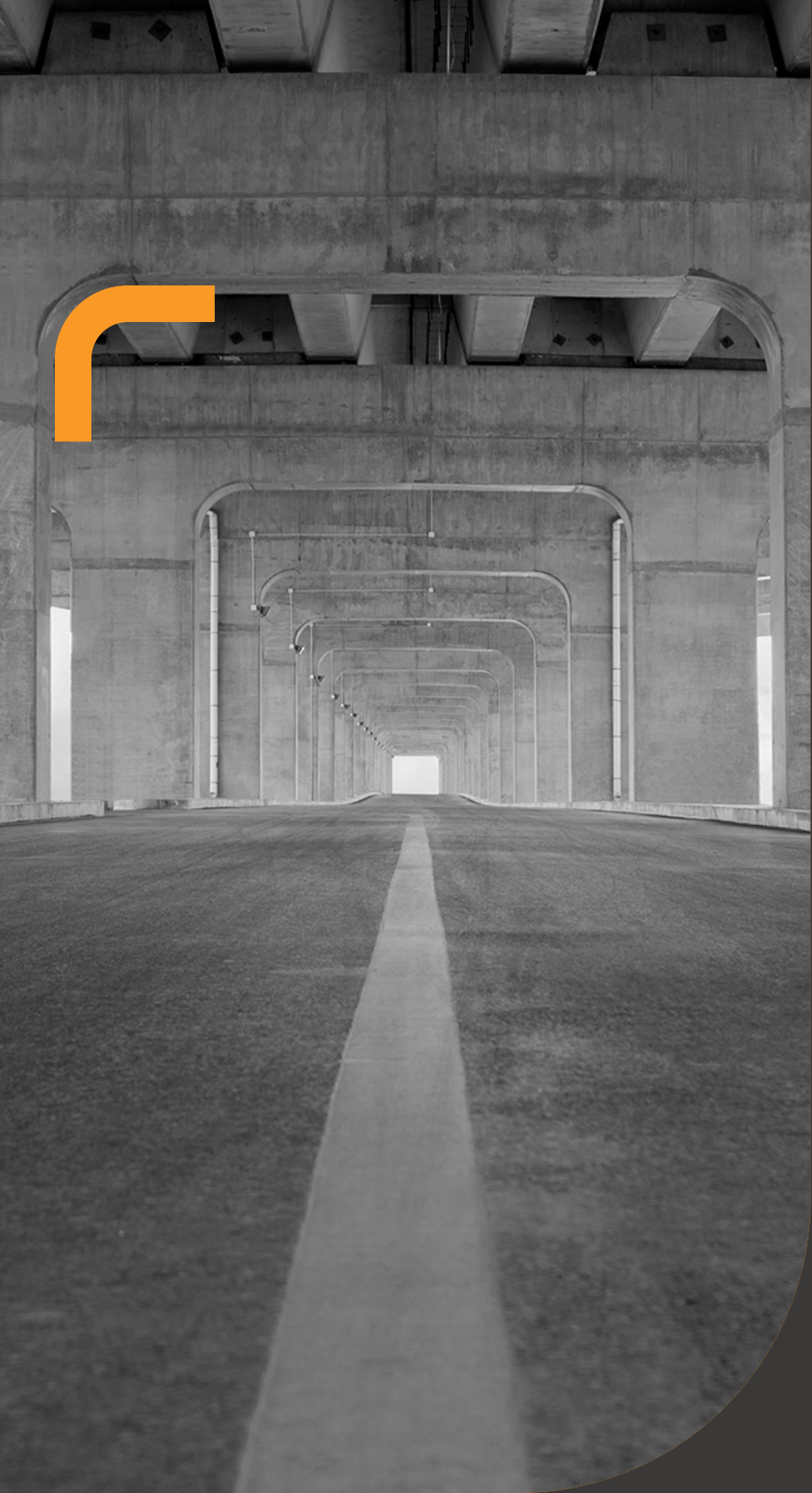




# Safe today, secure tomorrow

WorkSafeBC Pension Plan  
**2025 Annual Report**



# Contents

<b>A message from your Pension Committee</b>	<b>3</b>
<b>Membership</b>	<b>8</b>
Who's in the plan?	9
<b>Plan details</b>	<b>12</b>
How plan benefits work	13
<b>Benefits and contributions</b>	<b>15</b>
<b>Investments</b>	<b>21</b>
<b>Valuation</b>	<b>34</b>
The plan is in a healthy position	35
<b>Governance, agents and plan updates</b>	<b>37</b>
Who we are	38
<b>Financial statements</b>	<b>40</b>



# A message from your Pension Committee

Vancouver, BC



## Safe at work. Secure in retirement.

WorkSafeBC has promoted safe and healthy workplaces in British Columbia for more than 100 years. We are committed to creating a province that is free from work-related injury and illness.

The WorkSafeBC Pension Plan ensures that people who have done their part to keep British Columbians safe have a secure source of income in retirement.

We are pleased to share our *2025 Annual Report*. Recent global events, including rising geopolitical tensions and unprecedented tariffs, have contributed to increased market volatility and concern about the broader economy. As your Pension Committee for the WorkSafeBC Pension Plan, we want to assure you that your pension remains strong and secure.

## Prepared for the future

At least every three years, an independent actuary performs a valuation of the WorkSafeBC Pension Plan. An actuary is an expert in forecasting financial risks and uncertainties, and their valuations provide critical insights into the plan's performance and financial health.

Our latest valuation thoroughly examined the plan as at December 31, 2024. We can now share these results with you.

The valuation found the plan had a funded ratio of 123.5 per cent. 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.

More information can be found in the "Valuation" section of this report. The full results can be accessed on the plan website.



## A plan that members can rely on

The WorkSafeBC Pension Plan was established in 1941. For more than 80 years, members have counted on the plan for a dependable income in retirement.

Members can be confident that the plan will be there for them when they need it. As your Pension Committee, we work hard to protect the sustainability of the plan so that it can meet its obligations to all members. Our long-term approach to plan governance has helped the plan navigate turbulent times, such as the 2008 financial crisis and the COVID-19 pandemic.

Pensions are calculated using a formula based on a member's highest average salary and years of service. This guarantees a basic monthly retirement income—for life.

We are proud to guide the plan in the best interests of its members.





## Supporting members with pension planning

Providing helpful service to members is a priority for the WorkSafeBC Pension Plan. This includes personalized support for pension planning.\*

Members approaching retirement can go to the plan website to learn about what resources are available and book a pension planning appointment. The plan has added more pension planning appointments in the evening, making it easier than ever to access this service.

Another great resource is the *Approaching Retirement* online course.

The course takes about an hour to complete and can help members understand how their decisions impact their pension. Courses like this one are available in the *Learning resources* section of the plan website. This section also has informative videos to help members with convenient services, including *7 steps of online retirement*.

Thank you for your interest in the WorkSafeBC Pension Plan. Read on to learn more about how we are working to secure the future for all plan members.

*\*This does not include personal financial planning. We always encourage members to seek the advice of an individual financial planner.*

# Membership



Victoria, BC





## Who's in the plan?

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

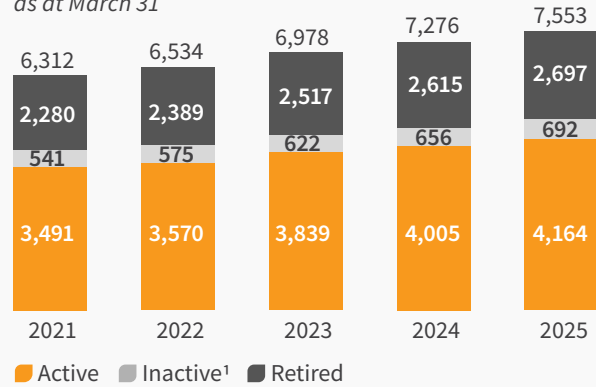
<b>Active</b>	Currently contributing to the plan, on an approved leave of absence or receiving benefits from an approved long-term disability plan
<b>Inactive</b>	Not currently contributing to the plan; have ended their employment but left their contributions in the plan
<b>Retired</b>	Currently receiving a pension; this includes those receiving a survivor's pension
<b>Limited</b>	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 women generally live longer and draw pensions for more years.

**NUMBER OF MEMBERS**

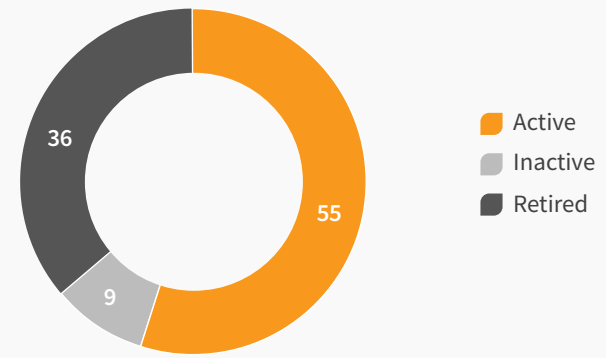
as at March 31



<sup>1</sup> Members no longer employed by WorkSafeBC but with money in the plan

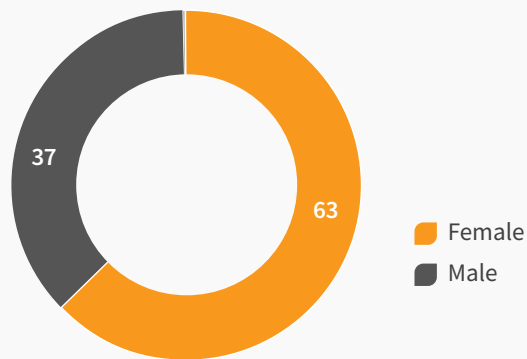
**MEMBERSHIP PROFILE (%)**

as at March 31, 2025

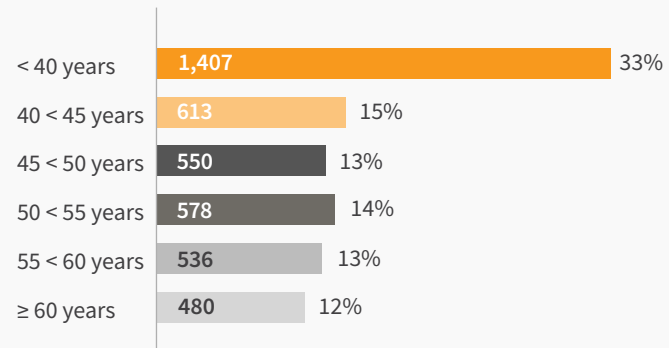
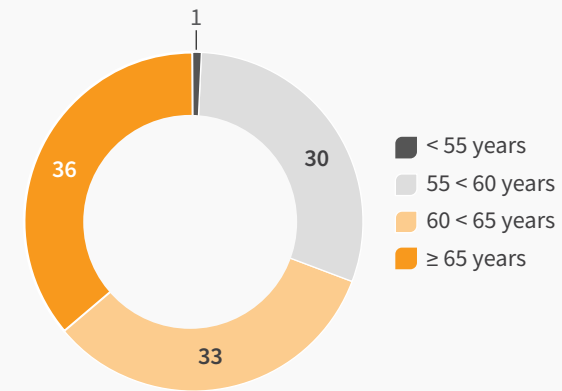
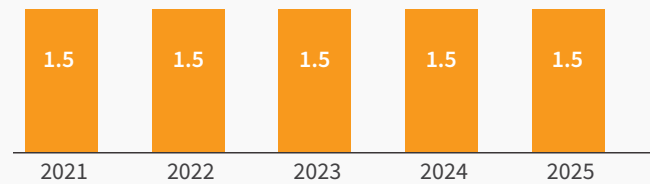


**ACTIVE MEMBERS BY GENDER (%)**

as at March 31, 2025



The number of people who identify as Gender X has been redacted to prevent member re-identification.

**ACTIVE MEMBERS BY AGE (%)***as at March 31, 2025***BY AGE AT RETIREMENT (%)***year ended March 31, 2025***RATIO OF ACTIVE TO RETIRED MEMBERS***as at March 31*

# Plan details



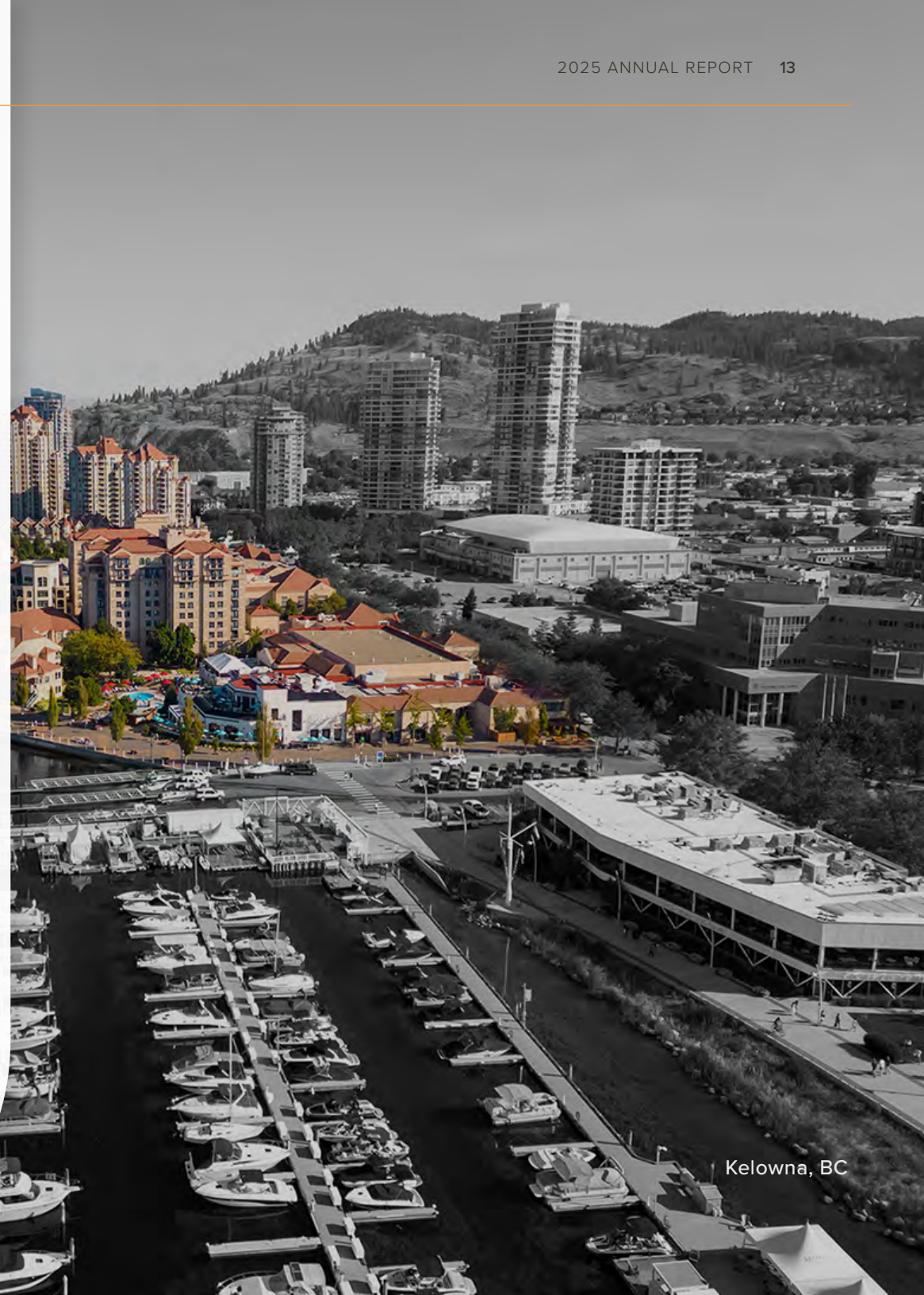
# How plan benefits work

## 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 enough money is set aside through contributions and investments to pay the lifetime pension now and into the future. Once a member makes 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 maintain 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 2025, retired members received a COLA of 1.6 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.



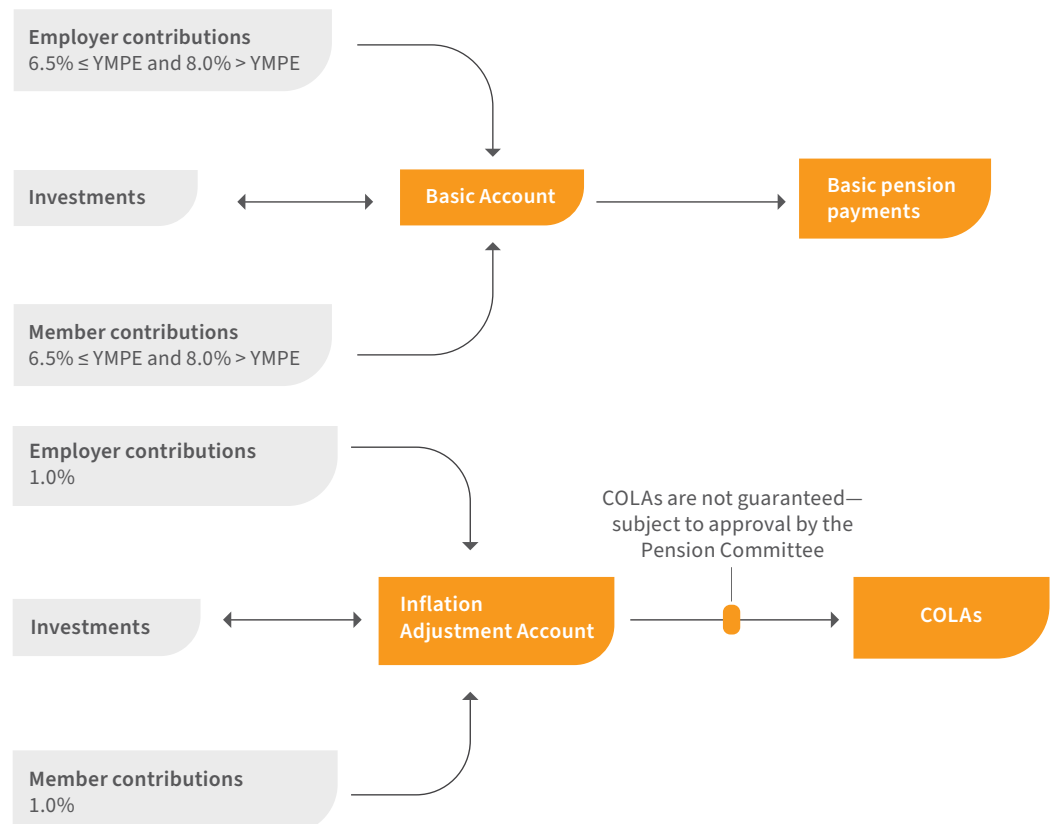


Birken, BC

### 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 and are not required to pay their monthly pension contributions to the plan.

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 \$71,300 in 2025—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



Kamloops, BC

## By the numbers

### PENSIONS OVERVIEW

year ended March 31

	New pensions	Pension terminations	Pensions at end of year	Basic pensions paid	Inflation supplements paid	Total
						(\$ millions)
<b>2025</b>	<b>133</b>	<b>51</b>	<b>2,697</b>	<b>\$70.0</b>	<b>\$18.4</b>	<b>\$88.4</b>
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
2021	116	30	2,280	56.2	8.5	64.7

### NEW PENSIONS BY TYPE

year ended March 31

	Regular	Pre-retirement limited member	Post-retirement limited member	Long-term disability	Deferred	Survivor	Total
<b>2025</b>	<b>92</b>	<b>6</b>	<b>1</b>	<b>12</b>	<b>18</b>	<b>4</b>	<b>133</b>
2024	82	4	0	9	32	3	130
2023	124	6	0	14	19	1	164
2022	121	2	0	9	20	1	153
2021	88	3	2	11	10	2	116



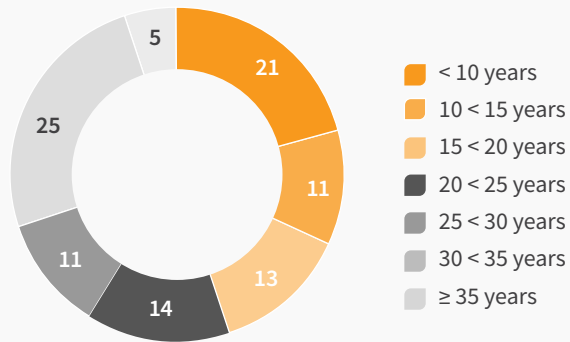
## NEW PENSIONS BY AGE AND YEARS OF SERVICE

year ended March 31, 2025

	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	1	10	11	6	28	\$108,600	\$11,500	\$ 9,900	\$167,600	\$ 4.7
10 < 15		2	5	8	15	105,000	22,000	23,400	356,100	5.3
15 < 20		3	6	8	17	95,100	29,500	26,600	427,400	7.3
20 < 25		3	7	9	19	109,400	41,600	35,200	647,000	12.3
25 < 30		1	4	9	14	93,000	36,800	35,600	610,400	8.5
30 < 35		19	9	6	34	111,200	67,700	62,700	1,121,700	38.1
≥ 35		2	2	2	6	104,700	65,000	73,200	1,087,500	6.5
<b>Total</b>	<b>1</b>	<b>40</b>	<b>44</b>	<b>48</b>	<b>133</b>					<b>\$82.7</b>
<b>Average of all pensions</b>						<b>\$105,600</b>	<b>\$38,700</b>	<b>\$30,900</b>	<b>\$626,200</b>	
<b>Average years of service</b>	<b>4</b>	<b>23</b>	<b>19</b>	<b>20</b>	<b>21</b>					
<b>Average age</b>	<b>49</b>	<b>57</b>	<b>62</b>	<b>67</b>	<b>62</b>					

**PERCENTAGE OF NEW PENSIONS  
BY YEARS OF SERVICE (%)**

*year ended March 31, 2025*



**AVERAGE AND MEDIAN PENSIONS IN PAY<sup>1</sup>**

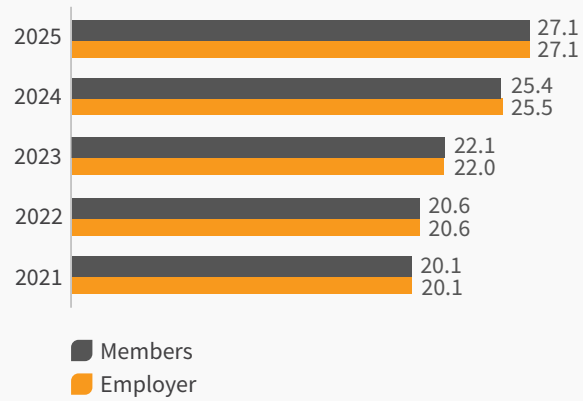
*as at March 31, 2025*

Average	\$ 33,459
Median	\$ 28,882

<sup>1</sup> Average and median annual pension amounts for retired members receiving monthly pension payments as at March 31, 2025.

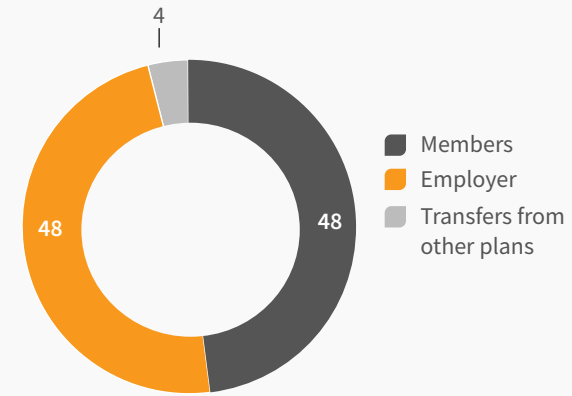
**CONTRIBUTIONS (\$ MILLIONS)**

*year ended March 31*

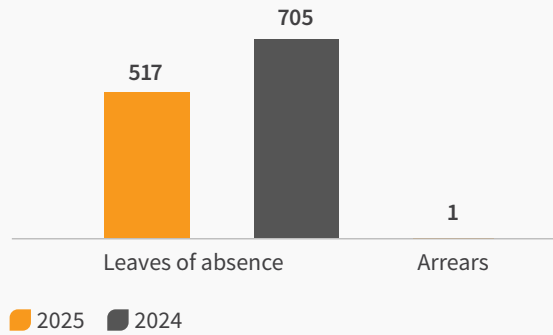


**CONTRIBUTION REVENUE (%)**

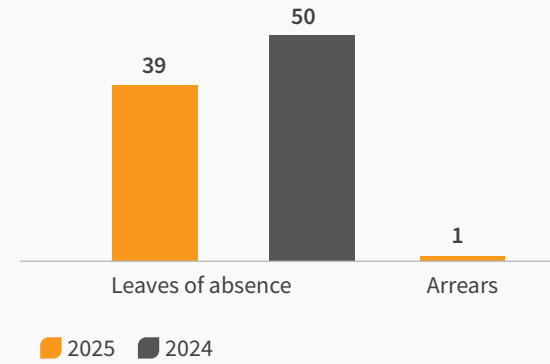
*year ended March 31, 2025*



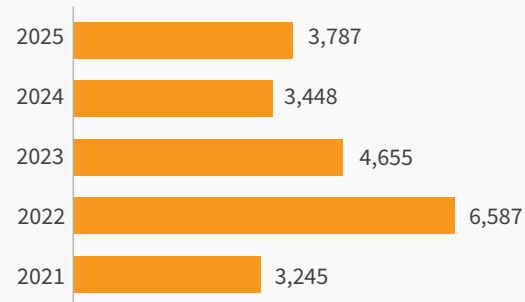
**VALUE OF PURCHASES OF SERVICE (\$ THOUSANDS)**  
*year ended March 31*



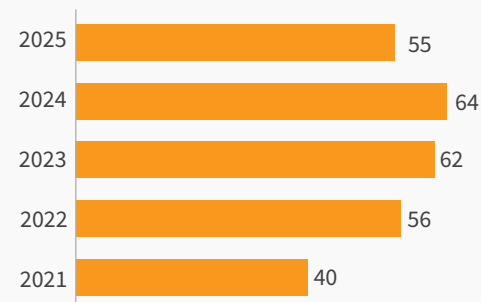
**NUMBER OF PURCHASES OF SERVICE**  
*year ended March 31*



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



**NUMBER OF TERMINATION AND REFUND BENEFITS PAID<sup>1</sup>**  
*year ended March 31*



<sup>1</sup> Termination and refund benefits paid include refunds of contributions and commuted value payments; deferred pensions are included in pension statistics.

# Investments



Prince George, BC

## Investment commentary

The plan continued to navigate a challenging economic landscape in 2024/25 but has a strong foundation to weather market volatility. Prudent management by BCI, the plan's investment agent, has enabled the plan to shift toward more stable returns through its diversified portfolio and ample liquidity. Diversification is key to stable returns as investments are spread across geographies, asset classes and sectors.

Over one and five years, the plan delivered strong absolute returns that exceeded its respective return objectives despite underperformance against the benchmark. The return objective is the amount the plan's investments need to earn to pay for its obligations, including pensions. For the fiscal year ended March 31, 2025, the plan posted an 8.1 per cent return, exceeding the 5.6 per cent return objective. However, the one-year return was below the 9.2 per cent benchmark. Over longer periods, the fund significantly outperformed the return objective and exceeded the 10-year benchmark.

## 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 and government bonds as the main contributors. On a one-year basis, fixed income returned 7.4 per cent, outperforming the 6.3 per cent benchmark. Fixed income also outperformed on a five-year basis, with a 3.0 per cent annualized return against the 2.3 per cent benchmark.

Public equities continued to demonstrate strength over the year and were the largest contributor to total portfolio return. However, U.S. equities faced pressure from the emergence of competitive AI technologies from China, affecting large technology stocks known as the "Magnificent Seven" (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla). Despite double-digit returns, public equities still underperformed the benchmark this year. The portfolio delivered 13.9 per cent against the 14.7 per cent benchmark. Over five years, public equities outperformed, achieving a 15.7 per cent annualized return against a 15.2 per cent benchmark.

## Private equity

Private equity returns continued to be affected by macro-economic headwinds, with deal and exit activity below the highs achieved in 2021. On a one-year basis, the portfolio returned 13.1 per cent against a benchmark of 16.0 per cent. The private equity benchmark reflects the exceptional performance of the global equity market, while the portfolio reflects a cooling private equity market. Despite weaker short-term performance, the private equity asset class underperformed the benchmark over a five-year period, returning 13.0 per cent against a benchmark of 17.4 per cent.

## Real estate

The real estate equity market continued to experience volatility through 2024/25. Impacted by elevated interest rates, the portfolio's returns remained negative for the year but showed improvement from 2023/24. On a one-year basis, real estate equity returned -1.6 per cent, underperforming the 6.8 per cent benchmark. Returns were impacted by valuation writedowns across sectors and regions, with a concentration in the office sector. However, most other segments of the portfolio recorded stable or increased valuations, and income generally remained stable. Over five years, the annualized return was 3.1 per cent, below the 7.2 per cent benchmark. The portfolio remains focused on high-conviction segments – areas where we have strong confidence in long-term performance, based on research and strategic priorities – such as the residential and industrial sectors. Exposure to the more volatile office sector in the portfolio also continued to decrease.



Geographically, the portfolio continues to focus on high-quality assets in key cities, predominantly Toronto, Vancouver and London, England.

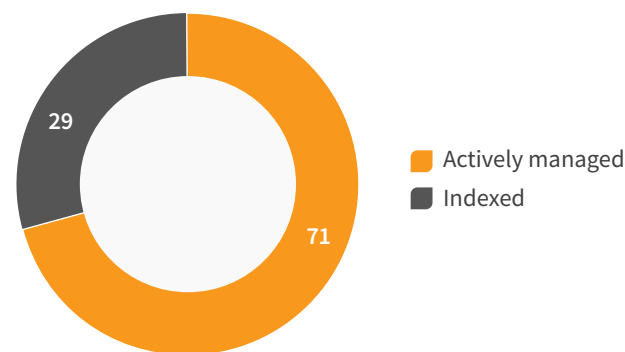
While high interest rates were detrimental to real estate equity, real estate debt benefited through increased value and income generated through real estate loans (e.g., mortgages). The portfolio remained resilient through active management from BCI to avoid further investments in distressed sectors, such as office. On a one-year basis, real estate debt returned 6.1 per cent, exceeding the 6.0 per cent benchmark. Over five years, the real estate debt program generated an annualized return of 5.1 per cent, outperforming the 3.0 per cent benchmark.

### Infrastructure and renewable resources

Infrastructure and renewable resources (IRR) saw positive performance from utilities, the largest component of the portfolio. North American and European assets represent the largest regions of investment within the portfolio, with an aggregate exposure of 64 per cent. On a one-year basis, IRR returned 8.5 per cent against the 6.3 per cent benchmark, an improvement from last year’s slight underperformance. IRR’s five-year annualized return was 8.8 per cent, also outperforming the benchmark of 6.6 per cent. The impact of U.S. tariffs on the portfolio is expected to be limited. However, other risks, such as climate risk, are being closely monitored for their potential impact on timberland assets, transportation and utilities.

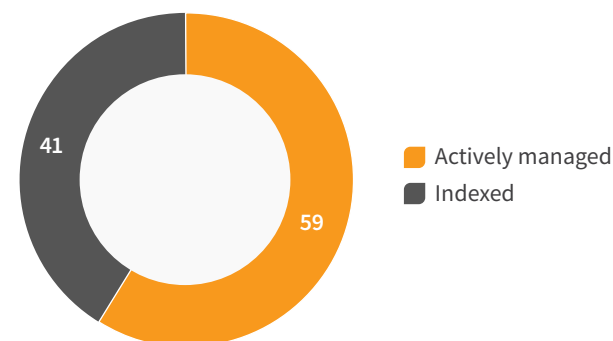
### CANADIAN EQUITIES—MARKET VALUE (%)

as at March 31, 2025



### GLOBAL EQUITIES—MARKET VALUE (%)

as at March 31, 2025





## Responsible investing

Responsible investing is a key component of the plan's investment approach. It involves integrating environmental, social and governance (ESG) factors into investment decisions. The Pension Committee and BCI agree that ESG integration is fundamental to growing and protecting the value of the plan. ESG factors range from being company specific, such as board compensation or employee safety, to being 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 ensures a consistent approach across all asset classes and addresses the factors most material to the plan's investments. This is accomplished with a focus on four key areas:

- ESG analysis and risk management are integrated into all investment processes and decisions.
- BCI actively seeks opportunities to invest in ESG-related investments that contribute to improved long-term outcomes.
- Through engagement and advocacy, BCI applies its influence on companies it invests in, its partners and other capital market participants.

- BCI uses its learnings across all ESG activities, as well as its understanding of emerging trends, to generate insights that help continually adapt and improve its strategies, processes and approaches.

Climate change continues to be a significant social and economic risk and remains a priority for the Pension Committee, plan members and global investors.

BCI is committed to supporting the global goal of achieving net-zero greenhouse gas emissions by 2050. BCI's Climate Action Plan provides a road map for supporting this goal while creating and preserving financial value for the plan. This is done by actively engaging with portfolio companies, advocating for policy change and participating in global initiatives on climate action reporting and transparency. Additionally, BCI manages climate change risk across all asset classes and pursues meaningful opportunities in climate solutions.

For example, BCI actively seeks investments associated with the global energy transition. By the end of 2024, BCI's climate opportunity exposure grew to about \$12.1 billion, up from \$10.7 billion earlier that year.

BCI also invests in sustainable bonds, which can provide low-risk returns and help finance projects with positive environmental and social outcomes. BCI exceeded its 2025 objective of \$5 billion in sustainable bond investments, reaching \$6 billion.

## BCI's approach to engagement

BCI continues to support positive ESG performance in its portfolio companies through global policy advocacy, proxy voting and engagement. BCI focuses on ESG issues that pose a material risk to the plan's portfolio, with the potential to impact long-term investment returns and sustainability. BCI's first-ever Stewardship Report outlines key engagement activities and outcomes.

### Policy advocacy

BCI engages at the policy and market levels to strengthen the investment landscape. By advocating for change that incorporates ESG principles into regulatory frameworks, it contributes to greater stability within global capital markets.

### Proxy voting

BCI uses proxy voting as a tool to encourage ESG improvements through board and management accountability. Proxy voting enables BCI to vote on management and shareholder proposals according to its Proxy Voting Guidelines, which outline BCI's ESG

expectations for public portfolio companies. A full record of BCI's votes and rationale can be found through a searchable database on its website.

If BCI finds that a company it has already engaged with is not taking sufficient action to meet ESG standards, then it may escalate engagement by filing shareholder proposals.

### Direct and collaborative engagement

In addition to proxy voting and policy advocacy, BCI interacts 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.

In 2023, BCI directly engaged 134 companies across public and private markets, with 58 per cent of these engagements resulting in positive momentum or achieving objectives.

For more information on BCI's ESG strategy, visit [bci.ca/esg](https://bci.ca/esg).

Environmental, social and governance

BCI releases 2025 Proxy Voting Guidelines emphasizing governance and accountability



## Investment results

The plan continued to navigate a challenging economic landscape in 2024/25 but has a strong foundation to weather market volatility.

### PERFORMANCE RESULTS (%)

*Five-year performance (2020–2025)*

**7.8**

Overall performance

Benchmark

**8.2**

**15.7**

Public equity

Benchmark

**15.2**

**13.0**

Private equity

Benchmark

**17.4**

**3.1**

Real estate equity

Benchmark

**7.2**

## Plan investment details

### INVESTMENT PERFORMANCE (%)

year ended March 31

	Investment returns	Performance benchmark <sup>1</sup>
Annual rates		
2025	8.1	9.2
2024	7.3	10.9
2023	2.5	1.7
2022	7.4	3.9
2021	13.9	16.1
5-year annualized rates		
2025	7.8	8.2
2024	6.9	6.6
10-year annualized rates		
2025	6.8	6.5
2024	7.4	6.9

<sup>1</sup> Benchmarks are standards to compare against actual investment returns.

### ASSET MIX AND PERFORMANCE (%)

as at March 31, 2025

	Approved range	Target asset mix	Asset mix market value	Rate of return	Performance benchmark
<b>Fixed Income</b>	<b>30-52</b>	<b>42</b>	<b>43.4</b>	<b>7.4</b>	<b>6.3</b>
Short-term	0-7	2	2.0	8.6	8.5
Mortgages	0-8	5	4.8	6.1	6.0
Government bonds	12-30	18	19.0	7.3	7.2
Credit	7-23	17	17.6	7.7	5.3
<b>Equities</b>	<b>15-40</b>	<b>26</b>	<b>26.5</b>	<b>13.8</b>	<b>15.1</b>
Developed equities	5-25	12	12.5	14.3	14.4
Emerging markets	0-8	3	3.1	12.8	15.0
Private equity	7-15	11	10.9	13.1	16.0
<b>Real assets</b>	<b>20-38</b>	<b>32</b>	<b>30.1</b>	<b>3.1</b>	<b>6.6</b>
Real Estate	11-20	17	15.9	(1.6)	6.8
Infrastructure and renewable resources	9-18	15	14.2	8.5	6.3
<b>Other</b>	<b>0-5</b>	<b>0.00</b>	<b>-</b>	<b>n/a</b>	<b>n/a</b>
<b>Total portfolio</b>		<b>100</b>	<b>100.0</b>	<b>8.1</b>	<b>9.2</b>

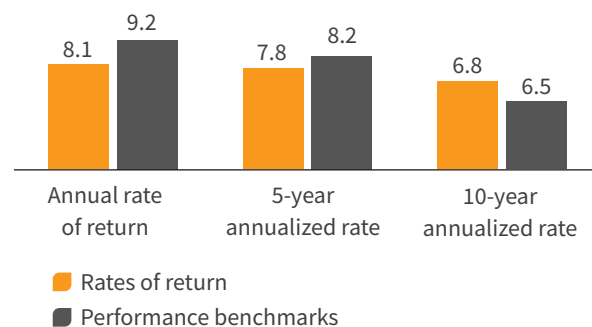
**INVESTMENT PORTFOLIO (\$ THOUSANDS)**

as at March 31, 2025

	Market value	Market value (%)
Short-term	\$ 62,857	2.0
Government bonds	589,439	19.0
Mortgages	148,057	4.8
Credit	546,157	17.6
Developed market equities	392,314	12.5
Emerging market equities	96,345	3.1
Private equity	337,829	10.9
Real estate	493,008	15.9
Infrastructure and renewable resources	441,889	14.2
Cash and unsettled trades	1,526	0.0
Currency-hedge overlay	1	0.0
<b>Total investments</b>	<b>\$3,109,422</b>	<b>100.0</b>
<b>2024 comparison</b>	<b>2,915,537</b>	

**ANNUALIZED RATES OF RETURN VS. BENCHMARKS (%)**

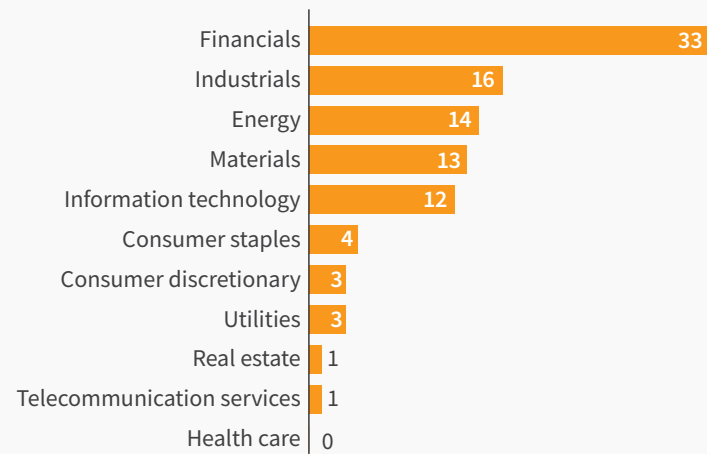
year ended March 31, 2025



\* Asset classifications vary from the financial statements for the purpose of performance reporting.

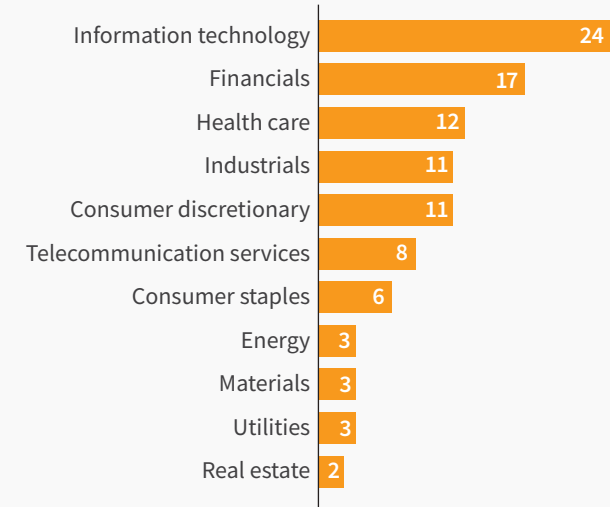
**CANADIAN MARKET EQUITIES BY SECTOR (%)**

*as at March 31, 2025*



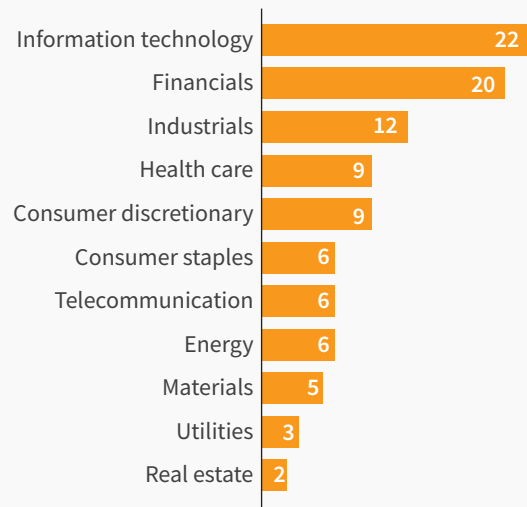
**GLOBAL EQUITIES BY SECTOR (%)**

*as at March 31, 2025*



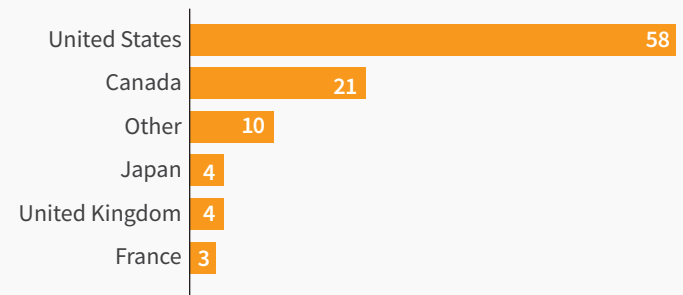
**DEVELOPED MARKET EQUITIES BY SECTOR (%)**

*as at March 31, 2025*

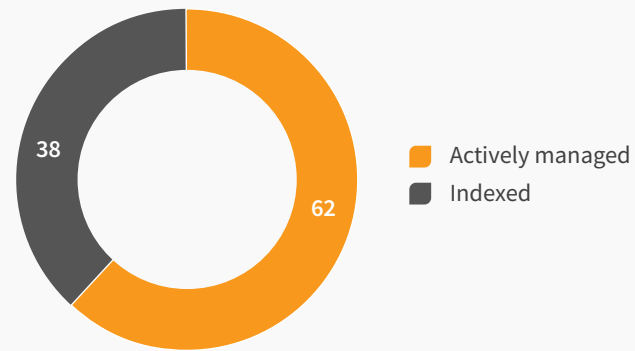


**DEVELOPED MARKET EQUITIES BY COUNTRY (%)**

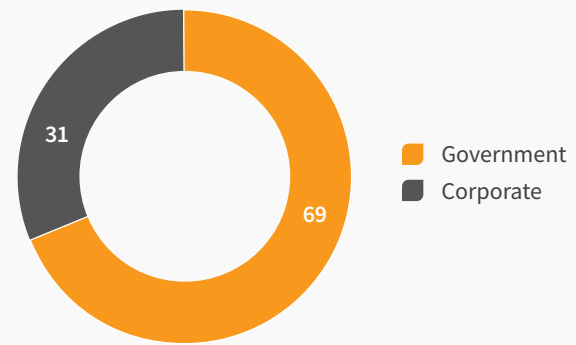
*as at March 31, 2025*



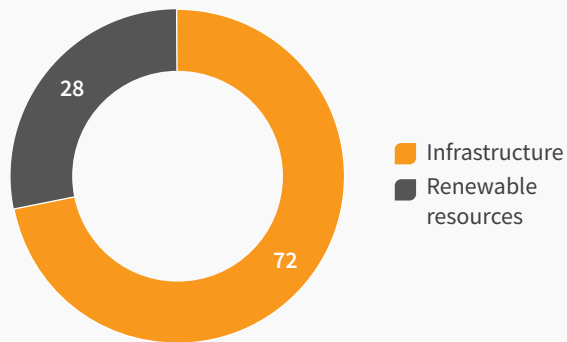
**DEVELOPED MARKET EQUITIES—MARKET VALUE (%)**  
*as at March 31, 2025*



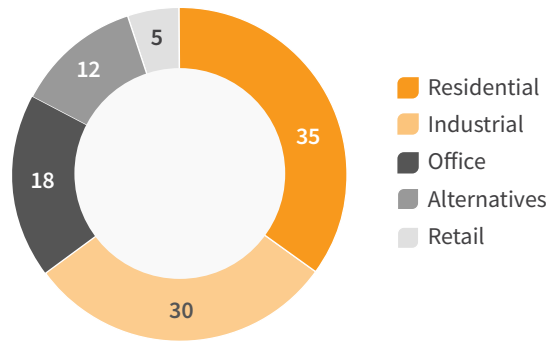
**BONDS—MARKET VALUE (%)**  
*as at March 31, 2025*



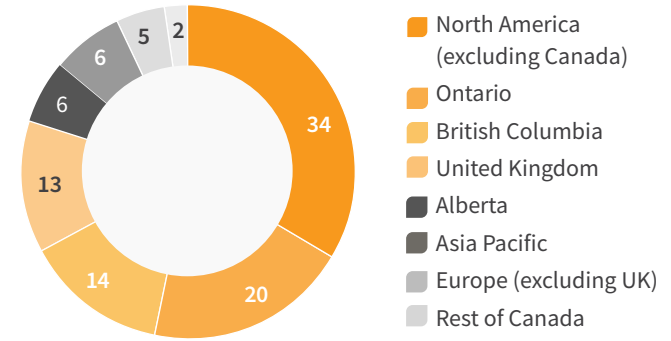
**INFRASTRUCTURE AND RENEWABLE RESOURCES (%)**  
*as at March 31, 2025*



**REAL ESTATE BY TYPE (%)**  
as at March 31, 2025



**REAL ESTATE BY LOCATION (%)**  
as at March 31, 2025





**Five-year financial summary (\$ thousands)**

year ended March 31

	2025	2024	2023	2022	2021
<b>Increase in assets</b>					
Investment income	\$ 240,673	\$ 205,677	\$ 72,615	\$ 190,103	\$ 321,176
Contributions					
Members	27,139	25,430	22,056	20,578	20,109
Employers	27,139	25,454	22,043	20,562	20,118
Transfers from other plans	1,898	1,974	4,219	1,741	2,401
<b>Total increase in assets</b>	<b>296,849</b>	<b>258,535</b>	<b>120,933</b>	<b>232,984</b>	<b>363,804</b>
<b>Decrease in assets</b>					
Pension, termination and refund benefits	92,184	86,678	80,338	74,522	67,984
Transfers to other plans	2,145	1,716	462	796	1,685
Investment and administration costs <sup>1</sup>	8,299	7,501	6,547	3,485	6,879
<b>Total decrease in assets</b>	<b>102,628</b>	<b>95,895</b>	<b>87,347</b>	<b>78,803</b>	<b>76,548</b>
<b>Increase in net assets</b>	<b>194,221</b>	<b>162,640</b>	<b>33,586</b>	<b>154,181</b>	<b>287,256</b>
<b>Net assets available for benefits at beginning of year</b>	<b>2,914,007</b>	<b>2,751,367</b>	<b>2,717,781</b>	<b>2,563,600</b>	<b>2,276,344</b>
<b>Net assets available for benefits at end of year</b>	<b>\$3,108,228</b>	<b>\$2,914,007</b>	<b>\$2,751,367</b>	<b>\$2,717,781</b>	<b>\$2,563,600</b>
<b>Investment and administration costs as a percentage of net assets (%)<sup>1,2</sup></b>					
Investment management <sup>1,2</sup>	0.37	0.36	0.35	0.26	0.35
Benefits administration	0.06	0.06	0.06	0.05	0.06

1 Investment costs as a percentage of net assets include certain external investment management costs totalling \$4.6 million (2024—\$4.4 million; 2023—\$4.6 million; 2022—\$5.1 million; 2021—\$3.3 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 38.3 basis points in the 2025 fiscal year. External indirect investment management costs include limited partnership management fees and other fees principally incurred within investments held in the private equity and infrastructure and real estate asset classes.

# Valuation



Lower Mainland, BC



## The plan is in a healthy position

The last actuarial valuation, completed as at December 31, 2024, confirmed the plan to be 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 will be available in 2025.

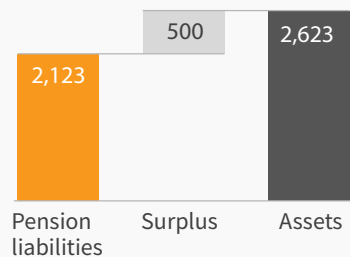
For the WorkSafeBC Pension Plan, BC's *Pension Benefits Standards Act* prescribes the valuation of the plan's assets from two perspectives: going concern and solvency.

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.

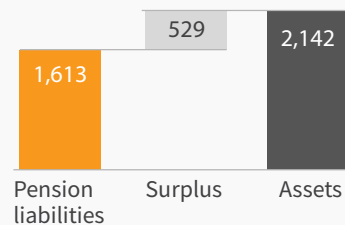
The solvency valuation (which measures the plan's ability to pay out pensions in the unlikely event it is shut down on the valuation date) showed the plan's funded ratio was 134.6 per cent.

**PLAN SURPLUS (\$ MILLIONS)**

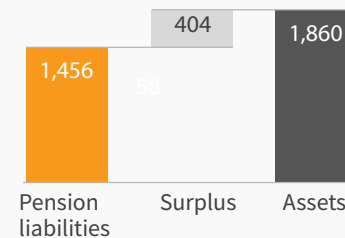
December 31, 2024



December 31, 2021



December 31, 2019

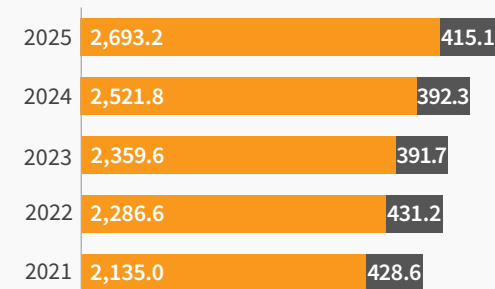


**LATEST ACTUARIAL VALUATION (\$ MILLIONS)**

	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 basic benefits
- Available for inflation benefits



# Governance, agents and plan updates

Courtenay, BC

# 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).



Wendy Strugnell

Employer representative



Jason Lin

Member representative



Alan Cooke

Independent 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 convert savings into productive capital to meet its clients' risk and return requirements over time. BCI offers investment options across a range of asset classes: fixed income, mortgages, 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 communication 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







September 5, 2025



**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.

 <b>Trevor Fedyna, CPA, C.Dir.</b>  Vice-President, Strategy, Insights and Chief Financial Officer British Columbia Pension Corporation	 <b>Allan Chen, CPA</b>  Controller British Columbia Pension Corporation
---	--



**KPMG LLP**

PO Box 10426 777 Dunsmuir Street  
Vancouver BC V7Y 1K3  
Canada  
Telephone 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, 2025
- 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 and other explanatory information.

(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, 2025, 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.



*WorkSafeBC Pension Plan*  
*Page 2*

### ***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.

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.



*WorkSafeBC Pension Plan*  
Page 3

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.



*WorkSafeBC Pension Plan*  
*Page 4*

- 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.

*KPMG LLP*

Chartered Professional Accountants

Vancouver, Canada  
September 5, 2025

WORKSAFEBC PENSION PLAN  
Statement of financial position  
(\$ thousands)



As at March 31	Note	2025	2024
<b>Assets</b>			
Investments	3a	\$ 3,132,987	\$ 2,917,010
Directly held derivatives	3b	1,829	2,379
Interest and dividends receivable		228	431
Cash		170	13
Contributions receivable		37	42
Other		37	22
Prepaid		-	80
<b>Total assets</b>		<b>3,135,288</b>	<b>2,919,977</b>
<b>Liabilities</b>			
Directly held derivatives	3b	25,779	4,249
Taxes payable		1,010	1,201
Accounts payable and accrued expenses		271	520
<b>Total liabilities</b>		<b>27,060</b>	<b>5,970</b>
<b>Net assets available for benefits</b>		<b>\$ 3,108,228</b>	<b>\$ 2,914,007</b>
<b>Accrued pension obligations</b>			
Accrued basic pension obligations	4a	\$ 1,851,268	\$ 1,765,138
Provision for adverse deviations	4a	162,912	155,332
<b>Total basic pension obligations</b>		<b>2,014,180</b>	<b>1,920,470</b>
Non-guaranteed pension obligations	4b	415,056	392,255
<b>Accrued pension obligations</b>		<b>2,429,236</b>	<b>2,312,725</b>
<b>Surplus</b>			
Funding surplus	5a	667,465	625,836
Measurement differences between funding and accounting positions	5a	11,527	(24,554)
<b>Surplus</b>		<b>678,992</b>	<b>601,282</b>
<b>Accrued pension obligations and surplus</b>		<b>\$ 3,108,228</b>	<b>\$ 2,914,007</b>

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	
					2025	2024
<b>Increase in assets</b>						
Investment income	8	\$ 208,016	\$ 32,657	\$ -	\$ 240,673	\$ 205,677
Contributions						
Member	9	23,250	3,876	13	27,139	25,430
Employer	9	22,001	3,876	1,262	27,139	25,454
		45,251	7,752	1,275	54,278	50,884
Transfers from other plans		1,528	370	-	1,898	1,974
Total increase in assets		254,795	40,779	1,275	296,849	258,535
<b>Decrease in assets</b>						
Benefits	10	89,767	1,142	1,275	92,184	86,678
Investment and administration	11	7,412	887	-	8,299	7,501
Transfers to other plans		1,536	609	-	2,145	1,716
Total decrease in assets		98,715	2,638	1,275	102,628	95,895
Increase in net assets before transfers		156,080	38,141	-	194,221	162,640
Account transfers	12	15,340	(15,340)	-	-	-
<b>Increase in net assets</b>		<b>\$ 171,420</b>	<b>\$ 22,801</b>	<b>\$ -</b>	<b>\$ 194,221</b>	<b>\$ 162,640</b>
Net assets available for benefits						
at beginning of year		\$ 2,521,752	\$ 392,255	\$ -	\$ 2,914,007	\$ 2,751,367
<b>Net assets available for benefits</b>						
at end of year		<b>\$ 2,693,172</b>	<b>\$ 415,056</b>	<b>\$ -</b>	<b>\$ 3,108,228</b>	<b>\$ 2,914,007</b>

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	2025	2024
<b>Increase in accrued pension obligations</b>			
Interest on accrued pension obligations		\$ 98,292	\$ 92,923
Benefits accrued		66,880	62,770
Provision for adverse deviations	4a	7,580	8,934
Account transfers	12	15,340	34,288
<b>Total increase in accrued pension obligations</b>		<b>188,092</b>	<b>198,915</b>
<b>Decrease in accrued pension obligations</b>			
Benefits paid		94,382	88,451
<b>Total decrease in accrued pension obligations</b>		<b>94,382</b>	<b>88,451</b>
<b>Net increase in accrued pension obligations</b>		<b>93,710</b>	<b>110,464</b>
Accrued basic pension obligations at beginning of year		1,920,470	1,810,006
Accrued basic pension obligations at end of year	4a	2,014,180	1,920,470
Non-guaranteed pension obligations			
Increase in non-guaranteed pension obligations	4b	22,801	524
Non-guaranteed pension obligations at beginning of year		392,255	391,731
Non-guaranteed pension obligations at end of year	4b	415,056	392,255
<b>Total accrued pension obligations</b>		<b>\$ 2,429,236</b>	<b>\$ 2,312,725</b>

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, 2025

(\$ 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, who administers and enforces 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 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) (2025: \$71,300 dollars; 2024: \$68,500 dollars), and 7.0% of salaries above the YMPE, less amounts allocated to the Supplemental Benefits Account.

WorkSafeBC 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, 2025

(\$ 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 unreduced pension benefits:

- at age 65;
- at age 60, with at least two years 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.

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 disability plan accrue contributory and pensionable service in the Plan.

A death benefit may be available to a surviving spouse or designated beneficiary upon the death of an active 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).

## WORKSAFBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 1. DESCRIPTION OF THE WORKSAFBC 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 portfolio 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, 2025

(\$ 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 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	2025	2024
Short-term	\$ 63,744	\$ 75,029
Bonds	859,891	688,493
Canadian equities	92,472	88,916
Global equities	299,843	396,681
Emerging markets equities	96,345	116,671
Mortgages	151,541	125,473
Real estate	502,813	457,745
Private debt	276,343	231,318
Private equity	337,670	328,408
Infrastructure and renewable resources	452,325	408,276
	\$ 3,132,987	\$ 2,917,010

Plan investments consist primarily of direct ownership in units of pooled investment portfolios. 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 portfolios 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, 2025

(\$ thousands except as otherwise noted)

### 3. INVESTMENTS (CONTINUED)

#### a) Investments (continued)

Short-term investments consist of Canadian and U.S. money market securities, such as treasury bills with maturities of 15 months or less, and short-term bonds with one- to five-year terms. Short-term investments are valued using current market yields.

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 consist mainly of Canadian construction, commercial and multi-family residential mortgages. The mortgages are secured by real estate and are valued using current market yields.

Real estate investments consist mainly of diversified Canadian and U.S. income-producing properties. Real estate investments are valued quarterly by external investment managers, and at least once every 10 to 18 months by accredited independent appraisers to establish current market values.

Private debt consists of private debt instruments and private debt investee funds and are 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 investments are valued either quarterly or annually based on audited financial statements from external investment managers using a market-based approach.

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 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, 2025

(\$ 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	2025		2024	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value
<b>Directly held</b>				
Foreign currency forwards	\$ 1,825	\$ (25,777)	\$ 2,379	\$ (4,249)
Cross currency swaps	4	(2)	-	-
	\$ 1,829	\$ (25,779)	\$ 2,379	\$ (4,249)
<b>Indirectly held in pooled investment portfolios</b>				
Foreign currency forwards	\$ 295	\$ (15,895)	\$ 1,695	\$ (2,732)
Total return swaps	3,134	(9,021)	11,241	(1,486)
Interest rate swaps	19	(1,445)	340	(273)
Cross currency swaps	-	(105)	-	-
Options	48	(141)	1,462	(1,254)
	\$ 3,496	\$ (26,607)	\$ 14,738	\$ (5,745)
<b>Total derivatives</b>	<b>\$ 5,325</b>	<b>\$ (52,386)</b>	<b>\$ 17,117</b>	<b>\$ (9,994)</b>
<b>Derivatives by investment asset classification</b>				
Short-term	\$ 46	\$ (3)	\$ 6	\$ (20)
Bonds	124	(4,483)	471	(1,101)
Canadian equities	-	-	568	(75)
Global equities	2,975	(12,629)	12,151	(3,381)
Emerging markets equities	239	(884)	717	(141)
Mortgages	22	(3,507)	233	(594)
Real estate	524	(10,344)	1,082	(1,852)
Private debt	112	(8,506)	825	(1,020)
Private equity	-	-	-	(1)
Infrastructure and renewable resources	1,283	(12,030)	1,064	(1,809)
<b>Total derivatives</b>	<b>\$ 5,325</b>	<b>\$ (52,386)</b>	<b>\$ 17,117</b>	<b>\$ (9,994)</b>

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ 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 and options held directly by the Plan or indirectly through various pooled investment portfolios. 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 by the Plan 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. Interest rate swaps and total return swaps are held indirectly through various pooled investment portfolios for synthetic indexing purposes.

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.

Cross currency swaps are agreements that 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. Options are held for synthetic indexing, a modern technique used to replicate the performance of a security or index without directly purchasing or selling the underlying assets and for risk control.

Derivative transactions are supported with collateral to mitigate counterparty credit risk. A single net fair value amount is used to determine the value of collateral with each counterparty. Collateral approximately equal to the positive fair value of each derivative contract has been provided by counterparties, and collateral approximately equal to the negative fair value of each derivative contract has been 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 the total value of a position, how much value a position controls or an agreed-upon amount in a contract.

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 3. INVESTMENTS (CONTINUED)

#### b) Derivatives (continued)

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

Notional value of derivatives				2025	2024
Term to maturity	Within 1 year	1 to 5 years	Over 5 years	Total	Total
<b>Directly held</b>					
Foreign currency forwards	\$ 692,699	\$ -	\$ -	\$ 692,699	\$ 621,846
Options	1,549	-	-	1,549	-
Cross currency swaps	1,881	-	-	1,881	-
	\$ 696,129	\$ -	\$ -	\$ 696,129	\$ 621,846
<b>Indirectly held in pooled investment portfolios</b>					
Foreign currency forwards	\$ 631,853	\$ 16,615	\$ 7,864	\$ 656,332	\$ 555,094
Total return swaps	388,493	14,024	-	402,517	352,716
Interest rate swaps	26,293	62,862	-	89,155	103,496
Cross currency swaps	370	1,043	-	1,413	-
Options	31,418	-	-	31,418	100,226
	\$ 1,774,556	\$ 94,544	\$ 7,864	\$ 1,876,964	\$ 1,733,378
<b>Derivatives by investment asset classification</b>					
Short-term	\$ 13,470	\$ -	\$ -	\$ 13,470	\$ 8,624
Bonds	251,822	-	-	251,822	229,476
Canadian equities	267	-	-	267	31,501
Global equities	485,973	61,576	-	547,549	570,228
Emerging markets equities	46,433	16,353	-	62,786	54,805
Mortgages	87,561	-	-	87,561	77,140
Real estate	303,778	-	-	303,778	266,385
Private debt	274,368	-	-	274,368	214,980
Private equity	-	-	-	-	233
IRR*	310,884	16,615	7,864	335,363	280,006
	\$ 1,774,556	\$ 94,544	\$ 7,864	\$ 1,876,964	\$ 1,733,378

\* Infrastructure and renewable resources



## WORKSAFIBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ 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.

Also 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, 2021, by Eckler Ltd. This valuation calculated the liability for accrued basic pension obligations for financial statement purposes to be \$1,633,138 thousands.

Between valuations, an estimate of the actuarial position is required. This estimate, called an extrapolation, has been made to March 31, 2025, using the following long-term actuarial assumptions:

- Annual investment return 5.60%
- Provision for adverse deviation 8.80%
- Annual salary escalation rate 3.25%

The extrapolation calculated the liability for accrued basic obligations to be \$2,014,180 thousand (2024: \$1,920,470 thousand).

The PfAD included in the extrapolated accrued basic obligation as at March 31, 2025, is \$162,912 thousand (2024: \$155,332 thousand), an increase of \$7,580 thousand.

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.

## WORKSAFBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

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

#### a) Basic Account (continued)

The next full actuarial valuation will be carried out at the latest as at December 31, 2024, with the results included in the March 31, 2026, financial statements.

Actuarial liabilities are also affected by changes in the assumed investment return. Based on the actuarial valuation completed as at December 31, 2021, a reduction in the investment return assumption from 5.60% to 5.35% would have increased the March 31, 2025, liability for accrued basic pension obligations of \$2,014,180 thousand by \$57,667 thousand or 2.86%, and the impact of a 1% change would be approximately four times the amount. 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, \$415,056 thousand (2024: \$392,255 thousand). The net increase of \$22,801 thousand (2024: \$524 thousand decrease) 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 prorated on service.

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, 2021, the Plan solvency valuation, as calculated by the actuary and based on the market value of assets, resulted in a solvency surplus of \$326,396 thousand.

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

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

#### a) Basic Account (continued)

Actuarial valuation

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

An estimate of the actuarial position of the Plan for funding purposes has been made to March 31, 2025, using the following long-term actuarial assumptions:

- Annual investment return 5.60%
- Provision for adverse deviation 8.80%
- Annual salary escalation rate 3.25%

This estimate, called an extrapolation, produced an estimated funding surplus of \$667,465 thousand (including PfAD) at March 31, 2025 (2024: \$625,836 thousand) as follows:

Funding extrapolation	2025	2024
Net assets available for basic pension benefits	\$ 2,693,172	\$ 2,521,752
Actuarial asset value adjustment	(32,958)	3,438
Smoothed assets for basic pension benefits	2,660,214	2,525,190
Actuarial liability for accrued basic pension benefits	(1,992,749)	(1,899,354)
<b>Actuarial surplus</b>	<b>\$ 667,465</b>	<b>\$ 625,836</b>
<hr/>		
Changes in the extrapolated actuarial surplus	2025	2024
Actuarial surplus, beginning of year	\$ 625,836	\$ 603,792
Change in liability for accrued basic pension benefits	(93,395)	(110,137)
Change in smoothed assets for basic pension benefits	135,024	132,181
<b>Actuarial surplus, end of year</b>	<b>\$ 667,465</b>	<b>\$ 625,836</b>

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.

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

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

#### a) Basic Account (continued)

Measurement difference between funding and accounting positions

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	2025	2024
Actuarial funding surplus	\$ 667,465	\$ 625,836
Actuarial asset value adjustment	32,958	(3,438)
Difference in ITA maximums	(21,431)	(21,116)
Measurement difference between funding and accounting positions	11,527	(24,554)
<b>Surplus for financial statement purposes</b>	<b>\$ 678,992</b>	<b>\$ 601,282</b>

#### 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, 2025, was 98.8% of the market value of the assets (2024: 100.1%).

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	2025	2024
2025	\$ -	\$ 13,569
2026	(6,290)	(18,763)
2027	6,140	(6,348)
2028	20,611	8,104
2029	12,497	-
<b>Total adjustment</b>	<b>\$ 32,958</b>	<b>\$ (3,438)</b>

#### 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.

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

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

#### 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.

### 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 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 sold; the pooled fund units can thereby be redeemed to fund cash requirements. Accounts payable of \$271 thousand (2024: \$520 thousand) are generally due within one month. Derivatives payable of \$25,779 thousand (2024: \$4,249 thousand) are due within the next fiscal year.

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

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

Plan investments consist primarily of direct ownership in units of pooled investment portfolios. 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 factors affecting all securities traded in the market. Market risk consists of currency, interest rate and other price risk.

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.

##### 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 investment pooled 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 \$28,918 thousand United States (US), 0.5% of total investments; \$94 thousand Australia (AUS), 0.0% of total investments (2024: \$34,010 thousand US; nil AUS).

As at March 31, 2025, 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 \$2,901 thousand (2024: \$3,388 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. 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. The Plan's investments are subject to other price risk through its public equity investments and private market investments, including equity in real estate companies, held directly and through pooled investment portfolios. This risk is managed by diversifying investments across asset classes based on criteria established in the SIPP.

As at March 31, 2025, 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 \$313,274 thousand (2024: \$291,677 thousand).

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

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

##### 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 \$37 thousand (2024: \$42 thousand), interest and dividends receivable \$228 thousand (2024: \$431 thousand), for the derivatives \$1,829 thousand (2024: \$2,379 thousand) and other \$37 thousand (2024: \$22 thousand).

#### 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.

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

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

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	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%					
	<b>\$ 2,170,782</b>	<b>\$ 1,213,779</b>	<b>\$ 957,003</b>	<b>100%</b>					
					2024				
United States	\$ 1,366,863	\$ 840,207	\$ 526,656	52%					
Other	123,042	-	123,042	12%					
Asia-Pacific, excluding Japan	170,229	51,601	118,628	12%					
Euro countries	185,309	92,306	93,003	9%					
United Kingdom	153,011	74,274	78,737	8%					
Other Europe	46,500	9,533	36,967	4%					
Japan	26,560	-	26,560	3%					
	<b>\$ 2,071,514</b>	<b>\$ 1,067,921</b>	<b>\$ 1,003,593</b>	<b>100%</b>					

The net foreign currency exposure of the Plan's underlying investments represents 31% (2024: 34%) of its total investments.

As at March 31, 2025, 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 \$95,700 thousand (2024: \$100,359 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, 2025

(\$ 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 portfolios, 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
<b>2025</b>						
Short-term	\$ 61,522	\$ -	\$ 2,222	\$ -	\$ 63,744	3.54%
Bonds	25,647	278,692	297,575	257,977	859,891	4.02%
Mortgages	45,135	102,420	3,986	-	151,541	7.33%
Debt*	-	199	44	-	243	4.80%
Private debt**	17,349	73,084	23,969	1,708	116,110	9.70%
	\$ 149,653	\$ 454,395	\$ 327,796	\$ 259,685	\$ 1,191,529	
<b>2024</b>						
Short-term	\$ 73,287	\$ 381	\$ 1,361	\$ -	\$ 75,029	5.20%
Bonds	38,569	224,490	230,679	194,755	688,493	4.62%
Mortgages	17,952	105,296	1,063	1,162	125,473	7.37%
Debt*	-	196	43	-	239	4.80%
Private debt**	13,026	69,068	21,117	1,507	104,718	10.69%
	\$ 142,834	\$ 399,431	\$ 254,263	\$ 197,424	\$ 993,952	

\* Grouped with real estate investment category

\*\* An additional \$160,233 thousand (2024: \$126,600 thousand) of private debt is held in unlisted private debt investee funds, which are generally illiquid

As at March 31, 2025, 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 \$61,459 thousand (2024: \$48,050 thousand).

#### Other price risk

Other price risk associated with the underlying investments held in pooled investment funds is consistent with that described earlier in note 6b, which describes financial risks on a unit-of-account basis.

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

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

##### 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 and debt) held directly and through pooled investment portfolios are as follows:

##### Credit rating of financial instruments

	AAA/AA	A	BBB	Non-investment grade	Unrated	Total
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*	-	-	-	-	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%
2024						
Short-term	\$ 29,878	\$ 32,257	\$ -	\$ -	\$ 12,894	\$ 75,029
Bonds	399,427	113,558	55,899	93,177	26,432	688,493
Mortgages	-	-	-	-	125,473	125,473
Debt*	-	-	-	-	239	239
Private debt	544	20	-	13,095	217,659	231,318
	\$ 429,849	\$ 145,835	\$ 55,899	\$ 106,272	\$ 382,697	\$ 1,120,552
	38%	13%	5%	10%	34%	100%

\* Grouped with real estate investment category

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.

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 7. FAIR VALUE OF FINANCIAL INSTRUMENTS

#### a) Fair value hierarchy

Fair value measurements of the investment assets and liabilities 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
<b>2025</b>				
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
<b>Investments</b>	<b>\$ 63,744</b>	<b>\$ 1,567,557</b>	<b>\$ 1,501,686</b>	<b>\$ 3,132,987</b>
<b>Directly held derivatives</b>	<b>\$ -</b>	<b>\$ (23,950)</b>	<b>\$ -</b>	<b>\$ (23,950)</b>
<b>2024</b>				
Pooled investments	\$ 64,996	\$ 1,444,639	\$ 1,148,975	\$ 2,658,610
Other investment entities	-	-	258,161	258,161
Directly held debt	-	-	239	239
<b>Investments</b>	<b>\$ 64,996</b>	<b>\$ 1,444,639</b>	<b>\$ 1,407,375</b>	<b>\$ 2,917,010</b>
<b>Directly held derivatives</b>	<b>\$ -</b>	<b>\$ (1,870)</b>	<b>\$ -</b>	<b>\$ (1,870)</b>

During 2025 and 2024, there were no significant transfers of investments between levels.

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ 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
<b>2025</b>				
Balance, beginning of year	\$ 1,148,975	\$ 258,161	\$ 239	\$ 1,407,375
Net gain 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)
<b>Balance, end of year</b>	<b>\$ 1,216,358</b>	<b>\$ 285,085</b>	<b>\$ 243</b>	<b>\$ 1,501,686</b>
Total unrealized gain (loss) included in investment income	\$ (34,861)	\$ 15,858	\$ 4	\$ (18,999)
<b>2024</b>				
Balance, beginning of year	\$ 1,031,056	\$ 179,861	\$ 174	\$ 1,211,091
Net gain included in investment income	44,880	3,344	12	48,236
Purchases	232,110	117,116	53	349,279
Sales	(159,071)	(42,160)	-	(201,231)
<b>Balance, end of year</b>	<b>\$ 1,148,975</b>	<b>\$ 258,161</b>	<b>\$ 239</b>	<b>\$ 1,407,375</b>
Total unrealized gain included in investment income	\$ 13,768	\$ 4,225	\$ 12	\$ 18,005

#### 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.

BCI uses widely recognized valuation methods for determining the fair value of common and less complex financial instruments such as investments in pooled funds, where fair value is based on the underlying net asset value of the respective pooled fund as determined by the underlying fund manager. 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 pooled 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, 2025

(\$ thousands except as otherwise noted)

### 7. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

#### b) Valuation models (continued)

For more complex financial instruments, BCI, either directly or through external independent valuers, uses 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, rates, or are 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 the external independent valuers are usually required to select the appropriate valuation model to be used, to determine future cash flows of the financial instrument being valued, to determine the probability of counterparty default and prepayments, and to select appropriate discount rates.

BCI reviews the fair value estimates of external 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 external 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, external 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 once every 10 to 18 months by accredited independent appraisers
- Analysis and investigation of significant valuation movements
- Review of unobservable inputs and valuation adjustments

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 fair value has been determined using quotes when a number of quotes for the same financial instruments have been obtained

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 7. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

#### c) Valuation framework (continued)

- 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

#### 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
<b>2025</b>					
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)
<b>2024</b>					
Pooled investments	\$ 1,148,975	Net asset value	Net asset value	\$ 1,148,975	The estimated fair value would increase (decrease) if the net asset value was higher (lower)
Other investment entities	\$ 258,161	Net asset value	Net asset value	\$ 258,161	The estimated fair value would increase (decrease) if the net asset value was higher (lower)
Direct debt	\$ 239	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, 2025

(\$ 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 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

	2025		2024	
	Favourable	Unfavourable	Favourable	Unfavourable
Pooled investments	\$ 121,636	\$ (121,636)	\$ 114,898	\$ (140,714)
Other investment entities	28,509	(28,509)	25,816	(25,816)
Direct debt	24	(24)	24	(24)
	\$ 150,169	\$ (150,169)	\$ 140,738	\$ (166,554)

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 7. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

#### f) Financial instruments not measured at fair value

The carrying value of contributions receivable, accounts payable and accrued expenses approximate 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.

### 8. INVESTMENT INCOME

	2025			2024		
	Income allocation	Change in fair value	Total	Income allocation	Change in fair value	Total
Short-term	\$ 3,666	\$ 2,305	\$ 5,971	\$ 4,113	\$ 313	\$ 4,426
Bonds	34,080	12,867	46,947	29,127	(12,466)	16,661
Canadian equities	2,461	8,638	11,099	3,242	10,433	13,675
Global equities	9,614	47,234	56,848	12,782	86,727	99,509
Emerging markets equities	3,555	11,747	15,302	3,881	7,761	11,642
Mortgages	5,838	8,238	14,076	6,531	2,056	8,587
Real estate	11,918	(2,981)	8,937	8,754	(26,149)	(17,395)
Private debt	16,220	8,340	24,560	10,850	17,216	28,066
Private equity	26,197	16,500	42,697	17,639	(84)	17,555
IRR*	28,268	24,413	52,681	41,131	(18,322)	22,809
	141,817	137,301	279,118	138,050	67,485	205,535
Directly held derivatives	584	(39,029)	(38,445)	-	142	142
	\$ 142,401	\$ 98,272	\$ 240,673	\$ 138,050	\$ 67,627	\$ 205,677

\* Infrastructure and renewable resources

Investment income represents realized and unrealized pooled investment portfolio 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 portfolio is reinvested within the portfolio.



## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 9. CONTRIBUTIONS

	Basic Account	Inflation Adjustment Account	Supplemental Benefits Account	Total
2025				
<b>Member contributions</b>				
Regular	\$ 23,028	\$ 3,839	\$ 13	\$ 26,880
Past service purchases	222	37	-	259
	23,250	3,876	13	27,139
<b>Employer contributions</b>				
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
2024				
<b>Member contributions</b>				
Regular	\$ 21,479	\$ 3,595	\$ 14	\$ 25,088
Past service purchases	293	49	-	342
	21,772	3,644	14	25,430
<b>Employer contributions</b>				
Regular	20,293	3,595	1,201	25,089
Past service purchases	313	52	-	365
	20,606	3,647	1,201	25,454
	\$ 42,378	\$ 7,291	\$ 1,215	\$ 50,884

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, 2025

(\$ thousands except as otherwise noted)

### 10. BENEFITS

	Basic Account	Inflation Adjustment Account	Supplemental Benefits Account	Total
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
2024				
Regular pension benefits	\$ 65,910	\$ -	\$ 991	\$ 66,901
Indexing – regular pension benefits	16,105	-	224	16,329
Termination and refund benefits	1,279	921	-	2,200
Death benefit payments	958	290	-	1,248
	\$ 84,252	\$ 1,211	\$ 1,215	\$ 86,678

### 11. INVESTMENT AND ADMINISTRATION COSTS

	2025	2024
Investment management	\$ 6,495	\$ 5,818
Benefit administration	1,656	1,549
Actuarial	75	55
Pension committee	38	6
Audit	35	32
Workshop for members	-	41
	\$ 8,299	\$ 7,501

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 \$4,631 thousand (2024: \$4,412 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, 2025, this amounted to \$3,347 thousand (2024: \$3,042 thousand).

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ thousands except as otherwise noted)

### 12. ACCOUNT TRANSFERS

	2025		2024	
	Basic Account	Inflation Adjustment Account	Basic Account	Inflation Adjustment Account
Indexing supplements	\$ 14,713	\$ (14,713)	\$ 32,991	\$ (32,991)
Indexing of deferred pensions	627	(627)	1,297	(1,297)
	\$ 15,340	\$ (15,340)	\$ 34,288	\$ (34,288)

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, 2025, retired members received a cost-of-living adjustment of 1.6% (2024: 3.8%).

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 \$10,774 thousand (2024: \$10,077 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 private equity, international real estate, mortgage, and infrastructure and renewable resource pools. As at March 31, 2025, the Plan's share of commitments for future investment contracts in these pools over the next several years is approximately \$536,736 thousand (2024: \$485,027 thousand).

## WORKSAFEBC PENSION PLAN

Notes to the financial statements for the year ended March 31, 2025

(\$ 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, 2021, and has two components: the Basic Account non-indexed benefits and, by considering the valuation of the entire Plan, the non-guaranteed IAA.

### 16. PRIOR YEAR COMPARATIVES

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



**WORK SAFE BC**

[worksafe.pensionsbc.ca](http://worksafe.pensionsbc.ca)

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

If you have questions about the information contained in this report, please contact:

**Toll-free (Canada/U.S.):** 1-888-440-0111

**Mail:** WorkSafeBC Pension Plan, PO Box 9460, Victoria BC V8W 9V8

WSBC AR 1998-107 251106

Vancouver, BC