829	402,517
Interest rate swaps	16,129	37,418	-	53,547	89,155
Cross-currency swaps	2,317	691	-	3,008	1,413
Options	4,542	-	-	4,542	31,418
Futures	12,696	-	-	12,696	-
	\$ 1,209,497	\$ 106,197	\$ 4,126	\$ 1,319,820	\$ 1,180,835
	\$ 1,925,656	\$ 154,955	\$ 4,126	\$ 2,084,737	\$ 1,876,964
Derivatives by investment asset classification					
Short-term	\$ 19,017	\$ -	\$ -	\$ 19,017	\$ 13,470
Bonds	304,191	3,684	-	307,875	251,822
Canadian equities	2,419	697	-	3,116	267
Global equities	539,258	82,117	-	621,375	547,549
Emerging markets equities	34,680	3,959	-	38,639	62,786
Mortgages	92,730	11,714	-	104,444	87,561
Real estate	288,642	23,810	-	312,452	303,778
Private debt	301,967	1,527	-	303,494	274,368
Private equity	196	-	-	196	-
I&RR ¹	342,556	27,447	4,126	374,129	335,363
	\$ 1,925,656	\$ 154,955	\$ 4,126	\$ 2,084,737	\$ 1,876,964

¹ Infrastructure and renewable resources

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

4. ACTUARIAL VALUATION OF THE BASIC ACCOUNT FOR ACCOUNTING PURPOSES

a) Basic Account

In accordance with PBSA, an actuarial valuation is performed at least every three years. Its primary objective is to assess the financial position and adequacy of funding for the Basic Account of the Plan as described in note 5a.

As part of the actuarial valuation process, the actuary also calculates values of the Basic Account for accounting purposes. The objective is to provide estimates for the purpose of the financial statements of the Basic Account assets and for pension liabilities as of the financial statement date. For this purpose, supplemental benefits are recognized, in contrast to their exclusion in the valuation for funding purposes as described in note 5a.

The *Income Tax Act* (ITA) sets maximum limits on the amount of pension plan income that can be paid to a pension recipient from the registered funds of a pension plan. Any portion of a pension that exceeds the ITA limits is called a supplemental benefit. Supplemental benefits are excluded in the valuation for funding purposes as described in note 5a but are recognized in the liabilities for accounting purposes.

For accounting purposes, the full impact of investment fair value changes is reflected in the financial statements as at the financial statement date, compared with the deferral and amortization of fair value gains or losses in the valuation for funding purposes. The liability for accrued basic pension obligations at the valuation date is determined using the projected benefit method pro-rated on service.

The latest full actuarial valuation was prepared as at December 31, 2024, by Eckler Ltd. This valuation calculated the liability for accrued basic pension obligations for financial statement purposes to be \$2,148,946 thousand (December 31, 2021, valuation: \$1,633,138 thousand).

Between valuations, an estimate of the actuarial position is required. This estimate, called an extrapolation, has been made to March 31, 2026, using the following long-term actuarial assumptions:

- Annual investment return 5.85% (2021: 5.60%)
- Provision for adverse deviation 16.85% (2021: 8.80%)
- Annual salary escalation rate 3.25% (2021: 3.25%)

The extrapolation calculated the liability for accrued basic obligations to be \$2,299,311 thousand (2025: \$2,014,180 thousand).

In 2026, the extrapolation reflected changes made during the 2024 valuation that resulted in an increase of \$171,052 thousand to the 2025 accrued basic pension obligation. This increase is due to three factors; an increase in the provision for adverse deviations (PfAD) of \$152,203 thousand, experience losses mainly due to higher than expected salary increases, and changes in actuarial assumptions.

The PfAD included in the extrapolated accrued basic obligation as at March 31, 2026, is \$331,565 thousand (2025: \$162,912 thousand), an increase of \$168,653 thousand which includes the \$152,203 thousand due to the increase in the PfAD as of the December 31, 2024, valuation.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

4. ACTUARIAL VALUATION OF THE BASIC ACCOUNT FOR ACCOUNTING PURPOSES (CONTINUED)

a) Basic Account (continued)

Extrapolations may not be reliable indicators of the next valuation results, nor do they necessarily reflect the overall trend of results. Between valuations, actual wage increases, investment earnings, changes in the PfAD, and the incidence of retirements, withdrawals and changes in other factors may vary significantly from the long-term assumptions used in the extrapolation. In the event of a major change to the Plan, a new valuation or review of assumptions may be required.

The next full actuarial valuation will be carried out at the latest as at December 31, 2027, with the results included in the March 31, 2029, financial statements.

Actuarial liabilities are also affected by changes in the assumed investment return. Based on the actuarial valuation completed as at December 31, 2024, a 0.25% reduction in the investment return assumption from 5.85% to 5.60% would have increased the March 31, 2026, liability for accrued basic pension obligations of \$2,299,311 thousand by \$68,728 thousand or 3.0%. The impact of a 1% change in the investment return assumption would be approximately four times the impact of the 0.25% reduction. Changes to assumptions included in the actuarial valuation are interrelated, and the cumulative impact of changed assumptions may be offsetting.

b) Inflation Adjustment Account, non-guaranteed pension obligations

No unfunded liability exists for the IAA since the obligation for future cost-of-living adjustments is limited to the amount of the available assets in the account. There is no minimum level of cost-of-living adjustment required to be paid under the pension plan rules, nor is there any plan provision to fund the IAA to any minimum level of future potential cost-of-living adjustments (note 5b). The accrued non-guaranteed pension obligations are therefore equal to the net assets available for benefits in the IAA, \$421,849 thousand (2025: \$415,056 thousand). The net increase of \$6,793 thousand (2025: \$22,801 thousand increase) in the IAA balance consists of employee and employer contributions, investment income and net transfers reduced by payments out of the account. (See note 12 for details on amounts transferred.)

5. ACTUARIAL VALUATION OF THE BASIC ACCOUNT FOR FUNDING PURPOSES

a) Basic Account

The Basic Account is the account from which the defined basic benefits of the Plan are paid. In accordance with PBSA, an actuarial valuation of the Plan's assets and pension obligations is performed at least every three years by an independent actuary. Its primary objective is to assess the financial position and adequacy of funding for the Basic Account of the Plan. For this purpose, the Plan's actuary values both accrued assets and accrued pension obligations to the financial statement date. The actuary assesses the adequacy of the current funding using the projected benefit method pro-rated on service.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

5. ACTUARIAL VALUATION OF THE BASIC ACCOUNT FOR FUNDING PURPOSES (CONTINUED)

a) Basic Account (continued)

The Basic Account is also the account from which any cost-of-living adjustments granted to retired members are paid. Future cost-of-living adjustments are not guaranteed within the Plan provisions and are granted to retired members only to the extent that sufficient assets are available from the IAA to fund those benefits (note 5b). As cost-of-living adjustments are granted, the Basic Account receives from the IAA the present value funding necessary for the cost-of-living adjustments granted. Therefore, accrued basic pension obligations for valuation purposes include the liability for all cost-of-living adjustments granted to the date of the valuation, but not for as-yet-unknown future cost-of-living adjustments.

Under PBSA, a solvency valuation is required as part of the full actuarial valuation. As at December 31, 2024, the Plan solvency valuation, as calculated by the actuary and based on the market value of assets, resulted in a solvency surplus of \$684,900 thousand (December 31, 2021, valuation: \$326,396 thousand).

Actuarial valuation

As at December 31, 2024, the actuarial valuation for funding purposes on a going-concern basis indicated an actuarial surplus of \$499,695 thousand (December 31, 2021, valuation: \$529,416 thousand).

An estimate of the actuarial position of the Plan for funding purposes has been made to March 31, 2026, using the following long-term actuarial assumptions:

• Annual investment return	5.85% (2021: 5.60%)
• Provision for adverse deviation	16.85% (2021: 8.80%)
• Annual salary escalation rate	3.25% (2021: 3.25%)

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

5. ACTUARIAL VALUATION OF THE BASIC ACCOUNT FOR FUNDING PURPOSES (CONTINUED)**a) Basic Account (continued)**

This estimate, called an extrapolation, produced an estimated funding surplus of \$512,062 thousand (including PfAD) at March 31, 2026 (2025: \$667,465 thousand) as follows:

Funding extrapolation	2026	2025
Net assets available for basic pension benefits	\$ 2,822,743	\$ 2,693,172
Actuarial asset value adjustment	(37,940)	(32,958)
Smoothed assets for basic pension benefits	2,784,803	2,660,214
Actuarial liability for accrued basic pension benefits	(2,272,741)	(1,992,749)
Actuarial surplus	\$ 512,062	\$ 667,465
Changes in the extrapolated actuarial surplus	2026	2025
Actuarial surplus, beginning of year	\$ 667,465	\$ 625,836
Change in liability for accrued basic pension benefits	(279,992)	(93,395)
Change in smoothed assets for basic pension benefits	124,589	135,024
Actuarial surplus, end of year	\$ 512,062	\$ 667,465

Extrapolations may not be reliable indicators of the next valuation results, nor do they necessarily reflect the overall trend of results. Between valuations, various factors, including actual wage increases, investment earnings and the incidence of retirements and withdrawals, may vary significantly from the long-term assumptions used in the extrapolation.

The primary components of the measurement differences between the extrapolated actuarial surplus and the financial statement accounting surplus are as follows:

Measurement difference between funding and accounting positions	2026	2025
Actuarial funding surplus	\$ 512,062	\$ 667,465
Actuarial asset value adjustment	37,940	32,958
Difference in ITA maximums	(26,570)	(21,431)
Measurement difference between funding and accounting positions	11,370	11,527
Surplus for financial statement purposes	\$ 523,432	\$ 678,992

Actuarial asset value adjustment

To determine the actuarial funding surplus, the actuarial value of net assets available for benefits is determined on an adjusted value basis that smooths the difference between the actual investment return and an expected long-term return rate over a five-year period.

The funding policy requires that the value of the assets be smoothed within a certain corridor such that the smoothed value is no more than 110% and no less than 90% of the market value of the assets. The smoothed value of the assets at March 31, 2026, was 98.7% of the market value of the assets (2025: 98.8%).

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

5. ACTUARIAL VALUATION OF THE BASIC ACCOUNT FOR FUNDING PURPOSES (CONTINUED)**a) Basic Account (continued)**

The following schedule indicates the year the components of the actuarial asset value adjustment will be recognized in the actuarial position on a funding basis. The amounts are based on that proportion of the total fund related to the Basic Account assets.

Actuarial asset value adjustment	2026	2025
2026	\$ -	\$ (6,290)
2027	5,798	6,140
2028	20,328	20,611
2029	12,181	12,497
2030	(367)	-
Total adjustment	\$ 37,940	\$ 32,958

Difference in *Income Tax Act* maximums

The ITA sets maximum limits on the amount of pension plan income that can be paid to a pension recipient from the registered funds of a pension plan. Any portion of a pension that exceeds the ITA limits is called a supplemental benefit. The calculation of the accrued pension obligation liability for financial statement purposes recognizes supplemental benefits, but they are excluded in the calculation of the pension liability for funding purposes.

b) Inflation Adjustment Account

No unfunded liability exists for the IAA since the obligation for future cost-of-living adjustments is limited to the amount of the available assets in the account. As cost-of-living adjustments are granted to retired members, full funding for the granted cost-of-living adjustment, on a net present value basis, is transferred from the IAA to the Basic Account, from which the pensions are paid. There is no minimum level of cost-of-living adjustment required to be paid under the pension plan rules, nor is there any Plan provision to fund the IAA to any minimum level for future potential cost-of-living adjustments.

The Pension Committee monitors the performance of the IAA.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

6. FINANCIAL RISK MANAGEMENT

The WorkSafeBC Board of Directors approves the long-term asset mix policy for investment assets through its Statement of Investment Policies and Procedures (SIPP) and the Pension Committee oversees the management of these assets through BCI, the investment management agent for the WorkSafeBC Board of Directors. The SIPP requires diversification of investments among asset classes, sets guidelines on investment categories and limits the exposure to individual investments and counterparties.

Significant risks are regularly monitored and managed by BCI, and actions are taken when appropriate, according to the Plan's SIPP. In addition, these risks are reviewed periodically with the WorkSafeBC Board of Directors. Such risks include liquidity risk, as well as other financial risks, which comprise currency risk, interest rate risk, other price risk and credit risk.

Financial risks are disclosed on a unit-of-account basis (note 6b), which represents the legal ownership of securities held, and at the underlying securities level (note 6c), which provides additional insight to other risks that may impact the financial instruments of the Plan. Both forms of disclosure provide valuable perspectives on financial risks that may directly or indirectly impact the financial statements and the funded status of the Plan. These two forms of risk disclosure are not additive to each other.

a) Liquidity risk

Liquidity risk is the risk of not being able to meet the Plan's cash requirements in a timely and cost-effective manner. Expenditures relate primarily to pensions, termination and refund benefits, and investment and administration costs. The Plan's approach to mitigating liquidity risk is to forecast its cash requirements over the near and long term to determine whether sufficient funds are available.

The Plan's primary sources of liquidity are income generated from the Plan's investments, and employer and employee contributions. Investments are primarily held in pooled funds. Many securities are held in pools, are traded in active markets and can readily be sold; the pooled fund units can thereby be redeemed to fund cash requirements. Accounts payable of \$217 thousand (2025: \$271 thousand) are generally due within one month. Directly held derivatives of \$11,535 thousand (2025: \$25,779 thousand) are due within the next fiscal year.

b) Financial risks on a unit-of-account basis

Plan investments consist primarily of direct ownership in units of pooled investment funds. Each unit gives its holder a proportionate interest in the value of the net assets of the respective pooled investment fund. The unit-of-account for the majority of the Plan's investments is the units of the pooled investment funds.

Market risk

Market risk is the risk that the fair value of an investment will fluctuate as a result of changes in market conditions, whether those changes are caused by factors specific to the individual investment or by factors affecting all securities traded in the market. Market risk consists of currency, interest rate and other price risks.

The financial markets are a source of uncertainty, notably due to geopolitical tensions, ongoing tariff negotiations and the volatility of stock markets and interest rates that are continuing to disrupt global economic activity.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

b) Financial risks on a unit-of-account basis (continued)

Currency risk

Currency risk is the risk that the value of financial instruments denominated in currencies other than the functional currency of the fund will fluctuate due to changes in foreign exchange rates. The Plan holds primarily Canadian dollar denominated pooled investment fund units and is exposed to currency risk through holdings of small amounts of foreign currency-denominated investments. See note 6c for currency exposure related to underlying securities.

Foreign denominated investments held by the Plan, in Canadian dollars, are \$33,720 thousand United States (US) and \$91 thousand Australia (AUS), 1% of total investments (2025: \$28,918 thousand US and \$94 thousand AUS, 0.5% of total investments).

As at March 31, 2026, if the Canadian dollar strengthened or weakened by 10% in relation to all foreign currencies, with all other factors remaining constant, net assets available for benefits would have decreased or increased by approximately \$3,381 thousand (2025: \$2,901 thousand).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of Plan investments will change as a result of future fluctuations in market interest rates. Since the unit-of-account is pooled fund units, the majority of the Plan's investment assets are non-interest bearing and not subject to interest rate risk. See note 6c for interest rate risk related to underlying securities.

Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. This risk is managed by diversifying investments across asset classes based on criteria established in the SIPP.

As at March 31, 2026, if the pooled investment fund unit prices increased or decreased by 10%, with all other factors remaining constant, net assets available for benefits would have increased or decreased by approximately \$325,345 thousand (2025: \$313,274 thousand).

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into, resulting in a financial loss to the Plan. The majority of the Plan's investments are held in securities that are not subject to credit risk. See note 6c for credit risk related to underlying securities.

Credit exposure exists for contributions receivable of \$110 thousand (2025: \$37 thousand), interest and dividends receivable of \$248 thousand (2025: \$228 thousand), directly held derivatives of \$3,216 thousand (2025: \$1,829 thousand) and other of \$27 thousand (2025: \$37 thousand).

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

c) Financial risks of underlying securities held through pooled investment funds

Pooled investment funds exist for different types of investments, such as short-term investments; bonds; Canadian, global and emerging markets equities; mortgages; real estate; private debt and equity; and infrastructure and renewable resources. Examining the risks of the underlying securities contained in pooled investment funds provides additional disclosure to assess the overall financial risks of the plan investments. Viewing the financial risks of underlying securities is an alternative way of disclosing financial risks from the unit-of-account basis in note 6b. These risks are not considered additive to the financial risks already disclosed in note 6b.

Market risks are reduced through asset class diversification, diversification within each asset class and credit quality requirements on investments.

Currency risk

Currency risk exposure arises from foreign currency-denominated investments held directly and from underlying investments held indirectly in pooled investment funds. BCI has currency exposure management programs under which it enters into economic hedges of foreign currency exposure through the use of foreign currency forward contracts.

The Plan's total currency exposure, the impact of economic hedging activities and its net notional exposure, as at March 31, are as follows:

Fair value of foreign denominated investment holdings

(Cdn dollar equivalent)

	Total exposure	Economic hedging	Net exposure	% of total
2026				
United States	\$ 1,456,848	\$ 951,798	\$ 505,050	55%
Asia-Pacific, excluding Japan	167,637	43,933	123,704	14%
United Kingdom	204,270	111,021	93,249	10%
Other	87,657	49	87,608	10%
Euro countries	220,329	162,357	57,972	6%
Other Europe	38,454	10,717	27,737	3%
Japan	22,766	6,515	16,251	2%
	\$ 2,197,961	\$ 1,286,390	\$ 911,571	100%
2025				
United States	\$ 1,455,759	\$ 950,495	\$ 505,264	53%
Other	126,905	-	126,905	13%
Asia-Pacific, excluding Japan	156,400	43,300	113,100	12%
United Kingdom	175,607	82,423	93,184	10%
Euro countries	192,035	117,719	74,316	8%
Other Europe	42,194	10,832	31,362	3%
Japan	21,882	9,010	12,872	1%
	\$ 2,170,782	\$ 1,213,779	\$ 957,003	100%

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

6. FINANCIAL RISK MANAGEMENT (CONTINUED)**c) Financial risks of underlying securities held through pooled investment funds (continued)**

The net foreign currency exposure of the Plan's underlying investments represents 28% (2025: 31%) of its total investments.

As at March 31, 2026, if the Canadian dollar strengthened or weakened by 10% in relation to all foreign currencies, with all other factors remaining constant, fair value of investments would have decreased or increased by approximately \$91,157 thousand (2025: \$95,700 thousand).

Interest rate risk

The Plan's pooled investment funds hold interest-bearing financial instruments in short-term investments, bonds, mortgages and private debt. The risk of adverse changes in interest rates is reduced within the underlying investment pools through management of duration in exposure to fixed income securities, the use of floating rate notes and interest rate swaps, and general diversification by security type and geographic region.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

6. FINANCIAL RISK MANAGEMENT (CONTINUED)**c) Financial risks of underlying securities held through pooled investment funds (continued)**

The terms to contractual maturity of interest-bearing financial instruments held directly and through pooled investment funds, as at March 31, are as follows:

Terms to maturity of interest-bearing financial instruments

	Within 1 year	1 to 5 years	6 to 10 years	Over 10 years	Total	Effective yield to maturity
2026						
Short-term	\$ 66,777	\$ -	\$ -	\$ -	\$ 66,777	3.15%
Bonds ¹	31,410	295,689	264,379	264,522	856,000	4.28%
Mortgages	42,106	103,719	9,819	-	155,644	7.21%
Debt ²	-	222	36	-	258	5.50%
Private debt ³	8,466	61,985	39,003	1,536	110,990	9.70%
	\$ 148,759	\$ 461,615	\$ 313,237	\$ 266,058	\$ 1,189,669	
2025						
Short-term	\$ 61,522	\$ -	\$ 2,222	\$ -	\$ 63,744	3.54%
Bonds ¹	13,259	278,692	297,575	257,977	847,503	4.02%
Mortgages	45,135	102,420	3,986	-	151,541	7.33%
Debt ²	-	199	44	-	243	4.80%
Private debt ³	17,349	73,084	23,969	1,708	116,110	9.70%
	\$ 137,265	\$ 454,395	\$ 327,796	\$ 259,685	\$ 1,179,141	

¹ An additional \$38,426 thousand (2025: \$12,388 thousand) of bonds is held in exchange-traded funds with no maturity date

² Grouped with real estate investment category

³ An additional \$181,835 thousand (2025: \$160,233 thousand) of private debt is held in unlisted private debt investee funds, which are generally illiquid

As at March 31, 2026, if the prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, with all other variables remaining constant, the fair value of interest-bearing financial instruments and net assets available for benefits would have decreased or increased by approximately \$64,550 thousand (2025: \$61,459 thousand).

Other price risk

The Plan's investments are subject to other price risk through its public equity investments, private market investments and real estate equity investments, held directly and through pooled investment funds.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

c) Financial risks of underlying securities held through pooled investment funds (continued)

Other price risk (continued)

For price risk other than those arising from currency or interest rate risk, as at March 31, 2026, if the underlying investment unit prices increased or decreased by 10%, with all other factors remaining constant, net assets available for benefits would have increased or decreased by approximately \$51,609 thousand (2025: \$48,866 thousand).

Credit risk

The Plan's underlying investment assets held in pooled investment funds attract credit risk. This is the risk that a loss may occur from the failure of another party to perform according to the terms of a contract. It is also the risk of losses when issuers and debtors are downgraded by credit rating agencies, usually leading to a fall in the market value of the debtor's obligations. Credit risk is managed by establishing specific investment criteria, such as minimum credit ratings for investees and counterparties, and maximum concentration limits with given counterparties.

Credit risk ratings on financial instruments (short-term investments, bonds, mortgages, debt and private debt) held directly and through pooled investment funds are as follows:

Credit rating of financial instruments

	AAA/AA	A	BBB	Non-investment grade	Unrated	Total
2026						
Short-term	\$ 24,429	\$ 19,208	\$ 6,190	\$ -	\$ 16,950	\$ 66,777
Bonds	573,785	130,583	66,229	68,853	54,976	894,426
Mortgages	-	-	-	-	155,644	155,644
Debt ¹	-	-	-	-	258	258
Private debt	1,022	414	104	9,860	281,425	292,825
	\$ 599,236	\$ 150,205	\$ 72,523	\$ 78,713	\$ 509,253	\$ 1,409,930
	42%	11%	5%	6%	36%	100%
2025						
Short-term	\$ 18,603	\$ 30,049	\$ 2,222	\$ -	\$ 12,870	\$ 63,744
Bonds	597,463	50,204	83,555	101,319	27,350	859,891
Mortgages	-	-	-	-	151,541	151,541
Debt ¹	-	-	-	-	243	243
Private debt	534	26	-	8,360	267,423	276,343
	\$ 616,600	\$ 80,279	\$ 85,777	\$ 109,679	\$ 459,427	\$ 1,351,762
	46%	6%	6%	8%	34%	100%

¹ Grouped with real estate investment category

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

6. FINANCIAL RISK MANAGEMENT (CONTINUED)**c) Financial risks of underlying securities held through pooled investment funds (continued)****Credit risk (continued)**

The ratings used are defined by Standard & Poor's rating agency. Obligations rated AAA/AA have the highest rating assigned. The counterparty's capacity to meet its financial commitment on the obligation is very strong. Bonds rated A, BBB or non-investment grade are weaker. A BBB rating denotes an obligation with adequate protection parameters. A non-investment grade rating denotes major ongoing uncertainties or exposure to adverse business, financial or economic conditions that could lead to the debtor's inability to meet its financial commitment on the obligation. Unrated financial instruments consist mainly of private debt, mortgages secured by real estate and corporate bonds.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

7. FAIR VALUE OF FINANCIAL INSTRUMENTS

a) Fair value hierarchy

Fair value measurements of the investment assets and liabilities, on the unit-of-account basis, are based on inputs from one or more levels of a fair value hierarchy. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities. The three levels of the fair value hierarchy are as follows:

Level 1

Inputs that are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2

Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.

Level 3

Inputs that are not based on observable market data.

Plan investments are carried at fair value in the financial statements. The following table details the classification of the Plan's investments based on the fair value hierarchy as at March 31.

Fair value hierarchy	Level 1	Level 2	Level 3	Total
2026				
Pooled investments	\$ 66,777	\$ 1,609,142	\$ 1,333,781	\$ 3,009,700
Other investment entities	-	3	243,745	243,748
Directly held debt	-	-	258	258
Investments	\$ 66,777	\$ 1,609,145	\$ 1,577,784	\$ 3,253,706
Directly held derivatives	\$ -	\$ (8,319)	\$ -	\$ (8,319)
2025				
Pooled investments	\$ 63,744	\$ 1,567,555	\$ 1,216,358	\$ 2,847,657
Other investment entities	-	2	285,085	285,087
Directly held debt	-	-	243	243
Investments	\$ 63,744	\$ 1,567,557	\$ 1,501,686	\$ 3,132,987
Directly held derivatives	\$ -	\$ (23,950)	\$ -	\$ (23,950)

During 2026 and 2025, there were no significant transfers of investments between levels.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

7. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**a) Fair value hierarchy (continued)**

The following table reconciles the Plan's level 3 fair value measurements.

Level 3 fair value hierarchy	Pooled investments	Other investment entities	Direct debt	Total
2026				
Balance, beginning of year	\$ 1,216,358	\$ 285,085	\$ 243	\$ 1,501,686
Net gain (loss) included in investment income	41,296	(24,161)	16	17,151
Purchases	228,131	55,803	11	283,945
Sales	(152,004)	(72,982)	(12)	(224,998)
Balance, end of year	\$ 1,333,781	\$ 243,745	\$ 258	\$ 1,577,784
Total unrealized gain (loss) included in investment income	\$ (8,682)	\$ (18,423)	\$ 16	\$ (27,089)
2025				
Balance, beginning of year	\$ 1,148,975	\$ 258,161	\$ 239	\$ 1,407,375
Net gain (loss) included in investment income	106,169	9,224	4	115,397
Purchases	442,402	46,522	-	488,924
Sales	(481,188)	(28,822)	-	(510,010)
Balance, end of year	\$ 1,216,358	\$ 285,085	\$ 243	\$ 1,501,686
Total unrealized gain (loss) included in investment income	\$ (34,861)	\$ 15,858	\$ 4	\$ (18,999)

b) Valuation models

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants on the measurement date.

Observable prices and model inputs are usually available in the market for listed equity and debt securities, simple derivatives such as forward or future currency contracts and exchange traded funds. The availability of observable market prices and model inputs reduces the need for management judgment and estimation, and reduces the uncertainty associated with the determination of fair values. The availability of observable market prices and inputs varies depending on the financial instrument and is subject to change based on specific events and general conditions in the financial markets.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

7. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

b) Valuation models (continued)

For funds managed by external fund managers retained by BCI, fair value is determined based on the net asset value of the respective pooled fund, as determined by the underlying fund manager. The underlying net asset values are established using recognized valuation methodologies

For other investments and funds that are managed directly by BCI, fair value is determined either directly or through independent valuers, using proprietary valuation models, which are usually developed from recognized valuation models. Some or all of the significant inputs into these models may not be observable in the market and are derived from market prices or rates, or estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of judgment and estimation in the determination of fair value. BCI and their independent valuers are usually required to select the appropriate valuation model to be used, determine expected future cash flows of the financial instrument being valued, determine the probability of counterparty default and prepayments, and select appropriate discount rates.

BCI reviews the fair value estimates of independent valuers and ultimately decides on the fair value estimate to be used. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that BCI and the independent valuers believe that a third-party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to account for the credit risk of the Plan and the counterparties where appropriate.

c) Valuation framework

BCI has an established framework with respect to the measurement of fair values of financial instruments. Where possible, for direct private debt investments held by the Plan, independent valuation specialists are engaged annually to assist in the determination of fair value. In those circumstances where BCI relies on the third-party manager for the determination of fair value, BCI reviews the appropriateness of such valuations using audited financial statements of the underlying investments, where available, and other information from the underlying third-party manager or other sources.

In addition, BCI applies the following specific controls in relation to the determination of fair values:

- Verification of observable pricing inputs
- Appraisal of domestic real estate properties is performed by accredited independent appraisers within 10 to 18 months of acquisition and on an annual basis thereafter
- International real estate investments are held through externally managed funds and receive a fair value audit annually
- Analysis and investigation of significant valuation movements
- Review of unobservable inputs and valuation adjustments

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

7. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**c) Valuation framework (continued)**

When third-party information such as broker quotes or pricing services is used to measure fair value, BCI assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations are appropriate. This includes:

- Verifying that the broker or pricing service is approved by BCI for use in pricing the relevant type of financial instrument
- Understanding how the fair value has been arrived at and the extent to which it represents actual market transactions
- Understanding how the fair value has been determined when a number of quotes similar financial instruments have been obtained
- Understanding how prices for similar financial instruments used to measure fair value have been adjusted to reflect the characteristics of the financial instrument subject to measurement

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

7. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**d) Significant unobservable inputs used in measuring fair value**

The following table sets out information about significant unobservable inputs used at year-end in measuring financial instruments categorized as level 3 in the fair value hierarchy.

Significant unobservable inputs used in measuring fair value

Description	Fair value	Valuation technique	Unobservable input	Amount / range	Sensitivity to change in significant unobservable input
2026					
Pooled investments	\$ 1,333,781	Net asset value	Net asset value	\$ 1,333,781	The estimated fair value would increase (decrease) if the net asset value was higher (lower)
Other investment entities	\$ 243,745	Net asset value	Net asset value	\$ 243,745	The estimated fair value would increase (decrease) if the net asset value was higher (lower)
Direct debt	\$ 258	Discounted cash flows	Discount rate	5.5%	The estimated fair value would increase (decrease) if the discount rate was lower (higher)
2025					
Pooled investments	\$ 1,216,358	Net asset value	Net asset value	\$ 1,216,358	The estimated fair value would increase (decrease) if the net asset value was higher (lower)
Other investment entities	\$ 285,085	Net asset value	Net asset value	\$ 285,085	The estimated fair value would increase (decrease) if the net asset value was higher (lower)
Direct debt	\$ 243	Discounted cash flows	Discount rate	4.8%	The estimated fair value would increase (decrease) if the discount rate was lower (higher)

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

7. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

d) Significant unobservable inputs used in measuring fair value (continued)

Net asset value

Net asset value is determined by BCI based on the fair value of assets less liabilities. Such investments are closed funds with significant restrictions on redemptions. Accordingly, BCI is unable to easily dispose of the pooled fund investment until the maturity, or wind-up and liquidation, of the respective pooled fund. In such cases, it is the Plan's policy to categorize the pooled fund investment as level 3 in the fair value hierarchy.

Discount rate

This represents the discount rate applied to the expected future cash flows of the direct debt investments. For the discount rates used, the underlying investment manager assesses both the risk premium and the appropriate risk-free rate based on the economic environment in which the investee entity operates. The discount rate is adjusted for such matters as liquidity differences, credit and market factors. The estimated future cash flows are then discounted using the discount rate determined. Cash flows used in the discounted cash flow model are based on projected cash flows or earnings of the respective investee entity.

e) Effects of unobservable input on fair value measurement

The use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in level 3, changing one or more of the assumptions used for a reasonable alternative assumption could have the following effects on net assets attributable to holders of redeemable units.

The pooled investments, other investment entities and direct debt investments were valued based on information received from BCI, the manager of the respective investments. The fair value of these investments fluctuates in response to changes to specific assumptions for these particular investments, as determined by BCI. The favourable and unfavourable effects of reasonable alternative assumptions for the valuation of pooled investments, other investment entities and direct debt investments have been calculated by adjusting the respective underlying net asset value by 10%.

Effects of unobservable input on level 3 fair value measurements

	2026		2025	
	Favourable	Unfavourable	Favourable	Unfavourable
Pooled investments	\$ 133,378	\$ (133,378)	\$ 121,636	\$ (121,636)
Other investment entities	\$ 24,374	\$ (24,374)	\$ 28,509	\$ (28,509)
Direct debt	26	(26)	24	(24)
	\$ 157,778	\$ (157,778)	\$ 150,169	\$ (150,169)

f) Financial instruments not measured at fair value

The carrying value of contributions receivable, accounts payable and accrued expenses approximates their fair value given their short-term nature. These financial instruments are classified as level 2 in the fair value hierarchy because, while prices are available, there is no active market for these instruments.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

8. INVESTMENT INCOME

	2026			2025		
	Income allocation	Change in fair value	Total	Income allocation	Change in fair value	Total
Short-term	\$ 2,617	\$ (1,033)	\$ 1,584	\$ 3,666	\$ 2,305	\$ 5,971
Bonds	36,205	(21,138)	15,067	34,080	12,867	46,947
Canadian equities	2,241	17,870	20,111	2,461	8,638	11,099
Global equities	9,674	41,651	51,325	9,614	47,234	56,848
Emerging markets equities	2,485	22,951	25,436	3,555	11,747	15,302
Mortgages	16,957	(10,003)	6,954	5,838	8,238	14,076
Real estate	13,435	(38,809)	(25,374)	11,918	(2,981)	8,937
Private debt	18,448	(1,458)	16,990	16,220	8,340	24,560
Private equity	50,339	(22,889)	27,450	26,197	16,500	42,697
I&RR ¹	43,272	817	44,089	28,268	24,413	52,681
	195,673	(12,041)	183,632	141,817	137,301	279,118
Directly held derivatives	(538)	1,958	1,420	584	(39,029)	(38,445)
	\$ 195,135	\$ (10,083)	\$ 185,052	\$ 142,401	\$ 98,272	\$ 240,673

¹ Infrastructure and renewable resources

Investment income represents realized and unrealized pooled investment fund income attributable to the Plan as a unit holder, and income from directly held investments. Income allocation is composed of interest, dividends and other investment payments. Change in fair value is composed of realized gains and losses on the disposal of investments and derivatives, as well as unrealized gains and losses on investments and derivatives held at year-end. All income earned within a pooled investment fund is reinvested within the fund.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

9. CONTRIBUTIONS

	Basic Account	Inflation Adjustment Account	Supplemental Benefits Account	Total
2026				
Member contributions				
Regular	\$ 23,571	\$ 3,944	\$ 9	\$ 27,524
Past service purchases	184	32	-	216
	23,755	3,976	9	27,740
Employer contributions				
Regular	22,285	3,944	1,295	27,524
Past service purchases	185	32	-	217
	22,470	3,976	1,295	27,741
	\$ 46,225	\$ 7,952	\$ 1,304	\$ 55,481
2025				
Member contributions				
Regular	\$ 23,028	\$ 3,839	\$ 13	\$ 26,880
Past service purchases	222	37	-	259
	23,250	3,876	13	27,139
Employer contributions				
Regular	21,779	3,839	1,262	26,880
Past service purchases	222	37	-	259
	22,001	3,876	1,262	27,139
	\$ 45,251	\$ 7,752	\$ 1,275	\$ 54,278

Member and employer contributions are as defined under the pension plan rules. Members' past service purchases are voluntary contributions.

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

10. BENEFITS PAID

	Basic Account	Inflation Adjustment Account	Supplemental Benefits Account	Total
2026				
Regular pension benefits	\$ 72,302	\$ -	\$ 1,032	\$ 73,334
Indexing – regular pension benefits	19,048	-	272	19,320
Termination and refund benefits	775	669	-	1,444
Death benefit payments	338	63	-	401
	\$ 92,463	\$ 732	\$ 1,304	\$ 94,499
2025				
Regular pension benefits	\$ 68,978	\$ -	\$ 1,020	\$ 69,998
Indexing – regular pension benefits	18,144	-	255	18,399
Termination and refund benefits	934	775	-	1,709
Death benefit payments	1,711	367	-	2,078
	\$ 89,767	\$ 1,142	\$ 1,275	\$ 92,184

11. INVESTMENT AND ADMINISTRATION COSTS

	2026	2025
Investment management	\$ 6,561	\$ 6,495
Benefit administration	1,607	1,656
Actuarial	180	75
Audit	56	35
Pension Committee	22	38
	\$ 8,426	\$ 8,299

Investment management costs represent amounts charged to recover internal and external management costs incurred by BCI, except those external management fees related to investments managed by an underlying external manager, where management fees are embedded in the net assets of the respective investment. Underlying external investment fees of \$5,985 thousand (2025: \$4,631 thousand) were netted against investment income.

Benefit administration costs represent amounts charged to recover benefit administration costs incurred by Pension Corporation. These costs are approved by WorkSafeBC.

Separate from the Plan, WorkSafeBC pays directly for extended health care premiums for retired members and their dependants. For the year ended March 31, 2026, this amounted to \$3,656 thousand (2025: \$3,347 thousand).

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

12. ACCOUNT TRANSFERS

	2026		2025	
	Basic	Inflation	Basic	Inflation
	Account	Adjustment	Account	Adjustment
		Account		Account
Indexing supplements	\$ 23,038	\$ (23,038)	\$ 14,713	\$ (14,713)
Indexing of deferred pensions	802	(802)	627	(627)
	\$ 23,840	\$ (23,840)	\$ 15,340	\$ (15,340)

The IAA is a separate account maintained for funding current and future cost-of-living adjustments. The IAA is funded through a portion of ongoing employer and member contributions, and investment income earned.

Cost-of-living adjusted pension payments are made from the Basic Account. Each year, if members' pension payments are adjusted for the current cost-of-living adjustment, monies are transferred from the IAA to the Basic Account to cover the present value of all future payments arising from the current cost-of-living adjustment. As at January 1, 2026, retired members received a cost-of-living adjustment of 2.4% (2025: 1.6%).

When a deferred pension commences, the present value of the cost-of-living adjustments during the deferral period is transferred from the IAA to the Basic Account. Approximately \$11,288 thousand (2025: \$10,774 thousand) of the current IAA balance is for cost-of-living adjustments already granted for deferred pensions but not yet transferred to the Basic Account.

13. SUPPLEMENTAL BENEFITS ACCOUNT

The Supplemental Benefits Account (SBA) funds certain pension benefits that exceed the *Income Tax Act* limits for registered pension plans. The SBA is funded from current contributions that would otherwise be basic employer and employee contributions.

14. COMMITMENTS

The Plan participates in mortgages, international real estate, private debt and infrastructure and renewable resource pools. As at March 31, 2026, the Plan's share of commitments for future investment contracts in these pools is approximately \$520,667 thousand (2025: \$536,736 thousand).

WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2026

(\$ thousands except as otherwise noted)

15. CAPITAL DISCLOSURES

Capital is defined as the funded status (surplus or deficit) of the Plan as determined by the actuary. The Plan's objective for managing capital is to ensure that the assets of the Plan are invested prudently and effectively, and with contributions adequate to meet the obligations of the Plan. Management of the Plan's funded status is achieved by adjusting member and employer contribution rates through implementation of the SIPP, which affects the earnings of the Plan, and, in the case of the IAA, by changing the benefits paid. The investment performance of the Plan assets is regularly reviewed by the Pension Committee and compared to relevant industry benchmarks. Benefit entitlement is based on the pension plan rules. Funding deficits must be funded over a period not to exceed 10 years. The Plan is also subject to solvency funding requirements. A solvency deficiency must be funded over a period not to exceed five years.

An actuarial valuation must be prepared at least once every three years. The latest actuarial valuation for funding purposes was prepared as at December 31, 2024. The funding valuation primarily considers the Basic Account non-indexed benefits. This is supplemented by an additional valuation which also considers the non-guaranteed benefits paid from the IAA. The next full actuarial valuation will be carried out at the latest as at December 31, 2027, with the results included in the March 31, 2029, financial statements.

16. PRIOR YEAR COMPARATIVES

The prior year comparatives have been reclassified to conform to the current year presentation.

This publication is produced by BC Pension Corporation
on behalf of the WorkSafeBC Pension Plan.

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