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August 11, 2026

VIA ELECTRONIC SUBMISSION

The Canadian Securities Administrators

Submitted via: https://www.securities-administrators.ca/consultations/

Re: CSA Notice and Request for Comment – Proposed Amendments and Changes to the Issuer Bid, Take-Over Bid and Beneficial Ownership Reporting Regimes (May 14, 2026)

Dear Sirs/Mesdames:

British Columbia Investment Management Corporation ("BCI") is one of Canada's largest institutional investors, managing C$314 billion in gross assets on behalf of 33 British Columbia public sector and institutional clients as of March 31, 2026. We welcome the opportunity to comment on the Canadian Securities Administrators' ("CSA") Notice and Request for Comment, published May 14, 2026, proposing amendments to the issuer bid, take-over bid, and beneficial ownership reporting regimes (the "Notice").

BCI last commented on this regime in July 2013, in response to proposed amendments to National Instrument 62-103, National Instrument 62-104, and National Policy 62-203. Our comments below follow the structure of the Notice and are confined to the items where BCI, as a long-term institutional investor and active steward of our clients' assets, has a distinct perspective.

New Selective Repurchase Exemption

BCI supports this exemption in principle. The below-market pricing requirement is an appropriate safeguard against greenmail, and we agree that an issuer's inability to conduct negotiated repurchases can cause market overhang from blockholder dispositions, to the detriment of all shareholders.

We would ask the CSA to consider two points in finalizing the exemption. First, even a below-market repurchase raises an equal-treatment concern where only the small number of shareholders selected by the issuer receive the opportunity to sell through a negotiated transaction, while all other shareholders are limited to whatever market conditions prevail at the time. The exemption's conditions address pricing and market liquidity, but do not require that the issuer's selection of counterparties be disclosed or justified. We note some more conservative approaches in select jurisdictions. Namely, Australia requires a special resolution of the shareholders (with the selling shareholder recused from voting) before a company may conduct a selective, non-pro-rata buy-back . In the United Kingdom, an ordinary resolution of the shareholders is now the statutory minimum for an off-market purchase, following 2013 amendments to the Companies Act 2006; while a special resolution remains standard governance practice for listed companies, as reflected in Investment Association guidance.

We suggest that the final rule require disclosure of the issuer's rationale for selecting the participating shareholder(s), together with the aggregate use of the exemption over the preceding 12 months (which are included in the proposed rule). This approach is consistent with BCI's proxy voting guidelines, which recognize the board's discretion over share repurchases, provided companies operate within normal market limits, disclose sufficiently, and allow all shareholders to participate on equal terms.

Enhanced Disclosure of Equity Equivalent Derivatives

BCI supports the proposed disclosure of equity equivalent derivatives in take-over bid and proxy circulars, consistent with our 2013 support for disclosure of derivative arrangements resulting in "hidden ownership." As a long-term investor, BCI relies on complete information regarding a bidder's or soliciting shareholder's aggregate economic position to make informed tendering and voting decisions.

We wish to state explicitly that this support does not represent any change to BCI's existing opposition to a lower early warning threshold or more frequent mandatory disclosure of routine institutional holdings. The proposed disclosure is properly scoped to the take-over bid and proxy solicitation context and we would not support extending it further.

Acting Jointly or in Concert

BCI is concerned that sections 5.1(4) to (6) of NI 62-104 and section 3.5 of NP 62-203 could be read to capture routine collaborative stewardship within the "acting jointly or in concert" concept. Institutional investors regularly participate in collective engagement through member organizations primarily through group meetings with company management and boards, and occasionally through joint letters or co-filed shareholder proposals. Voting decisions always remain at each participant's discretion throughout. None of this activity is undertaken with a view to acquiring control, and we would ask the CSA to confirm that it falls outside the scope of these provisions.

We raised a version of this concern in 2013, when we asked the CSA to narrow language that would have disqualified investors from alternative monthly reporting for soliciting proxies short of seeking control of the board.

We would ask the CSA to consider one of the following approaches:

Option A (interpretive guidance): supplement NP 62-203 with illustrative examples distinguishing good-faith collaborative engagement from control-seeking concerted action, for example, confirming that co-signing a letter, participating in a collective engagement dialogue, or communicating an independently-reached voting position does not establish that persons are acting jointly or in concert. This mirrors the SEC's 2023 approach under Rule 13d-5, which relies on illustrative guidance rather than a formal exemption.

Option B (a defined threshold): adopt a bright-line rule that coordination not involving a joint solicitation of proxies, or a joint pursuit of control of a majority of the board or a fundamental corporate transaction, does not constitute "acting jointly or in concert" under these provisions. This is consistent with the position BCI advanced in 2013 and would provide greater certainty than guidance alone.

Disclosure of Plans or Future Intentions

BCI supports requiring early warning report disclosure of an acquiror's plans or intentions to reflect its actual, current thinking rather than generic reservations of future action. More timely, accurate updates support better-informed voting and tendering decisions by investors.

Removal of the 5% Market Purchase Exemption

BCI supports removing this exemption. As the Notice explains, it no longer serves its original purpose following the 2016 minimum tender requirement, and its continued availability creates the potential for a bidder to use it tactically against a competing bid which is inconsistent with BCI's support for open, competitive auction processes in change-of-control transactions.

We appreciate the opportunity to comment on the Notice and would welcome the opportunity to discuss any of the above with CSA staff. For questions or to arrange a meeting, please contact Susan Golyak, Director ESG, at [redacted].

Yours truly,

[redacted]

Daniel Garant

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British Columbia Investment Management Corporation