

A modern, multi-story office building with a glass and white facade is shown against a clear blue sky. The building has several windows and a prominent glass-enclosed section on the right side.

BCI'S 2025 FORCED AND CHILD LABOUR RISK ASSESSMENT REPORT

INTRODUCTION

This report has been prepared by British Columbia Investment Management Corporation (**BCI, we, our**) pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act (Act)*.

BCI recognizes the importance of addressing the risk of forced labour and child labour in our supply chains and operations. BCI continues to take steps to identify and reduce these risks. This year's report describes the measures we take and what we plan to do in the years ahead.

ACTIONS TAKEN THIS YEAR

During our fiscal year from April 1, 2024 to March 31, 2025, BCI took steps to prevent and reduce the risk of forced labour or child labour in the supply of goods imported by BCI into Canada. These steps included:

- **Procurement requirements.** BCI's sourcing documents require that our prospective suppliers of goods and services (our **suppliers**) acknowledge that they have, or are committing to implement, measures to address the risk of forced and child labour.
- **Contract requirements.** We request that our suppliers take contractual responsibility to assist BCI in addressing child and forced labour risk. For example, our template contracts require our counterparties to acknowledge that BCI is subject to the Act and to notify BCI of any instance of forced labour or child labour in the supply of goods or services to BCI.
- **Supply chain risk audit.** We continue to perform due diligence on our new suppliers and screen existing key suppliers. We screen for reported labour transgressions, including any alleged instance of forced labour or child labour.
- **Ongoing training.** BCI includes forced labour and child labour awareness training as part of our mandatory onboarding sessions for all new staff. We also engaged an external expert to provide more detailed training to BCI's Procurement, Legal and Compliance teams on the Act and on the risk of forced labour and child labour.

The steps taken this past year continue to build a foundation for BCI to make further progress in the coming years.

BCI'S STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

BCI was created by British Columbia's *Public Sector Pension Plans Act (PSPPA)*. BCI's board of directors appoints BCI's Chief Executive Officer/Chief Investment Officer (**CEO/CIO**) to oversee and manage BCI's investments and operations. The CEO/CIO is a single individual accountable to the Board of Directors.

BCI is among the largest institutional investors in Canada. Based in Victoria, British Columbia, we also have offices in Vancouver, New York, and London, U.K., as well as a presence in Mumbai, India. BCI manages a portfolio of diversified public and private market investments on behalf of our clients. Our largest clients are British Columbia's public sector pension plans, and the majority of assets under BCI's management belong to these pension funds.

BCI exists to generate investment returns so that our clients can provide financial security for their members. We invest around the world and across a range of asset classes. This includes investments in public and private equity, infrastructure and renewable resources, fixed income and private debt, as well as real estate equity and real estate debt.

The entities in which BCI is invested have management independent of BCI. In limited instances, BCI controls the entities in which it has invested and, to the extent any of these entities are subject to the Act, they are expected to report independently of BCI.

As an investment management company, BCI's purchase and importation of tangible goods is limited. Most of our supplier engagement is for financial related services rather than the purchase of tangible goods. However, BCI did purchase tangible goods for its offices, including office equipment and furniture, information technology equipment, and workplace stationary.

POLICIES

BCI's governance policies assist us in monitoring internal and external forced and child labour risks. For example, BCI's Procurement Directive requires BCI to source goods and services in accordance with our domestic and international trade agreement obligations. Where we run a competitive sourcing process, we require that participating suppliers acknowledge that they have policies and measures in place, or are in the process of implementing such measures, to identify and prevent the risk of forced labour and child labour in their supply chains generally and in the goods or services procured by BCI specifically.

Internally, BCI's Code of Ethics & Professional Conduct (the **Code**) applies to all of our employees, contractors, consultants, officers (collectively, our **staff**), and to BCI's board of directors. The Code establishes the standards that our staff and directors are expected to meet when performing their professional duties. It also requires staff to report concerns – such as health or safety concerns that would include suspected or actual forced labour and child labour transgressions – and any actual or suspected violation of the Code, any laws, or any of BCI's other governance policies. These concerns may be reported to British Columbia's Ombudsperson or anonymously to an independent third-party ethics hotline.

Externally, BCI's environmental, social and governance (**ESG**) Governance Policy provides oversight and management of BCI's ESG risks. The ESG Governance Policy requires BCI to integrate ESG considerations, such as forced and child labour risks, into our investment decisions and operations.

STEPS TAKEN TO ASSESS AND MANAGE FORCED LABOUR AND CHILD LABOUR RISKS

As an investment management service provider, the risk of forced labour or child labour among BCI's staff is low. Much of our supplier engagement is for financial related services where the risk of forced labour or child labour is also deemed to be relatively low.

By contrast, BCI's supply chains for tangible goods have a relatively higher risk of forced labour or child labour. To assess this risk, BCI uses a third-party due diligence platform to screen our key suppliers. This platform searches our suppliers for adverse media coverage or regulatory transgressions related to modern slavery, human trafficking, forced labour, child labour, servitude, and child exploitation, among other things. The key suppliers that we screen include our suppliers of tangible goods as well as our top service providers by spend.

TRAINING

BCI has mandatory forced and child labour awareness training for all new staff as part of our new staff onboarding sessions.

We also engage an external expert to provide more targeted training to our Procurement, Legal and Compliance teams. This includes training on the Act and the steps that BCI can take to prevent and reduce the risks of forced labour and child labour in our operations and supply chains.

Next year, BCI plans to include forced and child labour awareness training for all staff as part of our mandatory annual Compliance training.

HOW DOES BCI ASSESS ITS EFFECTIVENESS?

To date, BCI has not identified an instance of a vulnerable individual or family experiencing a loss of income because of the steps that BCI has taken to prevent forced labour or child labour. As a result, no remediation steps have yet been taken.

Our understanding and awareness of the risk of forced labour and child labour is increasing. Going forward, we will measure our effectiveness at identifying and preventing these risks from the following sources:

- Ongoing and deeper assessments of our suppliers and supply chains to better determine where risks exist and the measures our suppliers are using to address these risks.
- Notifications from our suppliers who discover an instance of forced labour or child labour in their supply of goods or services to BCI.
- Reports made through the Code's anonymous hotline.

We expect to gather more information over time to both identify the risk of forced labour and child labour and to measure BCI's effectiveness at mitigating these risks.

ATTESTATION

This report was approved pursuant to subparagraph 11(4)(a) of the Act by the board of directors of BCI. The undersigned has the authority to bind BCI and has approved the information contained in this report for BCI.



Peter Milburn
Chair, BCI Board of Directors