



GLOBAL PARTNERSHIP FUND

Pooled Fund Financial Statements

DECEMBER 2022

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

British Columbia Investment Management Corporation (BCI) manages the Global Partnership Fund (the "Fund") on behalf of governing fiduciaries such as pension fund trustees and other public sector clients. This report contains the financial statements for the Fund for the year ended December 31, 2022.

The financial statements of the Fund have been prepared by management of BCI and approved by the Chief Investment Officer/Chief Executive Officer. The financial statements have been prepared in accordance with International Financial Reporting Standards. The material accounting policies used in the preparation of these statements are disclosed in note 3 to the financial statements. The statements include certain amounts that are based on management's judgement and best estimates.

BCI's Board has established an Audit Committee. The Audit Committee's mandate includes making recommendations on the appointment of the external auditor for the Fund, reviewing the external audit plan; reviewing BCI's System and Organization Controls Report for the Investment System of British Columbia Investment Management Corporation, and reviewing the annual audited financial statements of the Fund. The Audit Committee reviews the recommendations of the internal and external auditors with respect to internal controls and the responses of management to those recommendations, and also meets with management and the internal and external auditors to review annual audit plans.

BCI maintains systems of internal control and supporting processes to provide reasonable assurance that assets are safeguarded; that transactions are appropriately authorized and recorded; and that there are no material misstatements in the financial statements. BCI's internal control framework includes: a strong corporate governance structure; a code of conduct that includes conflict of interest guidelines; an organizational structure that provides for appropriate segregation of duties and accountability for performance; an enterprise-wide risk management framework that identifies, monitors and reports on key risks; and Board-approved Fund Policies and client-approved investment mandates. BCI's system of internal control is supported by external auditors who review and evaluate internal controls and report directly to the Audit Committee.

BCI's external auditors, KPMG LLP, have full and unrestricted access to the Audit Committee and BCI management. KPMG LLP discusses with management and the Audit Committee the results of their audit of the Fund's financial statements and related findings with respect to such audits. The Fund's financial statements are audited by KPMG LLP in accordance with Canadian generally accepted auditing standards. KPMG LLP has performed such tests and other procedures as they considered necessary to express an opinion on the Fund financial statements.

[S] Gordon J. Fyfe

Gordon J. Fyfe

Chief Executive Officer / Chief Investment Officer

[S] Umar Malik

Umar Malik

Senior Vice President, Finance & CFO

Victoria, British Columbia
June 23, 2023



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INDEPENDENT AUDITOR'S REPORT

To the unitholders of the Global Partnership Fund managed by British Columbia Investment Management Corporation

Opinion

We have audited the financial statements of the Global Partnership Fund (the "Fund"), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of comprehensive loss for the year then ended
- the statement of changes in net assets attributable to holders of redeemable units for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

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 Fund 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.

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

The Manager is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as the Manager 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, the Manager is responsible for assessing the Fund'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 the Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Manager's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.



- Conclude on the appropriateness of the Manager'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 Fund'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 Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Vancouver, Canada
June 23, 2023

GLOBAL PARTNERSHIP FUND

Statement of Financial Position

(Expressed in thousands of dollars, except numbers of units)

As at December 31, 2022, with comparative information for 2021

Assets	NOTES	2022	2021
Cash		\$ 118,578	\$ —
Derivative assets:			
Swaps		104,366	68,613
Options		—	6,860
Forwards		5,014	13,550
Investments		6,466,005	4,530,748
Total assets		6,693,963	4,619,771
Liabilities			
Payable for purchase of investments		50,364	—
BCI cost recoveries payable	4	698	262
Other accounts payable		1,218	130
Derivative liabilities:			
Swaps		56,366	374
Options		—	6,404
Forwards		174,759	14,603
		283,405	21,773
Net assets attributable to holders of redeemable units		\$ 6,410,558	\$ 4,597,998
Number of redeemable units outstanding	5	4,472.250	2,810.580
Net assets attributable to holders of redeemable units per unit		\$ 1,433	\$ 1,636

Unfunded committed capital

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[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

GLOBAL PARTNERSHIP FUND

Statement of Comprehensive Loss

(Expressed in thousands of dollars)

Year ended December 31, 2022, with comparative information for 2021

Revenue	NOTES	2022	2021
Interest income		\$ 18,919	\$ 1,332
Dividend income		12,429	28,701
Securities lending income		219	748
Other income	11	185	7,327
Foreign exchange gain		3,419	2,531
Change in fair value of investments and derivatives:			
Net realized gain (loss)		(530,221)	1,344,646
Net change in unrealized appreciation		(75,930)	(354,138)
Total revenue		(570,980)	1,031,147
Expenses			
BCI cost recoveries	4	7,226	6,090
External management fees		2,756	7,052
Administrative fees		317	309
Pursuit costs		2,887	894
Withholding taxes		774	2,680
Total operating expenses		13,960	17,025
Increase (decrease) in net assets attributable to holders of redeemable units before distributions		(584,940)	1,014,122
Distributions to holders of redeemable units		(52,285)	(1,091,094)
Decrease in net assets attributable to holders of redeemable units		\$ (637,225)	\$ (76,972)

GLOBAL PARTNERSHIP FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Balance, beginning of year	\$ 4,597,998	\$ 4,728,268
Decrease in net assets attributable to holders of redeemable units	(637,225)	(76,972)
Redeemable unit transactions:		
Proceeds from units issued	2,420,309	1,194,062
Reinvestment of distributions	52,285	1,091,094
Amounts paid for units redeemed	(22,809)	(2,338,454)
Net increase (decrease) from redeemable unit transactions	2,449,785	(53,298)
Balance, end of year	\$ 6,410,558	\$ 4,597,998

GLOBAL PARTNERSHIP FUND

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2022, with comparative information for 2021

Operating activities	2022	2021
Decrease in net assets attributable to holders of redeemable units	\$ (637,225)	\$ (76,972)
Adjustments for:		
Foreign exchange gain	(3,419)	(2,531)
Net realized (gain) loss from investments and derivatives	530,221	(1,344,646)
Net change in unrealized appreciation of investments and derivatives	75,930	354,138
Non cash distributions	52,285	1,091,094
BCI cost recoveries payable	436	220
Other accounts payable	1,088	59
Net sale (purchase) of investments	(2,301,657)	1,120,499
	(2,282,341)	1,141,861
Financing activities		
Proceeds from issuance of redeemable units	2,420,309	1,194,062
Payments on redemption of redeemable units	(22,809)	(2,338,454)
	2,397,500	(1,144,392)
Net increase (decrease) in cash	115,159	(2,531)
Effect of exchange rate changes on cash	3,419	2,531
Cash, beginning of year	—	—
Cash, end of year	\$ 118,578	\$ —

GLOBAL PARTNERSHIP FUND

Schedule of Investments

(Expressed in thousands of dollars)

Year ended December 31, 2022, with comparative information for 2021

	2022		2021	
	Fair Value	Cost	Fair Value	Cost
Private Equity Investments ¹	\$ 4,740,754	\$ 4,282,009	\$ 2,680,642	\$ 2,512,123
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Fund ST1	2,544	2,544	484	484
Fund ST3	27,886	28,226	136,365	138,465
	30,430	30,770	136,849	138,949
Floating Rate Funds				
Units in BCI Pooled Investment Portfolio				
CDOR 4 Floating Rate Fund	714,674	714,195	571,382	571,650
Equity Investments				
Units in BCI Pooled Investment Portfolio				
Active Global Equity Fund	980,147	1,091,624	1,141,875	1,074,076
Total Investments	\$ 6,466,005	\$ 6,118,598	\$ 4,530,748	\$ 4,296,798

¹ The private equity investments are held through private corporations and a trust.

GLOBAL PARTNERSHIP FUND

Derivative Assets and Liabilities

(Expressed in thousands of dollars)

Year ended December 31, 2022, with comparative information for 2021

	2022			2021		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
		Derivative Assets ^(b)	Derivative Liabilities		Derivative Assets ^(b)	Derivative Liabilities
Equity derivatives						
OTC						
Swaps	\$ 5,609,236	\$ 104,366	\$ (56,366)	\$ 3,190,247	\$ 68,613	\$ (374)
Options - Purchased	—	—	—	326	6,860	(6,404)
Currency derivatives						
OTC						
Forwards	4,665,226	5,014	(174,759)	2,808,324	13,550	(14,603)
Total	\$ 10,274,462	\$ 109,380	\$ (231,125)	\$ 5,998,897	\$ 89,023	\$ (21,381)

The terms of maturity based on notional value for the derivatives were as follows at December 31:

	2022	2021
Less than 1 year	\$ 10,274,462	\$ 5,998,897
Total	\$ 10,274,462	\$ 5,998,897

(a) Notional value represents the net absolute value of the contractual amount to which a rate or price is applied in order to calculate the exchange of cash flows and is therefore not recorded in the financial statements. Notional amounts do not necessarily indicate the amounts of future cash flows or the current fair value of the derivative contracts and, therefore do not necessarily indicate the Fund's exposure to credit or market risk.

(b) The fair value of derivative contracts recorded as an asset represents the credit risk or the loss to which the Fund is potentially exposed should counterparties fail to perform under the derivative contract.

1. THE PORTFOLIOS

British Columbia Investment Management Corporation ("BCI") was established under the *Public Sector Pension Plans Act* as a trust company authorized to carry on trust business and investment management services. The address of BCI's registered office is at 750 Pandora Avenue, Victoria, British Columbia, Canada. These financial statements have been prepared by BCI and are the responsibility of BCI management.

Under the *Act* and the *Pooled Investment Portfolios Regulation*, B.C. Reg. 447/99 (the "Regulations"), BCI may establish and operate Funds "... in which money from trust funds, special funds or other funds, other public money and the money of government bodies and designated institutions may be combined in common for the purpose of investment by means of investment units of participation in a pooled investment portfolio." In addition, Funds previously established under the *Financial Administration Act* and the *Pooled Investment Portfolios Regulation*, B.C. Reg. 84/86, were continued under the Regulations, to be held in trust by BCI and invested by the Chief Investment Officer ("CIO") of BCI.

The Global Partnership Fund ("the Fund") was established on July 1, 2019.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"). These financial statements were authorized for issue by the Chief Executive Officer / Chief Investment Officer on June 23, 2023.

(b) Accounting for investments

The Fund qualifies as an investment entity as it meets the following definition of an investment entity outlined in IFRS 10, *Consolidated Financial Statements (IFRS 10)*:

- Obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services.
- Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both.
- Measures and evaluates the performance of substantially all of its investments on a fair value basis.

(c) Basis of measurement

These financial statements have been prepared on a historical cost basis except for investments, derivative financial instruments, and redeemable units which are measured at fair value.

(d) Functional and presentation currency

These financial statements are presented in Canadian dollars which is the Fund's functional currency

(e) Use of estimates and judgment

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. In determining the fair value of some of its investments, BCI reviews and assesses external managers' and/or external appraisers' estimates and assumptions regarding investment industry performance and prospects, as well as general business and economic conditions that prevail or are expected to prevail. By nature, these asset valuations are subjective and do not necessarily result in precise determinations. Financial results as determined by actual events could differ from those estimates and assumptions, and the difference could be material.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future period affected. Information

about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next fiscal year is included in note 8. This information relates to the determination of fair value of investments with significant unobservable inputs.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Financial instruments

(i) Recognition and measurement

Financial instruments are required to be classified into one of the following categories: amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). All financial instruments are measured at fair value on initial recognition. Measurement in subsequent periods depends on the classification of the financial instrument. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments classified as FVTPL in which case transaction costs are expensed as incurred.

Financial assets and financial liabilities are recognized initially on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. The Fund derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position only when the Fund has a legal right to offset the amounts and intend either to settle on a net basis or to realize the asset and settle the liability simultaneously.

A financial asset is measured at amortized cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows and sell financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition the Fund irrevocably elects to measure financial assets that otherwise meet the requirements to be measured at amortized cost or at FVOCI as at FVTPL when doing so results in more relevant information.

Financial assets are not reclassified subsequent to their initial recognition, unless the Fund changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Fund has not classified any of its financial assets as FVOCI.

A financial liability is generally measured at amortized cost, with exceptions that may allow for classification as FVTPL. These exceptions include financial liabilities that are mandatorily measured at fair value through profit or loss, such as derivative financial liabilities. On initial recognition the Fund irrevocably designates a financial liability as measured at FVTPL when doing so results in more relevant information.

(ii) Fair value through profit or loss

Financial instruments classified as FVTPL are subsequently measured at fair value at each reporting period with changes in fair value recognized in the Statement of Comprehensive Income in the period in which they occur.

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 at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

The fair value of financial assets and liabilities that are not traded in an active market, including non-publicly traded derivative financial instruments, is determined using valuation techniques. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and others commonly used by market participants and which make the maximum use of observable inputs. Should the value of the financial asset or liability, in the opinion of BCI, be inaccurate, unreliable or not readily available, the fair value is estimated on the basis of the most recently reported information of a similar financial asset or liability.

(iii) Amortized cost

Financial assets and liabilities classified as amortized cost are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement is at amortized cost using the effective interest method, less any impairment losses.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(iv) Classification of financial assets and liabilities

The following table summarizes the classification of the Funds' financial assets and liabilities:

FINANCIAL ASSET OR LIABILITY	CLASSIFICATION
Investments	FVTPL
Derivative financial instruments	FVTPL
Redeemable units	FVTPL
Cash	Amortized cost
Payable for purchase of investments	Amortized cost
BCI cost recoveries payable	Amortized cost
Other accounts payable	Amortized cost

(b) Redeemable Units

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. In accordance with the Regulations, the Fund is required to distribute, to unitholders of the Fund's redeemable units, the taxable income and taxable capital gains of the Fund at least annually. Accordingly, such units are classified as financial liabilities at FVTPL and measured at redemption amount. Distributions to holders of redeemable units are recognized in the Statement of Comprehensive Income when they are authorized and no longer at the discretion of BCI.

(c) Issues and redemption of units

Participation in the Fund is expressed in units. The initial value of a unit on inception is \$1 million. For each subsequent unit issuance and redemption, the unit value is determined by dividing the fair value of the net assets of the portfolio by the total number of units outstanding. Where one Fund invests in another Fund, the unit issuances and redemptions are transacted on the same basis as client transactions. All unit transactions are recorded on a trade date basis. The Fund was open participation throughout the year where the number of units available for issue was unlimited and the proportion of units issued or redeemed by each client on a particular valuation date depended on changes to their desired asset allocation.

(d) Foreign exchange

Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign currency gains and losses are recognized in the Statement of Comprehensive Income.

(e) Revenue recognition

Interest income is recognized on an accrual basis using the effective interest method. Dividend income is recognized on the date that the right to receive payment is established, which for quoted equity securities is usually the ex-dividend date. Portfolio transactions are recorded on the trade date. Realized gains and losses arising from the sale of investments are determined using the average cost basis of the respective investments.

(f) Fees and commission expense

Commissions, stock exchange fees and other identifiable transaction costs that are directly attributable to the acquisition or disposal of an investment are expensed as incurred. Pursuit costs are charged to net income of the Fund in the period incurred.

(g) Securities lending

Securities lending contracts are entered into for the temporary delivery of securities to a borrower in exchange for different securities having a higher market value (collateral), with an obligation for the borrower to redeliver the same quantity of the original securities lent at a future date. The lender receives a fee from the borrower, and retains the rights to receive equivalent interest payments or dividends from the loaned securities. The Fund continues to recognize the securities in their entirety in the Statement of Financial Position as the Fund retains all of the risks and rewards of ownership. Securities lending income is recognized over the term of the arrangement. The credit risk related to securities lending transactions is limited by the fact that the value of securities held as collateral by the Fund is at least 105% of the market value of the securities loaned.

(h) Income taxes

The Fund is immune from income taxation in Canada under the Constitution Act. All of the Fund's net income for tax purposes and net capital gains realized in any period are required to be distributed to unitholders pursuant to the Regulations. Income taxes associated with any of the Fund's underlying investments are accounted for in determining the fair value of the respective investments.

(i) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations as listed below are not yet effective for the year ended December 31, 2022, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Fund.

Effective on January 1, 2023:

- IFRS 17 - Insurance contracts
- Amendments to IFRS 17
- Disclosure of accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of accounting estimates (Amendments to IAS 8)
- Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12 Income Taxes
- Initial Application of IFRS 17 and IFRS 9 - Comparative information (Amendments to IFRS 17)

Effective on January 1, 2024:

- Classification of liabilities as current or non-current (Amendments to IAS 1)
- Lease liability in a sale and leaseback (Amendments to IFRS 16)
- Non-current liabilities with covenants (Amendments to IAS 1)

4. RELATED PARTY TRANSACTIONS

The Fund's related parties include BCI, QuadReal Property Group Limited Partnership and affiliates ("QuadReal"), the Province of British Columbia and related entities, investments where a Fund has a controlling interest or significant influence, entities with common ownership, and other related entities for which a Fund provides investment management services. QuadReal is an independently operated company, owned by BCI, which manages the Mortgage and Real Estate Programs pursuant to an Asset Management Agreement as agreed between BCI and QuadReal. The Fund had the following transactions with related parties during the year.

Investments

Where one Fund invests in another Fund, the unit issuances and redemptions are transacted on a basis equivalent to those in an arm's length transaction.

The Funds enter into investment transactions with related parties in the normal course of business. The terms of the respective purchases and sales are equivalent to those prevailing in an arm's length transaction, with each Fund's interests represented by different BCI personnel.

BCI Cost Recoveries

Third party costs that are attributable to the Fund are charged to the Fund. Other costs initially borne by BCI are recovered from the Fund. BCI cost recoveries and corresponding payable are disclosed in the Fund's Statement of Comprehensive Income and Statement of Financial Position, respectively.

5. REDEEMABLE UNITS

The Fund is authorized to issue an unlimited number of units. Units issued and outstanding represent the capital of the Fund. The Fund is not subject to any internally or externally imposed restrictions on its capital. BCI manages the capital of the Fund in accordance with the Fund's investment objectives, including managing the redeemable units to ensure a stable base to maximize returns to all investors, and managing liquidity in order to meet redemptions. The following is a summary of the changes in redeemable units outstanding during the year ended December 31:

	2022	2021
Outstanding, beginning of year	2,810.580	3,573.348
Issued for cash	1,677.529	818.410
Issued on reinvestment of distributions	34.073	737.424
Consolidation of units	(34.073)	(737.424)
Redeemed	(15.859)	(1,581.178)
Outstanding, end of year	4,472.250	2,810.580

6. UNFUNDED COMMITTED CAPITAL

Unfunded capital commitments represent total commitments minus net contributions outstanding as of the reporting date. Net contributions equals contributions less any callable capital distributions. Callable capital are distributions or previously contributed capital that has been returned, that may be recalled at some future date. Thus, due to changes in callable capital, unfunded commitments may change at different reporting dates.

As at December 31, the Fund's contractual undiscounted cash commitments that can be called on demand are as follows:

	2022	2021
Unlisted Private Equity Investee Funds	\$ 680,818	\$ 689,844

7. FINANCIAL RISK MANAGEMENT

(a) Risk management framework

The investment objective of the Fund is to exceed the returns related to the Fund's benchmark, the Morgan Stanley Capital International (MSCI) World ex-Canada Net Index (the "Index") on a risk adjusted basis. The primary purpose for investing in the Fund is to provide exposure to absolute returns and direct/co-investment opportunities through active and passive global equities.

The Fund invests in the following securities:

- Publicly traded common stock or common stock equivalents;
- Exchange traded funds;
- Privately negotiated investment securities, including but not limited to, trust units, partnership interests, shares, debt instruments, convertible securities, rights, and warrants;
- Senior and subordinated debt, and other fixed income investments, such as but not limited to, mezzanine debt, private debt, asset backed debt, collateralized loan obligations, partnership interests, and publicly traded shares of private debt pools;
- Units in pooled funds of external managers provided the underlying investments comply with the Fund's Investment Policies;
- Derivative instruments for the purposes of managing risk, enhancing returns and liquidity, lowering transaction costs, implementing synthetic indexing, and managing exposures; and
- Units in public markets' pooled investment portfolios managed by BCI including, but not limited to, the Active Global Equity Fund, Canadian Money Market Fund (ST1), Canadian Money Market Fund (ST2), US Dollar Money Market Fund (ST3), US Dollar Money Market Fund (ST4); and the Floating Rate Funds.

The following restrictions apply to the Fund:

- A minimum of 95% of the gross exposure of the Absolute Return component of the Fund will be invested in securities (public or private) of issuers whose country is classified as a developed or emerging market by the Index;
- The Fund may use leverage up to 75% of its net asset value; and
- In meeting its fiduciary duty to all unitholders, no direct investment or co-investment will be sold solely to meet a redemption request; and
- At inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent rating from another credit rating agency.

The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objectives. In the normal course of business, the Fund is exposed to financial risks including credit risk, liquidity risk, and market risk (including interest rate risk, currency risk and other price risk).

The Fund holds its private equity investments through private corporations and a trust. The private corporations and the trust hold the following net assets:

	2022		2021	
	Total	% of Total	Total	% of Total
Net investment-related receivables	\$ 41,012	0.9 %	\$ 11,418	0.4 %
Direct private debt investments	527,901	11.1	289,210	10.8
Unlisted private equity investee funds	3,864,881	81.5	2,313,960	86.3
Direct private equity investments	306,941	6.5	65,968	2.5
BCI money market funds	19	0.0	86	0.0
Total	\$ 4,740,754	100.0 %	\$ 2,680,642	100.0 %

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of underlying investments held by the Fund have been considered.

(b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. It arises principally from debt securities held and derivative financial assets. The carrying value of these financial instruments as recorded in the Statement of Financial Position reflects the Fund's maximum exposure to credit risk.

The Fund holds direct private debt investments which are subject to credit risk. The following table outlines the direct private debt investments held and the related credit rating. As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings.

INVESTMENTS BY CREDIT RATING	2022		2021	
	Total	% of Total	Total	% of Total
Not rated	\$ 527,901	100.0 %	\$ 289,210	100.0 %
Total	\$ 527,901	100.0 %	\$ 289,210	100.0 %

To avoid undue credit risk, the Fund has established specific investment criteria, such as minimum credit ratings for investees and counterparties. Counterparty risk represents the credit risk from current and potential future exposure related to transactions involving derivative contracts and securities lending. In order to minimize counterparty risk, counterparties are required to provide adequate collateral and meet minimum credit rating requirements. BCI management frequently monitors the credit rating of its counterparties as determined by recognized credit rating agencies.

For OTC derivatives, BCI's policy also requires the use of the International Swaps and Derivative Association (ISDA) Master Agreement with all counterparties to derivative contracts. The ISDA Master Agreement

provides the contractual framework within which dealing activities across a full range of OTC products are conducted. In the case of OTC-cleared derivatives, trading activities are regulated between parties under terms that are customary to such transactions.

As a credit mitigation technique, the ISDA Master Agreement contractually binds counterparties to close-out netting provisions in the case of default by one of the counterparties. Additionally, the Credit Support Annex (CSA) to the ISDA Master Agreement enables BCI to realize any collateral placed with it in the case of default of the counterparty. The CSA also requires BCI to contribute further collateral when requested. All collateral transactions under the CSA are high-quality debt instruments or securities. The CSA also regulates the exchange of collateral when the credit exposure to a counterparty exceeds a predetermined threshold. BCI and its counterparties are generally not authorized to sell, repledge or otherwise use collateral held with respect to derivative contracts.

The Fund's activities may also give rise to settlement risk. Settlement risk is the risk of loss due to failure of an entity to honour its obligations to deliver cash, securities, or other assets prior to the settlement of the transaction as contractually agreed. All investment transactions are settled or paid upon delivery with approved brokers. The risk of default is mitigated since the delivery of securities sold is made simultaneously with the broker receiving payment. Payment is made on a purchase once the securities have been received by the broker. The trade fails if either party fails to meet its obligations.

The Fund invests in derivative contracts which inherently have counterparty risk. The credit risk of each counterparty is monitored through the evaluation of the credit quality of each counterparty that transacts with the Fund. Collateral management is centralized by BCI and collateral is held and pledged on a net basis with each counterparty generally at a value equal to the underlying derivative financial instrument. The credit risk exposure of derivative instruments, by credit rating category, without taking account of any collateral held at December 31 is as follows:

DERIVATIVES BY CREDIT RATING	2022				2021			
			Fair Value				Fair Value	
	Notional Value		Derivative Assets	Derivative Liabilities	Notional Value		Derivative Assets	Derivative Liabilities
AAA/AA	\$ 3,412,777	\$	10,341	\$ (98,823)	\$ 472,956	\$	5,051	\$ (1,247)
A	6,861,685		99,039	(132,302)	5,525,941		83,972	(20,134)
Total Derivatives	\$ 10,274,462	\$	109,380	\$ (231,125)	\$ 5,998,897	\$	89,023	\$ (21,381)

Collateral Pledged and Received

BCI is party to derivative contracts that involve pledging and holding collateral. The following table illustrates the fair value of such collateral:

COLLATERAL	2022	2021
Collateral received	\$ 80,494	\$ 68,695

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Fund's financial assets include unlisted private equity investee funds, direct private equity and debt investments, which are generally illiquid. As a result, the Fund may not be able to liquidate some of its investments in these instruments in due time to meet its obligations when they become due. However, the CIO may obtain funding from unitholders of the Fund through additional unit issuances to meet the Fund's ongoing liquidity requirements.

BCI's approach to managing liquidity risk is to ensure, as far as possible, that the Fund has sufficient liquidity to meet its liabilities when due. The Fund is exposed to the liquidity risk associated with the requirement to redeem units. Units of a Fund may only be acquired by eligible clients or client groups in

accordance with the respective Fund's purchasing limits that may be established by the CIO. In order to protect the interest of all clients, the CIO may also establish redemption limits for each Fund. The purchase and redemption limits may vary depending on market circumstances, client demand, and the liquidity of the underlying investments.

The Fund's cash position is monitored on a daily basis. In general, investments in cash and BCI Money Market Funds are expected to be highly liquid. BCI management utilizes appropriate measures and controls to monitor liquidity risk in order to ensure that there is sufficient liquidity to meet financial obligations as they come due. The Fund's liquidity position is monitored daily by taking into consideration future forecasted cash flows. This helps to ensure that sufficient cash reserves are available to meet forecasted cash outflows.

The Fund's non-derivative liabilities are due within three months of the year-end of the Fund.

The following were the contractual maturities of derivative financial assets and derivative financial liabilities as at December 31.

2022						
	Carrying value	Less than 1 year	1 to 2 years	Over 2 years	Total	
Derivative assets	\$ 109,380	\$ 109,380	\$ —	\$ —	\$ 109,380	
Derivative liabilities	(231,125)	(231,125)	—	—	(231,125)	
	\$ (121,745)	\$ (121,745)	\$ —	\$ —	\$ (121,745)	

2021						
	Carrying value	Less than 1 year	1 to 2 years	Over 2 years	Total	
Derivative assets	\$ 89,023	\$ 89,023	\$ —	\$ —	\$ 89,023	
Derivative liabilities	(21,381)	(21,381)	—	—	(21,381)	
	\$ 67,642	\$ 67,642	\$ —	\$ —	\$ 67,642	

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Fund's income or the fair value of its holdings of financial instruments. The Fund's strategy for the management of market risk is driven by the Fund's investment objective.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market interest rates.

Money market investments and private debt investments are subject to interest rate risk. Money market funds invest in short-term investments and have low interest rate risk. The Fund's directly held private debt instruments are comprised of one variable rate debt instrument and fixed rate debt instruments with maturities typically ranging up to 7 years (2021 - 4 years). Lending rates are generally based on LIBOR plus a risk and liquidity premium. As a result, the Fund is not exposed to significant interest rate fair value risk. As at December 31, the Fund invested in the following debt instruments:

2022				2021		
	Carrying Value	Interest Rate	Maturity Date	Carrying Value	Interest Rate	Maturity Date
Fixed rate debt	\$ 222,903	8.8 %	2025 to 2026	189,128	0.5%-8.0%	2025 to 2026
Variable-rate debt	304,998	6.3% - 10%	2029	\$ 100,082	1.0%-10.25%	2029

The Fund is not exposed to significant interest rate risk through its investment in CDOR 4 Floating Rate Fund as the securities held are floating rate instruments.

Interest rate benchmark reform

A fundamental reform of major interest rate benchmarks has been taking place globally. The reform aimed to replace some interbank offered rates ("IBORs") with Risk-Free Rates ("RFRs") for certain products (referred to as "IBOR reform"). The Fund's exposure to IBOR reform is through its investments in derivative financial instruments that are being replaced or reformed as part of this market-wide initiative.

The main risks to which the Fund has been exposed as a result of IBOR reform are operational resulting from, for example, communicating with counterparties, amending contracts or existing fallback clauses, updating systems and processes that use IBOR curves and the revision of operational controls related to the reform. Financial risk is predominantly limited to interest rate risk.

BCI established a working group which includes stakeholders from key impacted departments to monitor and manage the Funds' transition to RFRs. The working group evaluates the extent to which operational systems are impacted by the IBOR reform, updates and provides guidance on the transition to relevant stakeholders, and promotes awareness of changes to relevant stakeholders. To date, BCI has successfully adapted internal systems and processes and continues to monitor market and regulatory developments to ensure ongoing organizational readiness.

For derivative financial instruments, the Fund has adhered to the International Swaps and Derivatives Association ("ISDA") Fallbacks Protocol that took effect January 25, 2021, which provides an efficient mechanism to switch to Alternative Benchmark Rates ("ABRs") as IBORs become unavailable.

The following table presents the fair value of non-derivative financial instruments and the notional value of derivative financial instruments referencing IBORs subject to IBOR reform that have yet to transition to ABRs and maturing after the date of permanent cessation as at December 31, 2022

Pooled Investment Portfolios	Non-derivative financial assets	Derivative financial assets (notional)
Global Partnership Fund	96,305	—

(ii) **Currency risk**

At December 31, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows. The table includes foreign currency contracts.

2022					
CURRENCY		Net Investments, Derivatives and Investment- Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets
British Pound Sterling	\$	410,837	\$ (411,503)	\$ (666)	— %
Euro		211,506	(214,581)	(3,075)	—
United States Dollar		4,264,924	(4,216,191)	48,733	0.8
Net Foreign Exchange Exposure	\$	4,887,267	\$ (4,842,275)	\$ 44,992	0.8 %

2021					
CURRENCY		Net Investments, Derivatives and Investment- Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets
British Pound Sterling	\$	197,903	\$ (188,013)	\$ 9,890	0.2 %
Euro		15,433	(15,433)	—	0.0
United States Dollar		2,603,622	(2,600,967)	2,655	0.1
Net Foreign Exchange Exposure	\$	2,816,958	\$ (2,804,413)	\$ 12,545	0.3 %

As at December 31, 2022, if the Canadian dollar had strengthened/weakened by 1% in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased, by \$450 (2021 - \$125), representing 0.0% of the Fund's net assets (2021 - 0.0%). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

(iii) **Other price risk**

Other price risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market.

All financial instruments are subject to other price risk and a potential loss of capital. The maximum risk is determined by the market value of the financial instruments. There are established investment criteria for the Fund related to diversification of investments and investment mandates for external managers to avoid undue market risk. BCI management monitors active price risk on a monthly basis. Tracking error and beta statistics for all equity Funds are compiled to review that the level of risk is consistent with the Fund's objective.

Management monitors the concentration of risk for equity securities based on industry and geographic location. As at December 31, the Fund's public equity, private equity, private debt and equity derivative investments are exposed to the following industries:

(All amounts expressed in thousands of dollars, unless otherwise noted)

INDUSTRY SECTOR	2022		2021	
	Total	% of Total	Total	% of Total
Direct Private Equity and Debt Investments and Equity Derivatives:				
Consumer Discretionary	\$ 771,396	6.8 %	\$ 634,221	9.0 %
Consumer Staples	455,934	4.0	228,550	3.2
Energy	295,023	2.6	90,121	1.3
Financials	889,958	7.8	402,406	5.7
Health Care	991,217	8.7	424,949	6.0
Industrials	700,345	6.2	331,446	4.7
Information Technology	1,266,680	11.1	865,003	12.4
Materials	240,890	2.1	129,027	1.8
Real Estate	155,919	1.4	93,182	1.3
Telecommunication Services	369,459	3.3	277,355	3.9
Transportation	130,820	1.2	—	0.0
Utilities	180,995	1.6	88,165	1.2
Other	68,439	0.6	50,535	0.7
	6,517,075	57.4	3,614,960	51.2
Unlisted Private Equity Investee Funds in diversified industries	3,864,881	34.0	2,313,960	32.7
Active Global Equity Fund in diversified industries	980,147	8.6	1,141,875	16.1
	4,845,028	42.6	3,455,835	48.8
Total	\$ 11,362,103	100.0 %	\$ 7,070,795	100.0 %

As at December 31, the Fund's public equity fund, direct private equity, direct private debt, and equity derivative investments were exposed to the following geographic regions:

GEOGRAPHIC REGION	2022		2021	
	Total	% of Total	Total	% of Total
Direct Private Equity and Debt Investments and Equity Derivatives:				
Australia	\$ 138,967	1.2 %	\$ 73,073	1.0 %
Austria	4,193	0.0	2,851	0.0
Belgium	14,831	0.1	7,400	0.1
Brazil	5,375	0.0	3,710	0.1
Chile	865	0.0	386	0.0
China	15,700	0.1	9,633	0.1
Denmark	49,816	0.4	25,262	0.4
Finland	21,382	0.2	11,747	0.2
France	173,774	1.5	101,544	1.4
Germany	134,573	1.2	81,179	1.1
Hong Kong	49,964	0.4	22,962	0.3
Ireland	9,880	0.1	6,481	0.1
Israel	11,454	0.1	6,073	0.1
Italy	33,412	0.3	19,646	0.3
Japan	368,545	3.2	210,187	3.0
Korea	958	0.0	—	0.0
Netherlands	89,122	0.8	51,371	0.7
New Zealand	4,006	0.0	2,686	0.0
Norway	11,945	0.1	5,499	0.1
Poland	—	0.0	130	0.0
Portugal	3,142	0.0	1,436	0.0
Russia	—	0.0	225	0.0
Saudi Arabia	—	0.0	975	0.0
Singapore	27,514	0.2	11,076	0.2
South Africa	5,835	0.1	2,851	0.0
Spain	43,526	0.4	21,318	0.3
Sweden	51,742	0.5	34,884	0.5
Switzerland	98,781	0.9	99,030	1.4
Taiwan	—	0.0	1,665	0.0
United Kingdom	496,344	4.4	307,307	4.3
United States	4,619,807	40.9	2,476,940	35.3
Diversified	31,622	0.3	15,433	0.2
	6,517,075	57.4	3,614,960	51.2
Unlisted Private Equity Investee Funds diversified globally	3,864,881	34.0	2,313,960	32.7
Active Global Equity Fund diversified globally	980,147	8.6	1,141,875	16.1
	4,845,028	42.6	3,455,835	48.8
Total	\$ 11,362,103	100.0 %	\$ 7,070,795	100.0 %

The fair value of these investments fluctuates in response to specific investee developments, rather than from changes in the general level of market prices. Accordingly, sensitivity analysis that would measure the impact to changes in the general level of market prices has not been provided as BCI does not believe this information would be meaningful.

As at December 31, 2022, had the fair value of the investments including equity derivatives increased or decreased by 10%, with all other variables held constant, net assets attributable to holders of

redeemable units would have increased or decreased by approximately \$653,901 (2021 - 428,725), representing 10.2% (2021 - 9.3%) of the Fund's net assets attributable to holders of redeemable units. Actual trading results may differ from the above sensitivity analysis and the difference could be material.

The COVID-19 pandemic, geopolitical tensions, and rising inflation and interest rates are continuing to disrupt global economic activity and create high levels of uncertainty and volatility on financial markets.

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) 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 at the measurement date.

The Fund uses widely recognized valuation methods for determining the fair value of common and more simple financial instruments such as foreign currency contracts and money market instruments that use only observable market data which requires little management judgment and estimation. Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other factors used in estimating discount rates, money market prices, and foreign currency exchange rates in estimating valuations of foreign currency contracts.

Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives. 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 products and markets and is prone to changes based on specific events and general conditions in the financial markets.

(b) Valuation framework

When third party information, such as broker quotes or pricing services, is used to measure fair value, then management assesses and documents the evidence obtained from third parties to support the conclusion that such valuations meet the requirements of IFRS. This includes:

- verifying that the broker or pricing service is approved by the Fund 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;
- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
- if a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

(c) Fair value hierarchy

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Fund determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1 inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2 inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 inputs that are unobservable.

The tables below analyze financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the Statement of Financial Position. All fair value measurements below are recurring.

	2022				2021			
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total
Net investment-related receivables	\$ —	\$ 41,012	\$ —	\$ 41,012	\$ —	\$ 11,418	\$ —	\$ 11,418
Public equities	—	—	—	—	—	—	—	—
Direct private debt investments	—	—	527,901	527,901	—	—	289,210	289,210
Unlisted private equity investee funds	—	—	3,864,881	3,864,881	—	—	2,313,960	2,313,960
Direct private equity investments	—	—	306,941	306,941	—	—	65,968	65,968
BCI money market funds	30,449	—	—	30,449	136,935	—	—	136,935
BCI floating rate funds	714,674	—	—	714,674	571,382	—	—	571,382
BCI public equity funds	980,147	—	—	980,147	1,141,875	—	—	1,141,875
Total	\$ 1,725,270	\$ 41,012	\$ 4,699,723	\$ 6,466,005	\$ 1,850,192	\$ 11,418	\$ 2,669,138	\$ 4,530,748
Swaps, net	—	48,000	—	48,000	—	68,239	—	68,239
Options, net	—	—	—	—	—	456	—	456
Forwards, net	—	(169,745)	—	(169,745)	—	(1,053)	—	(1,053)
Total derivatives	\$ —	\$ (121,745)	\$ —	\$ (121,745)	\$ —	\$ 67,642	\$ —	\$ 67,642
				—				—
Total	\$ 1,725,270	\$ (80,733)	\$ 4,699,723	\$ 6,344,260	\$ 1,850,192	\$ 79,060	\$ 2,669,138	\$ 4,598,390

During 2022 and 2021, there were no significant transfers between Level 1 and Level 2.

The carrying amount of the Fund's net assets attributable to holders of redeemable units also approximates fair value as they are measured at redemption amount and are classified as Level 2 in the fair value hierarchy.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

2022					
	Direct Private Equity Investments	Unlisted Private Equity Investee Funds	Direct Private Debt Investments	Total	
Opening balance, beginning of year	\$ 65,968	\$ 2,313,960	\$ 289,210	\$	2,669,138
Total gains (losses) recognized in profit or loss	(8,963)	275,865	25,901		292,803
Purchases	268,635	1,424,965	344,322		2,037,922
Sales	(18,699)	(149,909)	(131,532)		(300,140)
Closing balance, end of year	\$ 306,941	\$ 3,864,881	\$ 527,901	\$	4,699,723
Total unrealized gains for the year included in profit or loss related to level 3 investments held at the reporting date	\$ 8,425	\$ 262,770	\$ 20,632	\$	291,827

2021					
	Direct Private Equity Investments	Unlisted Private Equity Investee Funds	Direct Private Debt Investments	Total	
Opening balance, beginning of period	\$ —	\$ 1,390,087	\$ 158,094	\$	1,548,181
Total gains recognized in profit or loss	7,007	122,341	26,205		155,553
Purchases	72,373	1,457,032	217,905		1,747,310
Transfers	—	—	—		—
Sales	(13,412)	(655,500)	(112,994)		(781,906)
Closing balance, end of period	\$ 65,968	\$ 2,313,960	\$ 289,210	\$	2,669,138
Total unrealized gains for the period included in profit or loss related to level 3 investments held at the reporting date	\$ 5,287	\$ 120,813	\$ 26,422	\$	152,522

During 2022 and 2021, there were no significant transfers into or out of Level 3.

(i) Significant Unobservable Inputs Used in Measuring Fair Value

The following table sets out information about significant unobservable inputs used at year-end in measuring the fair value of investments categorized as Level 3 in the fair value hierarchy as at:

2022							
	Fair Value	Valuation Technique	Unobservable Input	Amount/Range	Weighted Average	Sensitivity to Change in Significant Unobservable Input	
Direct Private Equity Investments	\$ 304,873	Net Asset Value	Net Asset Value	\$ 304,873	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).	
Direct Private Equity Investments	\$ 2,068	Discounted Cash Flows	Discount rate	11.3%	N/A	The estimated fair value would increase (decrease) if the discount rate was lower (higher).	
Unlisted Private Equity Investee Funds	\$ 3,741,991	Net Asset Value	Net Asset Value	\$ 3,747,611	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).	
Unlisted Private Equity Investee Funds	\$ 122,890	Adjusted Net Asset Value	Adjusted Net Asset Value	\$ 122,890	N/A	The estimated fair value would increase (decrease) if: - the net asset value was higher (lower); - the fair value adjustment was lower (higher).	
Direct Private Debt Investments	\$ 181,027	Transaction Price	N/A	N/A	N/A	N/A	
Direct Private Debt Investments	\$ 346,874	Discounted Cash Flows	Discount rate	7.7% - 15.7%	13.0%	The estimated fair value would increase (decrease) if the discount rate was lower (higher).	

2021							
	Fair Value		Valuation Technique	Unobservable Input	Amount/Range	Weighted Average	Sensitivity to Change in Significant Unobservable Input
Direct Private Equity Investments	\$ 50,535		Net Asset Value	Net Asset Value	\$ 50,535	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).
Direct Private Equity Investments	\$ 15,433		Transaction Price	N/A	N/A	N/A	N/A
Unlisted Private Equity Investee Funds	\$ 2,308,883		Net Asset Value	Net Asset Value	\$ 2,308,883	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).
Unlisted Private Equity Investee Funds	\$ 5,077		Transaction Price	N/A	N/A	N/A	N/A
Direct Private Debt Investments	\$ 289,210		Discounted Cash Flows	Discount rate	6.8% - 11.6%	9.6%	The estimated fair value would increase (decrease) if the discount rate was lower (higher).

Significant unobservable inputs are developed as follows:

Discount Rate:

Represents the discount rate applied to the projected future cash flows of each investment. Discount rates and projected cash flows are based on various investment-specific and macroeconomic inputs and assumptions. Discount rates are adjusted to reflect the risk inherent in the projected cash flows.

Net Asset Value:

Represents the net asset value of unlisted private equity investee funds and direct private equity investments. BCI management values these funds primarily based on the latest available financial information provided by their general partners.

The unlisted private equity investee funds are subject to redemption restrictions and accordingly the Fund is unable to dispose of the investee until the maturity or wind up and liquidation of the respective investee. In such cases, it is the Fund's policy to categorize the investee as Level 3 within the fair value hierarchy.

Adjusted Net Asset Value:

Represents the adjusted net asset value of the unlisted private equity investee funds. BCI management values these funds primarily based on the latest available financial information provided by their general partners, adjusted based on judgment, on an investee by investee basis, through review of information received from underlying investees and other sources.

Transaction Price:

When fair value is determined based on recent transaction information, this value is the most representative indication of fair value. Consequently, no sensitivity analysis has been performed.

(ii) Effects of Unobservable Input on Fair Value Measurement

For certain direct private equity and direct private debt investments, BCI management engages third party independent valuers to estimate the fair market value. The valuers produce comprehensive reports for each applicable investment. The fair value of these investments fluctuates in response to changes in specific assumptions for the key unobservable inputs.

The unlisted private equity investee funds are valued based on information received from external managers. The fair value of these investments fluctuates in response to changes in specific assumptions for that particular investee as determined by the external manager.

Although the Fund believes that its estimates of fair value in Level 3 are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value and net assets attributable to the holders of redeemable units.

The following table shows how net assets attributable to holders of redeemable units would change if the valuations of certain direct private equity and direct private debt investments and unlisted private equity investee funds were calculated by adjusting the value of direct private debt investments and the respective underlying investee funds' net assets by 10%.

	2022		2021	
Favourable	\$	451,870	\$	264,863
Unfavourable		(451,870)		(264,863)

(d) Financial instruments not measured at fair value

The carrying value of BCI cost recoveries payable and other accounts payable approximates their fair value given their short-term nature. These financial instruments are classified as Level 2 in the fair value hierarchy because while prices are available, there is no active market for these instruments.

9. INVOLVEMENT WITH STRUCTURED ENTITIES

The Fund holds interests in structured entities, both directly and indirectly (i.e. through intermediary holding corporations or limited partnerships, or both). Structured entities are entities that have been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. Structured entities have been set up to manage legal, tax and other risks that may arise in the course of administering the underlying investments.

Structured entities are comprised of investee funds administered by BCI which are organized as unit trusts; and investee funds administered by third party managers which are organized as limited partnerships. All of these investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issuance of units to investors or capital contributions made by the investors. Accordingly, the Fund's interest in these entities is reflected through the holding of trust units, partnership units or a partnership interest. The tables below set out the direct and indirect interests held by the Fund in structured entities:

Entity	2022			2021		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	2	\$ 5,258,947	\$ 30,449	2	\$ 5,303,907	\$ 136,935
Investee floating rate funds administered by BCI	1	714,674	714,674	1	571,382	571,382
Investee public equity investments funds administered by BCI	1	2,585,263	980,147	1	2,585,263	1,141,875
Unlisted private equity investee funds administered by third party managers	28	13,882,700	3,864,881	18	6,252,345	2,313,960

The carrying amount of the investments held in these underlying funds represents the Fund's maximum exposure to loss. During 2022 and 2021, the Fund did not provide financial support to these structured entities and has no intention of providing financial or other support.

10. TAXES

Net cumulative capital losses and non-capital losses for the Funds with tax losses are as follows as of December 31, 2022:

Pooled Investment Portfolios	Net Capital Losses	Non Capital Losses
Global Partnership Fund	\$ 552,084	\$ —

Net capital losses are available to be carried forward indefinitely and applied against future net realized capital gains. Non-capital losses may be carried forward up to 20 years to reduce future taxable income.

11. RECIPROCAL TAX AGREEMENT ("RTA") RECOVERY

On March 10, 2021, the BC Ministry of Finance and the Department of Finance Canada agreed to amend Schedule A of the RTA to more explicitly acknowledge the Fund's entitlement to a rebate of the amounts paid in lieu of the goods and services tax ("GST") under the RTA between the B.C. and federal governments. Furthermore, Finance Canada has confirmed that prior year GST assessments will be vacated by the Canada Revenue Agency and no further GST assessments will be issued against BCI for past filing periods in respect of costs recovered from the Fund.

Therefore, the RTA accrued liability, which represented a liability for the years ended December 31, 2017 to the date of decision, with no offsetting receivable in respect of a rebate, was reversed and the resulting recovery was recorded in Other income. This recovery represents non-recurring income for the year ended December 31, 2021. The RTA recovery is \$7,349 for the year ended December 31, 2021.

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