PENSION NEWS

JULY 2026

NEWSLETTER OF THE MOVEUP-FORTISBC PENSION PLAN (THE "PLAN")

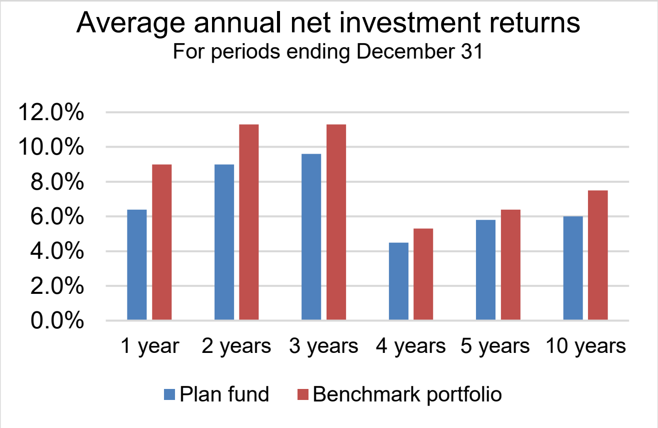
Investment Performance & Review

The Plan contains a well-diversified asset mix, which means it has investments with varying levels of potential risk and reward. This approach helps minimize the impact of short-term market fluctuations, while supporting long-term growth of the pension fund. The Trustees continually monitor the Plan's investment performance and target asset mix to ensure the assets perform as expected.

The Plan's investment asset mix targets as at December 31, 2025 were:

Investment Manager	Type of Fund	%
BlackRock	Canadian Long Bond	30%
TD Asset Management	Canadian Real Estate	15%
CC&L	Global Equity	15%
Pier 21	Global Equity	15%
Leith Wheeler	Canadian Equity	10%
IFM	Infrastructure	10%
Fengate	Infrastructure	5%

The graph below displays the Plan's annual net investment rates of return compared to a benchmark portfolio used by the Trustees to evaluate market performance and assess asset class investments.



Over the four-year period ended December 31, 2025, the Plan returned 4.5% per annum, modestly below the benchmark return of 5.3%. The underperformance compared to the benchmark was driven primarily by weaker results from the Plan's real estate manager and two equity managers. 2024 and 2025 were difficult markets for most active equity managers to add value relative to an index benchmark, as strong market returns were heavily concentrated in a small number of stocks and sectors.

The Plan's long bonds saw negative absolute returns over the past four years due to the increase in interest rates in 2022, but these generally act in a similar way to the Plan's pension liabilities, so there are no concerns. The Plan's equity and alternative investments have been positive contributors to the Plan's overall return over the past four years.

Infrastructure was added as an asset class in 2024 to improve overall diversification of the Plan's investments. Two managers have been added to implement this mandate, and those manager allocations have now been completed (Fengate in 2024 and IFM in 2025). Both mandates have currency hedging in place to reduce foreign currency exchange volatility.

Pension Increase Effective April 2026 and Future Indexing Expectations

For those receiving a pension from the Plan, following the annual review of the Plan's Excess Interest Account (EIA), there will be an increase of 0.70% to your pension on April 30, 2026. If you retired after April 1, 2025 your increase will be pro-rated. This increase represents only a partial increase compared to the increase in the Consumer Price Index (CPI) for 2025, since the funds in the EIA could not support the full 2025 CPI increase.

Actuarial Valuation to be Prepared in 2026

Current Plan contribution rates are 10.45% of Plan Earnings for members and 18.45% of Plan Earnings for the Company, based on the actuarial valuation report as of December 31, 2022.

BC pension legislation requires that at least once every three years, an actuarial valuation be prepared to assess the funded status of the Plan and determine the required contribution rates. An actuarial valuation is due to be completed this year in order to set out contribution rates for 2027 through 2029. Since this report will be based on a measurement of December 31, 2025, current economic conditions will not impact the results.

The results of the December 31, 2025 valuation report and future contribution rates are expected to be communicated in the fall of 2026.

Finding a Financial Advisor

The Plan is designed to help you save so you can enjoy a long and happy retirement. Regardless of your stage of life or amount of wealth, you can benefit from the professional guidance and services of a qualified financial advisor.

A financial advisor may be able to assist you with:

- Debt repayment and cash flow strategies
- Investing based on your goals and risk tolerance
- Life, critical illness, and disability insurance
- Will and estate planning
- Tax reduction strategies
- Access to other professionals, such as legal or accounting services

Before hiring a financial advisor, it's a good idea to interview a few qualified individuals to make sure it's the right fit. Ask about their certifications, planning approach, and how they get paid. You have the right to know the person or organization that will be providing you with advice. Check out these resources as a starting point:

advocis.ca/find-an-advisor
fpcanada.ca/planner-directory

A solid financial plan should be flexible and subject to a regular review. Once a year is generally a good frequency to sit down with your financial advisor and check your progress, revisit your goals, and make any necessary adjustments. You should also feel comfortable contacting your advisor with questions outside of these meetings. After all, it's your money and your future.

Trustees

The Trustees of the MoveUP-FortisBC Pension Plan (the "Plan") oversee the operation of the Plan and ensures the security of the Plan assets. It is structured to have representation from FortisBC and MoveUP (the Parties). Each Party may appoint three primary Trustees, as well as one Alternate Trustee. An independent chair is jointly appointed by the Parties to facilitate the Trustee meetings and provide expertise, but is not a Trustee. The Trustees govern all aspects of the management of the Plan. They are required to act independently and in the best interest of the members of the Plan.

Alternate Trustees attend every meeting but only vote if a Primary Trustee is absent. A list of the Trustees is provided below.

Statistical Summary of 2025

FINANCIAL DATA

	2025	2024	2023
FortisBC contributions	1,993,857	1,974,540	1,766,279
Member contributions	1,130,816	1,116,416	998,217
Monthly pensions paid	2,449,224	2,301,864	2,107,291
Lump sum payments	306,454	343,747	223,325
December 31st asset market value	81,080,908	75,819,805	67,890,877

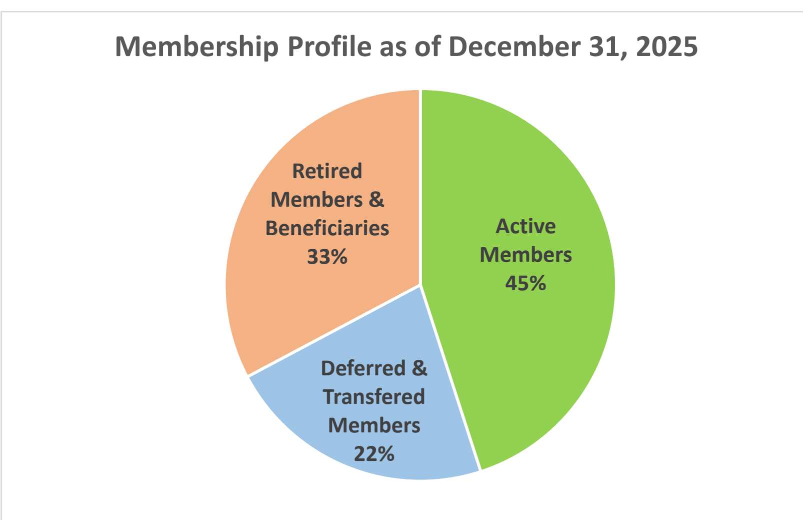
At December 31, 2022 (the date of the last valuation):

The funded ratio was: 98.6%[1]
The solvency ratio was: 107.0%[2]

[1] The Funded Ratio is the ratio that the actuarial value, or smoothed value of assets, bear to the Plan's liabilities, calculated on the basis that the Plan continues indefinitely and includes the provision for adverse deviation (PfAD).

[2] The Solvency Ratio is the ratio that the solvency value of assets bear to the Plan's liabilities calculated as if the plan were terminated. The solvency ratio also impacts contribution rates.

MEMBERSHIP DATA



	2025	2024	2023
Active Members[3]	160	159	154
Deferred & Transferred members[4]	76	77	81
Retired Members[5]	115	110	106
Total members	**351**	**341**	**336**

[3] Active members and members currently on disability.

[4] Terminated and transferred members who are still entitled to a deferred pension.

[5] Retired members, surviving spouses and limited members.

The FortisBC Pension Team is available to answer any of your pension or retirement questions:

FortisBC
16705 Fraser Highway, Surrey, BC V4N 0E8
Phone: (888) 469-8022
Email: pensions@fortisbc.com

If you wish to contact any of the Trustees below, the FortisBC Pension Team can facilitate that request.

Trustees of the Plan

	# of Meetings in 2025 (Attended vs. Total)
Judith Payne – Non-Trustee Chair	**5/5**
Janet Maloff - MoveUP	**3/5**
Dean Temme - MoveUP	**5/5**
John MacLeod - MoveUP	**4/5**
Elliott He – Company	**3/5**
Rouzbeh Mehrazma - Company	**5/5**
Sarb Bagri - Company	**5/5**
Mike Hendriks - MoveUP (Alternate)	**5/5**
Jason Cahill – Company (Alternate)	**5/5**

Information and Resources

Web Portal

Visit the online Pension Web Portal at fortisbc.hroffice.com where you can access your annual pension statements, the pension projection tool, and more!

Plan Microsite

The Plan microsite is your digital destination to learn about the Plan. Learn how different career and life stages can affect your benefits, and steps you might need to take. For members nearing retirement, find information about when you can retire, how your benefit is calculated, different payment options, and payment increases.

Get comprehensive Plan information anytime, on any device at:

fortisbcmoveuppensionplan.com/

This material has been compiled by the Trustees of the MoveUP-FortisBC Pension Plan from information provided to them and is believed to be correct. If there is any inconsistency between the contents of the newsletter and the Plan text, trust agreement or legislation, the Plan text, trust agreement and legislation will prevail.