



Combined Funds Financial Statements

DECEMBER 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

British Columbia Investment Management Corporation (BCI) manages the Pooled Investment Portfolios (the "Combined Funds") on behalf of governing fiduciaries such as pension fund trustees and other public sector clients. This report contains the financial statements for the Combined Funds for the year ended December 31, 2025.

The financial statements of the Combined Funds 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 IFRS Accounting Standards. The material accounting policies used in the preparation of these statements are disclosed in note 3 to the financial statements. The financial 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 Funds, 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 Combined Funds. 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 investment system is supported by an independent service auditor who tests the design and operating effectiveness of controls around the investment system and reports 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 Combined Funds' financial statements and related findings with respect to such audit. The Combined Funds' 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 Combined Funds' financial statements.

[S] Gordon J. Fyfe

Gordon J. Fyfe

Chief Executive Officer / Chief Investment Officer

[S] Rechelle Effendy

Rechelle Effendy

Senior Vice President, Finance & CFO

Victoria, British Columbia
June 24, 2026



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of British Columbia Investment Management Corporation (the "Manager") of the Combined Funds

Opinion

We have audited the combined financial statements of the Combined Funds, which comprise:

- the combined statement of financial position as at December 31, 2025
- the combined statement of comprehensive income for the year then ended
- the combined statement of changes in net assets of the Combined Funds for the year then ended
- the combined statement of cash flows for the year then ended
- and notes to the combined financial statements, including a summary of material accounting policy information

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the combined financial position of the Combined Funds as at December 31, 2025, and its combined financial performance and its combined cash flows for the year then ended in accordance with IFRS Accounting Standards.

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 Combined Funds 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 Accounting Standards, 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 Combined Funds' 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 Combined Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Combined Funds' 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 Combined Funds' 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 Combined Funds 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the Combined Funds within the Combined Funds as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Vancouver, Canada
June 24, 2026

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION COMBINED FUNDS

Combined Statement of Financial Position

(Expressed in millions of Canadian dollars)

As at December 31, 2025, with comparative information for 2024

Assets	NOTES	2025	2024
Cash		\$ 1,738	\$ 335
Other receivables		795	990
Derivative assets	8	1,536	795
Investments	4, 8	221,993	201,764
Total assets		226,062	203,884
Liabilities			
Payable to related parties	4	543	301
Other payables		336	659
Amounts payable under repurchase agreements	8	21,810	20,184
Derivative liabilities	8	702	2,405
Capital market debt financing	6	8,501	3,939
Total liabilities		31,892	27,488
Net assets of Combined Funds		\$ 194,170	\$ 176,396

Unfunded capital commitments

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[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION COMBINED FUNDS

Combined Statement of Comprehensive Income

(Expressed in millions of Canadian dollars)

Year ended December 31, 2025, with comparative information for 2024

Income	NOTES	2025	2024
Investment income	4	\$ 7,515	\$ 6,512
Foreign exchange gain (loss)		(211)	269
Change in fair value of investments, derivatives and capital market debt financing:			
Net realized gain		4,794	11,029
Net change in unrealized gain		7,500	6,491
Total revenue		19,598	24,301
Expenses			
BCI cost recoveries	4	430	417
External management fees		32	37
Interest expense		877	1,038
Other expenses		169	149
Total expenses		1,508	1,641
Increase in net assets of Combined Funds		\$ 18,090	\$ 22,660

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION COMBINED FUNDS

Combined Statement of Changes in Net Assets of Combined Funds

(Expressed in millions of Canadian dollars)

Year ended December 31, 2025, with comparative information for 2024

	NOTES	2025	2024
Balance, beginning of year		\$ 176,396	\$ 156,759
Increase in net assets of Combined Funds		18,090	22,660
Units issued in connection with the Private Equity Program Reorganization	4	4,045	—
Net client withdrawal		(4,361)	(3,023)
Balance, end of year		\$ 194,170	\$ 176,396

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION COMBINED FUNDS

Combined Statement of Cash Flows

(Expressed in millions of Canadian dollars)

Year ended December 31, 2025, with comparative information for 2024

Operating activities	NOTES	2025	2024
Increase in net assets of Combined Funds ^a		\$ 18,090	\$ 22,660
Adjustments:			
Foreign exchange (gain) loss		211	(269)
Net realized gain		(4,794)	(11,029)
Net change in unrealized gain of investments, derivatives and capital market debt financing		(7,500)	(6,491)
		6,007	4,871
Net changes in operating assets and liabilities:			
Net purchase of investments and derivatives	4	(6,316)	(6,420)
Other receivables		195	1,007
Other payables		(323)	(519)
Payables to related parties		242	145
Net cash flows used in operating activities		(195)	(916)
Financing activities			
Net client withdrawals	4	(4,361)	(3,023)
Proceeds from issuance of capital market debt financing	6	4,465	2,559
Net proceeds from repurchase agreements		1,626	1,328
Units issued in connection with the Private Equity Program Reorganization	4	79	—
Net cash flows provided by financing activities		1,809	864
Net increase (decrease) in cash		1,614	(52)
Effect of exchange rate changes on cash		(211)	269
Cash, beginning of year		335	118
Cash, end of year		\$ 1,738	\$ 335

^a Increase in net assets of Combined Funds for the year ended December 31, 2025 includes interest received and interest paid of \$4,932 and \$913 (2024 - \$5,272 and \$1,078, respectively) and dividends received of \$3,053 (2024 - \$2,510).

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION COMBINED FUNDS

Combined Schedule of Investments

(Expressed in millions of Canadian dollars)

As at December 31, 2025, with comparative information for 2024

	NOTES	2025	2024
Public markets			
Public equity investments			
Canadian	\$	7,125	\$ 6,537
Foreign		32,360	33,054
		39,485	39,591
Fixed income investments			
Government money market investments		1,948	2,959
Corporate money market investments		1,189	1,094
Government bonds		66,473	60,691
Corporate bonds		12,733	15,349
Mortgage-backed securities		5,086	1,818
Private debt investments		19,184	16,461
Investment-related assets:			
Securities purchased under reverse repurchase agreements		6,634	4,918
		113,247	103,290
		152,732	142,881
Private markets			
Infrastructure and renewable resources		20,006	19,455
Private equity		33,510	27,235
Absolute return strategies		12,405	9,946
Loans to related parties:			
Loans to QuadReal-managed entities	4	529	25
Loans to Infrastructure and Renewable Resources program	4	523	241
Loans to Fixed Income program	4	1,970	1,610
Loans to Private Equity program	4	—	70
Prepaid investment	4	318	301
		69,261	58,883
Total Investments	\$	221,993	\$ 201,764

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION COMBINED FUNDS

Combined Schedule of Derivative Assets and Liabilities

(Expressed in millions of Canadian dollars)

As at December 31, 2025, with comparative information for 2024

	2025			2024		
	Notional Value ^(a)	Fair Value ^(c)		Notional Value ^(a)	Fair Value ^(c)	
		Derivative Assets ^(b)	Derivative Liabilities		Derivative Assets ^(b)	Derivative Liabilities
Equity derivatives						
OTC						
Swaps	\$ 26,194	\$ 812	\$ (338)	\$ 25,281	\$ 520	\$ (509)
Options - Purchased	45	1	—	4,993	19	—
Options - Written	107	—	(1)	5,136	—	(27)
Currency derivatives						
OTC						
Forwards	55,216	545	(255)	42,375	43	(1,729)
Swaps	315	—	(6)	187	2	(11)
Options - Purchased	137	1	—	—	—	—
Options - Written	137	—	—	—	—	—
Interest rate derivatives						
Listed						
Futures	4,356	—	—	879	—	—
OTC						
Swaps	15,077	177	(102)	12,325	211	(129)
Credit derivatives						
OTC						
Credit default swaps	1	—	—	—	—	—
Total	\$ 101,585	\$ 1,536	\$ (702)	\$ 91,176	\$ 795	\$ (2,405)

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

	2025	2024
Less than 1 year	\$ 93,726	\$ 79,487
1 to 2 years	2,486	4,980
Over 2 years	5,373	6,709
Total	\$ 101,585	\$ 91,176

(a) Notional value represents the absolute net 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 Combined Funds' 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 Combined Funds are potentially exposed should counterparties fail to perform under the derivative contract.

(c) As futures derivative contracts are fair valued through profit or loss and settled daily, the gain or loss recognized on December 31 is recorded in other receivables or other payables on the Statement of Financial Position.

1. THE PORTFOLIOS

British Columbia Investment Management Corporation (“BCI”) was established under the Public Sector Pension Plans Act (the “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. In accordance with the Act, BCI is responsible for managing amounts that are transferred to it in the best interests of the contributors and beneficiaries, which include: public sector pension funds; the Province of British Columbia; provincial government bodies (Crown corporations and institutions); and publicly administered trust funds (collectively, “Clients”). The assets under management are held by BCI as agent for its Clients and may consist of units in one or more pooled investment portfolios (the “Funds”, individually referred to as a “Fund”), whose assets are managed and held by BCI as trustee. In addition, assets under management by BCI also include assets held directly in Clients’ accounts or in structured entities which are outside of the Funds.

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 purpose of these combined financial statements is to provide users with information of the net assets of Combined Funds under BCI’s management (collectively, the “Combined Funds”), excluding real estate and real estate debt funds managed by BCI’s wholly owned real estate and real estate debt asset management platform company, QuadReal Property Group Limited Partnership and affiliates (“QuadReal”). The Combined Funds as presented in these combined financial statements are not a legal entity and are comprised of the aggregate of the net assets attributable to holders of redeemable units of each of the Funds.

These combined financial statements have been prepared by BCI and are the responsibility of BCI management. The Combined Funds are comprised of the following Pooled Investment Portfolios, which were established on the following dates:

Program ¹	Pooled Investment Portfolios	Dates Established
Absolute Return Strategies	Global Partnership Fund	July 1, 2019
Fixed Income	Canadian Money Market Fund ST1	April 21, 1986
	Canadian Money Market Fund ST2	September 19, 1986
	U.S. Dollar Money Market Fund ST3	August 1, 1990
	U.S. Dollar Money Market Fund ST4	April 1, 2022
	Short Term Bond Fund	November 1, 1995
	Corporate Bond Fund	January 8, 2016
	Principal Credit Fund	April 1, 2018
	CDOR 2 Floating Rate Fund	October 11, 2018
	The Funding Program	September 19, 2019
	CDOR 4 Floating Rate Fund	October 16, 2019
	Government Bond Fund	January 7, 2021
	CORRA 1 Floating Rate Fund	July 26, 2023
	SOFR 1 Floating Rate Fund	June 13, 2024
	94 Forward Fund	December 27, 2023
	BCTF Fund	December 23, 2024
	CORRA 3 Floating Rate Fund ²	July 21, 2023
	CDOR 1 Floating Rate Fund ²	March 13, 2017
	CDOR 3 Floating Rate Fund ²	October 10, 2019

¹ The programs (the “Program”) as presented are not legal entities. Each Program represents a specific asset class that is grouped based on investments that exhibit similar risk and return characteristics.

² From time to time, the Chief Executive Officer/Chief Investment Officer may terminate a Fund and distribute to the unitholders the net proceeds realized. During the reporting period ended December 31, 2025 or December 31, 2024, this Fund was terminated and unitholders redeemed all outstanding units of the Fund.

Infrastructure and Renewable Resources	Bolsena Fund	December 23, 2004
	Bolsena (Australia) Fund	December 24, 2015
	Bolsena (Public) Fund	March 17, 2020
	Renewable Resources Investment Fund	May 19, 2005
	Orto (S-NPC) Fund	December 22, 2023
	Bolsena Hydro 2 Fund	May 22, 2013
	Fiastra Fund	December 18, 2024
	UBC Endowment Fund SIIF Investment Trust ²	October 16, 2023
Private Equity	UBC Pension SIIF Investment Trust ²	October 16, 2023
	PEL Fund	January 3, 2023
	PEY Fund	May 24, 2024
	PEC Fund	May 24, 2024
	PEB Fund	May 28, 2024
	PEH Fund	May 24, 2024
	PEP Fund	May 24, 2024
	PES Fund	May 24, 2024
	2018 Private Equity Fund ³	February 5, 2018
	2019 Private Equity Fund ³	January 14, 2019
	2020 Private Equity Fund ³	January 21, 2020
	2016 Private Placement Fund ²	January 11, 2016
	2017 Private Equity Fund ²	February 9, 2017
	2021 Private Equity Fund ²	February 1, 2021
2022 Private Equity Fund ²	December 29, 2021	
Public Equity	Active Canadian Equity Fund	July 26, 1990
	Indexed Canadian Equity Fund	December 12, 1989
	Active U.S. Small Cap Equity Fund	March 13, 2008
	Active Emerging Markets Equity Fund	March 31, 2008
	Active Global Equity Fund	June 19, 2009
	Global Quantitative Active Equity Fund	August 23, 2011
	Indexed Global Equity Fund 1	December 7, 2011
	Indexed Global Equity Fund 2	April 12, 2021
	Indexed Emerging Markets Equity Fund	July 31, 2013
	Thematic Public Equity Fund	December 31, 2012
	Indexed EAFE Equity Fund	August 10, 2022
	Active European Equity Fund ³	January 2, 1998
	Global Quantitative ESG Equity Fund ³	November 5, 2019
	Active Asian Equity Fund ²	January 2, 1998

² From time to time the Chief Executive Officer/ Chief Investment Officer may terminate a Fund and distribute to the unit holders the net proceeds realized. During the reporting period ended December 31, 2025 or December 31, 2024, this Fund was terminated and unitholders redeemed all outstanding units of the Fund.

³ This Fund is in the process of being wound up as at December 31, 2025. As a result, the Fund is not expected to continue as a going concern in the foreseeable future.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These combined financial statements have been prepared in accordance with IFRS Accounting Standards. These combined financial statements were authorized for issue by the Chief Executive Officer / Chief Investment Officer on June 24, 2026.

(b) Accounting for investments

The Combined Funds qualify as investment entities 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 combined financial statements have been prepared on a historical cost basis except for investments, derivative financial instruments, payable to related parties, amounts payable under repurchase agreements, and capital market debt financing which are measured at fair value.

(d) Functional and presentation currency

These combined financial statements are presented in Canadian dollars which represents the Combined Funds' functional currency.

(e) Use of estimates and judgment

The preparation of financial statements in conformity with IFRS Accounting Standards 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 and 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.

The financial markets are a source of uncertainty, notably due to geopolitical tensions, ongoing tariff negotiations, and the volatility of stock markets and interest rates that are continuing to disrupt global economic activity.

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 9. This information relates to the determination of fair value of investments with significant unobservable inputs.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these combined 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 Combined Funds become a party to the contractual provisions of the instrument. The Combined Funds derecognize 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 Combined Funds have 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 Combined Funds irrevocably elect 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 Combined Funds change their business models 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 Combined Funds have 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 Combined Funds irrevocably designate 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 Combined 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 Combined Funds' 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 Combined Funds' financial assets and liabilities at fair value through profit or loss ("FVTPL") or amortized cost:

FINANCIAL ASSET OR LIABILITY	CLASSIFICATION
Investments	FVTPL
Derivative financial instruments	FVTPL
Payable to related parties	FVTPL
Amounts repayable under repurchase agreements	FVTPL
Capital market debt financing	FVTPL
Cash	Amortized cost
Other receivables	Amortized cost
Other payables	Amortized cost

(b) Receivables and payables under repurchase agreements

The Combined Funds are party to repurchase agreements and reverse repurchase agreements. These agreements involve the sale of securities by one counterparty with a simultaneous agreement to repurchase such securities at a specified price and at a specified future date.

When the Combined Funds purchase a financial asset and simultaneously enter into an agreement to resell the same or a substantially similar asset at a fixed price on a future date (reverse repurchase agreement), the arrangement is recognized in the Combined Statement of Financial Position as securities purchased under reverse repurchase agreements, and the underlying asset is not recognized in the Combined Funds'

financial statements as the counterparty retains the risks and rewards of ownership of the underlying asset. When the Combined Funds sell a financial asset and simultaneously enter into an agreement to repurchase the same or a similar asset at a fixed price on a future date (repurchase agreement), the Combined Funds retain substantially all of the risks and rewards of ownership of the asset. Therefore, the arrangement is accounted for as a borrowing and is recognized in the Combined Statement of Financial Position as amounts payable under repurchase agreement and the underlying asset is not derecognized.

(c) 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 and 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 Combined Statement of Comprehensive Income.

(d) Revenue recognition

Investment income is made up of interest income and dividend income. Interest income and other investment 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.

(e) 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 in the period incurred.

(f) 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 Combined Funds continue to recognize the securities in their entirety in the Combined Statement of Financial Position as the Combined Funds retain 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 Combined Funds is at least 105% of the market value of the securities loaned.

(g) Income taxes

The Combined Funds are immune from income taxation in Canada under the Constitution Act. All of the Combined Funds' 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 each Funds' underlying investments are accounted for in determining the fair value of the respective investments.

(h) 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, 2025, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the combined financial statements of the Combined Funds.

Effective on January 1, 2026:

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

The following new standards are expected to impact the financial statement disclosures of the Combined Funds. The extent of disclosure impact to the Funds is being assessed and has not yet been determined:

Effective on January 1, 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements

4. RELATED PARTY TRANSACTIONS

The Combined Funds' related parties include BCI and related entities; QuadReal and related entities; the Province of British Columbia and related entities; investments where the Combined Funds have a controlling interest or significant influence; entities with common ownership; and other related entities for which the Combined Funds provide investment management services.

Investments

Transactions between the Funds and related balances, are eliminated upon combination and therefore not disclosed in this note. The Combined Funds had the following transactions with related parties during the year:

The Combined Funds enter into investment transactions with subsidiaries and associates in the normal course of business of its investments and unfunded capital commitments as disclosed in note 7. Since balances in connection with all investment transactions are measured at FVTPL, those transactions undertaken with related parties have the same impact on net assets and comprehensive income as those with unrelated parties.

The Combined 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 Funds' interests represented by different BCI personnel.

BCI cost recoveries

Third party costs that are attributable to a specific Fund are charged to that Fund. Other costs initially borne by BCI are recovered from the various Funds on a cost recovery basis. BCI cost recoveries are disclosed in the Combined Statement of Comprehensive Income and the corresponding payable is included in Other payables on the Combined Statement of Financial Position.

Prepaid investment

On January 1, 2021, a Fund within the Infrastructure and Renewable Resources program entered into an interest assignment agreement and option grant for the period from January 1, 2021 to June 30, 2026, related to private debt investments held in client segregated accounts. As the client segregated accounts are also managed by BCI, they are considered related parties to the Combined Funds. Under the agreement, the respective Fund is entitled to receive interest income in respect of the debt interests and an option agreement to acquire the private debt investments in exchange for \$337, which approximated fair value. The fair value of the investment of \$318 (2024 - \$301) has been recorded on the Combined Statement of Financial Position within investments and interest income of \$2 (2024 - \$5) was assigned in relation to the private debt investments.

Payable to related parties

In 2020, a Fund within the Fixed Income program entered into agreements with a segregated client account, whereby the Fund received funding from the segregated client account to purchase and hold securities on its behalf. In 2024, a Fund within the Absolute Return Strategies entered into agreements with segregated client accounts, whereby the Fund received funding from the segregated client accounts to purchase and hold securities on its behalf. As the segregated client accounts were also managed by BCI, they were classified as related parties. The agreements mature on an annual basis, at which point the Fund provides the required return based on the return of the Fund to the segregated client accounts and the Fund enters into new agreements with the same terms and counterparty as the previous agreement. As at December 31, the agreements had a maturity date of January 2026. The agreements were renewed with the counterparties with the same terms and have a maturity date of January 2027. Neither party has earned or paid the counterparty

any fees or interest in connection with these transactions. As at December 31, 2025, the fair value of the payable to the segregated client accounts was \$543 (2024 - \$301).

Loans to related parties

In the normal course of business, Funds within the Fixed Income program extended fixed term financing to the below entities managed by BCI which are classified as related parties. These transactions are governed by BCI's *Internal Transaction Directive*. The amounts in the table represent outstanding amounts as at:

Borrowing entity	Initial principal financing commitment	2025	2024
Infrastructure and Renewable Resources ¹	Up to \$3,450	\$ 523	\$ 241
Total Loans to Infrastructure and Renewable Resources		\$ 523	\$ 241

Borrowing entity	Initial principal financing commitment	2025	2024
Private Equity	Up to \$2,500	\$ —	\$ 70
Total Loans to Private Equity Program		\$ —	\$ 70

Borrowing entity	Initial principal financing commitment	2025	2024
QuadReal Multi Asset Realty ²	Up to \$500	\$ 504	\$ —
QuadReal Global I REIT Investment LP ³	Up to \$500	25	25
Total Loans to QuadReal-managed entities		\$ 529	\$ 25

Borrowing entity	Initial principal financing commitment	2025	2024
Fixed Income ⁴	Up to \$891 USD	\$ 1,277	\$ 883
Fixed Income ⁴	Up to \$720 USD	540	435
Fixed Income ⁴	Up to \$480 USD	153	292
Total Loans to Fixed Income program		\$ 1,970	\$ 1,610

Internal transactions between Funds are not secured in that specific assets are not pledged by the borrowing entity to secure its obligations; however, the obligations of the borrowing entities are supported by assurances from BCI's Strategic Asset Allocation Department that client assets will be reallocated to the borrowing entity as necessary to ensure satisfaction of payment obligations at the end of the financing term. The Combined Funds' Loans to related parties do not give rise to significant credit risk.

¹ The borrowing entities are stopper corporations and client segregated accounts within the Infrastructure and Renewable Resources program. The Facilities earn a floating rate return that is linked to the Canadian Overnight Repo Rate plus 0.94% - 1.06% and of which \$55 matured in January 2026, \$317 matures in July 2026 and \$151 matures in May 2028.

² The borrowing entity is QuadReal Multi Asset Realty, a pooled investment portfolio within the Real Estate program. The Facility earned a floating rate return that was linked to the Canadian Overnight Repo Rate plus 0.92% and matures in January 2030.

³ The borrowing entity is QuadReal Global I REIT Investment LP, a limited partnership primarily held by a pooled investment portfolio within the Real Estate program. The Facility earns a floating rate return that is linked to the Canadian Overnight Repo Rate plus a set percentage based on loan-to-value of securities held within QuadReal Global I REIT Investment LP ranging from 1.01% - 1.26%. In February 2025, this Facility was rolled over for an additional 12 months to mature February 2026. The extended facility earns a floating rate return that is linked to the Canadian Overnight Repo Rate plus a set percentage based on loan-to-value of securities held within QuadReal Global I REIT Investment LP ranging from 1.09% - 1.34%.

⁴ The borrowing entities are segregated client accounts within the Fixed Income program. The Facility earns a floating rate of return that is linked to the SOFR 3-month plus 4.65-5.23% and matures upon the earlier date of liquidation of the entity or liquidation of the underlying investment.

Credit Facility

During 2023, BCI entered into a secured and uncommitted line of credit (the “Facility”) with its custodian for up to USD\$1,000 for cash flow management, working capital, and settlement coverage needs. The Facility is secured by certain qualified assets of a Fund within the Fixed Income program. In the event that an amount has been drawn on this Facility, the associated proceeds and liability would be held by the benefiting Fund. The Facility bears interest at the Federal Funds Target Rate plus 100 basis points per annum. As at December 31, 2025, \$49 (2024 - \$20) has been drawn on this credit facility and is included in other payables.

Program reorganization

On January 1, 2025, the Private Equity Program completed a reorganization and transitioned from a closed pool participation program to an open pool participation program for most existing and all future investments to provide a more diversified Program investment mix for unitholders (the “Program Reorganization”).

As part of this Program Reorganization, investments with a total fair value of \$4,045 were transferred from certain client segregated accounts, held outside of the Combined Funds, to five limited partnerships for the purpose of reorganization (collectively referred to as the “Aggregator Limited Partnerships”). These Aggregator Limited Partnerships are indirectly owned by the PEB, PEC, PEH, PEL, PEP, PES and PEY Fund (collectively referred to as the “Receiving Funds”) through private corporations and limited partnerships. All of these entities are considered related parties as they are under the common management and control of BCI.

The fair value of the transferred investments was determined using the valuation framework described within note 9 and based on valuations completed as at December 31, 2024. The following table represents the consideration paid by the Receiving Funds in respect of the transferred investments:

Fund	Payment for units issued in-kind	Cash	Fair value of investments
The Receiving Funds	\$ 3,966 \$	79 \$	4,045

In substance, the Program Reorganization involved unitholders of the client segregated accounts redeeming their units and receiving settlement through in-kind units of the Receiving Funds. The Receiving Funds, through their private corporations and limited partnerships, then subscribed for in-kind units of the Aggregator Limited Partnerships.

As at December 31, 2025, all amounts arising from the Program Reorganization were fully settled with no balances remaining outstanding.

5. CAPITAL MANAGEMENT

Net assets of Combined Funds represents the capital of the Combined Funds. The Combined Funds’ capital may fluctuate according to issuances and redemptions of unitholders. The Combined Funds are not subject to any internally or externally imposed restrictions on their capital. BCI manages the capital of the Combined Funds in accordance with the respective Funds’ investment objectives, including managing the redeemable units of the respective Fund to ensure a stable base to maximize returns to all investors, and managing liquidity in order to meet redemptions.

6. CAPITAL MARKET DEBT FINANCING

During the years ended December 31, 2025 and December 31, 2024, BCI issued senior unsecured medium term debt in respect of all assets under management that are held within the Combined Funds. The capital raised from the capital market debt financing is used for general investment purposes. A Fund within BCI’s Fixed Income program is the holder of the capital market debt financing and the associated proceeds, in respect of the Combined Funds. Recourse under the senior unsecured medium term debts, including upon the occurrence of an event of default, is limited to the assets of the Combined Funds.

The following outlines the terms and the fair value of the notes issued under the capital market debt financing program:

	December 31, 2025		December 31, 2024	
	Capital amounts payable at maturity	Fair value	Capital amounts payable at maturity	Fair value
Senior unsecured medium-term Canadian dollar note Series 1, bearing interest at 4.9% per annum and maturing on June 2, 2033	\$ 2,250	\$ 2,441	\$ 2,250	\$ 2,435
Senior unsecured medium-term Canadian dollar note Series 2, bearing interest at 3.4% per annum and maturing on June 2, 2030	3,000	3,032	1,500	1,504
Senior unsecured medium-term Canadian dollar note Series 3, bearing interest at 4.0% per annum and maturing on June 2, 2035	3,000	3,028	—	—
Total	\$ 8,250	\$ 8,501	\$ 3,750	\$ 3,939

On January 6, 2026 and April 20, 2026, BCI issued an additional \$2,000 and \$1,500, respectively, in Series 4 medium-term notes, bearing interest at 3.25% per annum and maturing on June 2, 2031.

7. UNFUNDED CAPITAL COMMITMENTS

Unfunded capital commitments represent total commitments minus net contributions outstanding to unlisted private equity investee funds, unlisted private debt investee funds, direct private equity investments, and direct private debt investments as of the reporting date. Net contributions equal contributions less any recallable capital distributions. Recallable capital is distributions or previously contributed capital that has been returned, that may be recalled at some future date. Thus, due to changes in recallable capital, unfunded commitments may change at different reporting dates.

Furthermore, commitments are typically made in foreign denominated currencies, but reported in Canadian dollars. Unfunded commitments are translated at the spot rate and net contributions are translated at historical exchange rates. Therefore, due to foreign exchange movements, unfunded commitments will vary on the reporting date.

The amounts in the table represent the contractual undiscounted cash commitments by Program that can be called on demand.

Program	2025	2024
Absolute Return Strategies	\$ 7,032	\$ 5,315
Fixed Income	5,088	3,619
Infrastructure and Renewable Resources	2,383	2,226
Private Equity	12,927	10,326
Total	\$ 27,430	\$ 21,486

8. FINANCIAL RISK MANAGEMENT

(a) Risk management framework

Each Fund has its own investment objectives. The Combined Funds' overall risk management program seeks to minimize the potentially adverse effect of risk on the Combined Funds' financial performance in a manner consistent with the Combined Funds' investment objectives. In the normal course of business, each 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 level of risk varies depending on the investment objective of the respective Fund and the type of investments it holds.

(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 Combined Funds, resulting in a financial loss to the Combined Funds. It arises principally from debt securities held, derivative financial assets, receivables from reverse repurchase agreements, cash and other receivables due to the Combined Funds. The carrying value of these financial instruments as recorded in the Combined Statement of Financial Position reflects the Combined Funds' maximum exposure to credit risk.

To mitigate credit risk, the Combined Funds maintain specific investment criteria, including minimum credit ratings for counterparties and investees. Counterparty risk represents the credit risk from current and potential future exposure related to transactions involving derivative contracts and securities lending. For certain investments and derivative contracts, counterparties must provide adequate collateral and meet minimum credit ratings. BCI management monitors the credit rating of its counterparties as determined by recognized credit rating agencies. With respect to derivative contracts, BCI can terminate all trades with counterparties whose credit rating is downgraded below its requirements, which may be below the credit rating required for entering into new transactions. The Combined Funds' cash is not subject to significant credit risk as exposure to credit risk is limited by holdings its cash with high credit quality financial institutions.

Fixed income

BCI management monitors credit risk through a risk management program detailing the credit rating of all credit-sensitive financial securities held in money market and bond funds. BCI monitors credit risk by evaluating the credit quality of each issuer and counterparty that transacts with the Funds. To perform this evaluation, BCI management relies on ratings from recognized credit rating agencies. BCI also monitors potential financial losses based on probability of default, correlations, and recovery assumptions. Due to the nature of private debt investments held by investee funds, these instruments are not subject to rating by a rating agency.

Derivative financial assets

The Combined Funds invest in derivative contracts, which inherently have counterparty risk. Futures derivative contracts are not exposed to counterparty risk as they are settled daily. The credit risk of each counterparty is monitored through an evaluation of the credit quality of each counterparty that transacts with the Combined Funds. Collateral management is centralized by BCI and collateral is held and pledged on a net basis with the counterparty generally at a value equal to the underlying derivative financial instrument.

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.

For repurchase and reverse repurchase agreements, BCI requires the use of the Global Master Repurchase Agreement (GMRA) with all counterparties, which provides a contractual framework for transacting repurchase agreements. These transactions are conducted under terms that are usual and customary to repurchase transactions. Collateral requirements are in place to mitigate counterparty risk for repurchase agreements. Eligible collateral is limited to full-recourse high-quality government bonds. The Funds and counterparties are authorized to sell, re-pledge, or otherwise use collateral held.

The Combined Funds' 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 following table outlines the debt investments held, the derivative assets, and their related credit rating. The Combined Funds debt investments held by private debt investee funds are not subject to rating by a rating agency due to the private nature of these investments. The credit risk exposure of financial instruments, by credit rating category, without taking account of any collateral held as at December 31 is as follows:

INSTRUMENTS BY CREDIT RATING		2025				
	Fixed income securities	Reverse repurchase agreements	Derivative assets	Private debt investments	Total	
AAA/AA	\$ 62,856	\$ 3,623	\$ 470	\$ —	66,949	
A	15,485	2,802	1,066	—	19,353	
BBB	4,377	—	—	86	4,463	
BB	4,071	—	—	400	4,471	
B	614	—	—	418	1,032	
CCC	26	—	—	119	145	
CC	—	—	—	15	15	
Not rated	—	209	—	18,146	18,355	
Total	\$ 87,429	\$ 6,634	\$ 1,536	\$ 19,184	\$ 114,783	

INSTRUMENTS BY CREDIT RATING		2024				
	Fixed income securities	Reverse repurchase agreements	Derivative assets	Private debt investments	Total	
AAA/AA	\$ 62,791	\$ 1,194	\$ 237	\$ —	64,222	
A	8,618	3,025	558	—	12,201	
BBB	4,246	699	—	71	5,016	
BB	5,152	—	—	309	5,461	
B	1,104	—	—	561	1,665	
CCC	—	—	—	267	267	
Not rated	—	—	—	15,253	15,253	
Total	\$ 81,911	\$ 4,918	\$ 795	\$ 16,461	\$ 104,085	

The Combined Funds are party to derivative contracts and repurchase agreements, which involve pledging and holding collateral. The following table illustrates the fair values such collateral under derivative contracts and repurchase agreements at December 31:

	2025	2024
Securities repurchase and reverse repurchase agreements		
Amounts payable under repurchase agreements	\$ 21,810	\$ 20,184
Collateral pledged	26,187	24,078
Collateral received	6,634	4,918
Derivatives contracts		
Collateral pledged	132	124
Collateral received	687	430

The disclosure set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting or similar agreement that covers similar financial instruments.

The similar agreements include ISDA Master Agreement and GMRA. Similar financial instruments includes derivatives, sale and repurchase agreements and reverse sale and repurchase agreements.

The Combined Funds have not offset any financial assets and financial liabilities in the Statement of Financial Position. The ISDA and similar master netting agreements do not meet the criteria for offsetting in the Statement of Financial Position. This is because the Combined Funds do not have any currently legally enforceable right of set-off of recognised amounts, as the right to set off is enforceable only on the occurrence of future events such as a default of the Combined Funds or the counterparties or other credit events.

	2025						
	Gross amount subject to netting arrangements	Less: Amounts offset	Net amount presented in the Combined Statement of Financial Position	Less: Amounts subject to master netting or similar arrangement but not presented net		Net amounts	
				Recognized counterparty balances	Securities and cash collateral		
Securities purchased under reverse repurchase agreements	\$ 6,634	\$ —	\$ 6,634	\$ (6,634)	\$ —	\$ —	
Derivatives assets	1,536	—	1,536	(436)	(555)	545	
Total financial assets	\$ 8,170	\$ —	\$ 8,170	\$ (7,070)	\$ (555)	\$ 545	
Amounts payable under repurchase agreements	\$ 21,810	\$ —	\$ 21,810	\$ (6,634)	\$ (15,176)	\$ —	
Derivatives liabilities	702	—	702	(436)	(11)	255	
Total financial liabilities	\$ 22,512	\$ —	\$ 22,512	\$ (7,070)	\$ (15,187)	\$ 255	

2024

	Gross amount subject to netting arrangements	Less: Amounts offset	Net amount presented in the Combined Statement of Financial Position	Less: Amounts subject to master netting or similar arrangement but not presented net		Net amounts
				Recognized counterparty balances	Securities and cash collateral	
Securities purchased under reverse repurchase agreements	\$ 4,918	\$ —	\$ 4,918	\$ (4,918)	\$ —	—
Derivatives assets	795	—	795	(546)	(206)	43
Total financial assets	\$ 5,713	\$ —	\$ 5,713	\$ (5,464)	\$ (206)	\$ 43
Amounts payable under repurchase agreements	\$ 20,184	\$ —	\$ 20,184	\$ (4,918)	\$ (15,266)	—
Derivatives liabilities	2,405	—	2,405	(546)	(130)	1,729
Total financial liabilities	\$ 22,589	\$ —	\$ 22,589	\$ (5,464)	\$ (15,396)	\$ 1,729

(c) Liquidity risk

Liquidity risk is the risk that the Combined Funds will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. BCI's approach to managing liquidity risk is to ensure, as far as possible, that each Fund has sufficient liquidity to meet its liabilities when due. Each Fund is exposed to the liquidity risk associated with the requirement to allow redemption of 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. At December 31, the Combined Funds have total unfunded commitments of \$27,430 (Note 7). BCI may call capital from clients to fund these unfunded commitments, fund investments, and pay fees and expenses. The purchase and redemption limits may vary depending on market circumstances, client demand, and the liquidity of the underlying investments.

The Combined Funds' cash position is monitored on a daily basis. 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 Combined Funds' 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.

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

Note 6 of the financial statements provides information on the carrying amount and the terms of the Combined Funds' capital market debt financing. All other non-derivative liabilities and amounts payable under repurchase agreements are due within one year of the year end of the Combined Funds.

The following were the contractual maturities of derivative financial instruments at December 31:

2025

	Carrying value	Less than 1 year	1 to 2 years	Over 2 years	Total
Derivative assets	\$ 1,536	\$ 1,296	\$ 30	\$ 210	1,536
Derivative liabilities	(702)	(585)	(40)	(77)	(702)
	\$ 834	\$ 711	\$ (10)	\$ 133	\$ 834

2024

	Carrying value	Less than 1 year	1 to 2 years	Over 2 years	Total
Derivative assets	\$ 795	\$ 564	\$ 20	\$ 211	795
Derivative liabilities	(2,405)	(2,247)	(103)	(55)	(2,405)
	\$ (1,610)	\$ (1,683)	\$ (83)	\$ 156	(1,610)

(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 Combined Funds' income or the fair value of its holdings of financial instruments. Each Fund's strategy for the management of market risk is driven by the respective 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, mortgage-backed securities, government and corporate bonds, and private debt securities are subject to interest rate risk. The Combined Funds have established duration bands based on their relevant benchmarks to avoid undue active interest rate risk.

The Combined Funds' debt instruments are comprised of variable rate debt instruments and fixed rate debt instruments. The terms to maturity for fixed rate debt instruments, which represents the investments with the significant exposure to interest rate risk, were as follows:

2025

	Mortgage-backed securities	Government and corporate bonds	Private debt investments	Total
Within 1 year	\$ 493	\$ —	\$ 73	\$ 566
1 to 5 years	4,593	23,500	384	28,477
5 to 10 years	—	23,823	156	23,979
10 to 20 years	—	7,487	—	7,487
20 to 30 years	—	9,024	—	9,024
Over 30 years	—	4,690	—	4,690
Total	\$ 5,086	\$ 68,524	\$ 613	\$ 74,223

2024

	Mortgage-backed securities	Government and corporate bonds	Private debt investments	Total
Within 1 year	\$ 25	\$ 845	\$ —	\$ 870
1 to 5 years	1,793	22,756	491	25,040
5 to 10 years	—	23,609	149	23,758
10 to 20 years	—	6,684	—	6,684
20 to 30 years	—	7,445	—	7,445
Over 30 years	—	4,626	—	4,626
Total	\$ 1,818	\$ 65,965	\$ 640	\$ 68,423

Money market investments are short-term in nature and have low interest rate risk. Variable rate instruments and certain other debt instruments are not exposed to significant interest rate risk. The following represents debt instruments not subject to significant interest rate risk at:

	2025	2024
Money market investment	\$ 3,137	\$ 4,053
Variable rate instruments and other debt instruments not subject to significant interest rate risk	38,909	32,760
Total	\$ 42,046	\$ 36,813

As at December 31, 2025, if prevailing interest rates increased or decreased by 1% (100 bps), with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$5,192 (2024 - \$4,947), representing 2.7% of the Combined Funds' net assets (2024 - 2.8%). In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

The Combined Funds have simultaneously entered interest rate swaps whereby the fixed interest rate payment of the capital market debt financing is swapped for a floating rate payment. Therefore, the Combined Funds are generally not exposed to fair value interest rate risk from the capital market debt financing held within the Combined Funds.

(ii) Currency risk

Currency risk is the risk that the value of financial instruments denominated in currencies other than the functional currency of the Combined Funds will fluctuate due to changes in foreign exchange rates.

The Combined Funds are exposed to currency risk through holding of investments, investment receivables, and investment liabilities in various currencies. The Combined Funds may use foreign currency contracts to hedge some foreign currency exposure on investment-related receivables and liabilities and engage in the buying and selling of currencies through the spot market, forward contracts, futures contracts, and/or options in order to achieve the desired currency exposure.

At December 31, the carrying value of the Combined Funds' 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.

Currency	2025		2024	
	Net Exposure	% of Total Net Assets	Net Exposure	% of Total Net Assets
Australian Dollar	\$ 1,688	0.9 %	\$ 1,874	1.1 %
Brazilian Real	489	0.3	468	0.3
British Pound Sterling	3,417	1.8	3,729	2.1
Chinese Yuan	359	0.2	423	0.2
Czech Koruna	561	0.3	495	0.3
Euro	11,832	6.1	10,639	6.0
Hong Kong Dollar	1,964	1.0	2,011	1.1
Indian Rupee	1,347	0.7	2,070	1.2
Japanese Yen	555	0.3	655	0.4
South Korean Won	1,355	0.7	832	0.5
Swedish Krona	74	0.0	64	0.0
Swiss Franc	50	0.0	100	0.1
Taiwan Dollar	1,795	0.9	1,557	0.9
United States Dollar	60,756	31.3	55,230	31.3
Other	1,840	0.9	1,771	1.0
Net Foreign Exchange Exposure	\$ 88,082	45.4 %	\$ 81,918	46.5 %

As at December 31, 2025, 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 \$881 (2024 - \$819), representing 0.5% of the Combined Funds' net assets (2024 - 0.5%). 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 each 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 investments are compiled to ensure that the level of risk is consistent with the respective Funds' objectives.

Management monitors the concentration of risk for investments based on industry and geographic location. As at December 31, the Combined Funds' investments, including equity derivative instruments, are exposed to the following industries:

INDUSTRY SECTOR	2025		2024	
	Total	% of Total	Total	% of Total
Consumer Discretionary	\$ 7,158	3.2 %	\$ 7,490	3.8 %
Consumer Staples	3,834	1.7	4,066	2.0
Education	102	0.0	109	0.1
Energy	2,385	1.1	2,686	1.3
Financials	27,281	12.4	28,199	14.1
Food and beverage	1,207	0.5	1,244	0.6
Government	61,149	27.7	55,816	28.0
Health Care	6,486	2.9	6,631	3.3
Industrials	11,940	5.4	10,769	5.4
Information Technology	15,674	7.1	14,126	7.1
Materials	3,419	1.6	3,425	1.7
Other	210	0.1	251	0.1
Real Estate	914	0.4	1,071	0.5
Services	101	0.0	159	0.1
Telecommunication Services	5,887	2.7	5,839	2.9
Transportation	1,720	0.8	2,020	1.0
Utilities	13,543	6.1	12,339	6.2
Diversified industries	57,377	26.3	43,434	21.8
Total	\$ 220,387	100.0 %	\$ 199,674	100.0 %

Equity by Geographic Region

As at December 31, the Combined Funds' investments, including equity derivative instruments, are exposed to the following geographic regions:

GEOGRAPHIC REGION	2025		2024	
	Total	% of Total	Total	% of Total
Africa	\$ 371	0.2 %	\$ 336	0.2 %
Asia	11,762	5.3	12,376	6.2
Europe	18,082	8.2	17,684	8.9
North America	137,240	62.3	126,209	63.2
Oceania	2,261	1.0	2,241	1.1
South America, Central America, and Caribbean	4,416	2.0	4,484	2.2
Diversified globally	46,255	21.0	36,344	18.2
Total	\$ 220,387	100.0 %	\$ 199,674	100.0 %

For certain private market investments, 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 of changes in the general level of market prices would not be meaningful and has not been provided.

As at December 31, 2025, had the fair value of the investments increased or decreased by 10%, with all other variables held constant, net assets of Combined Funds would have increased or decreased by approximately \$22,199 (2024 - \$20,176), representing 11.4% (2024 - 11.4%) of the net assets of Combined Funds.

Actual trading results may differ from the above sensitivity analysis and the difference could be material.

9. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) 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 Combined Funds determine fair values using other valuation techniques.

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

The Combined Funds measure 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 observable inputs other than Level 1 price, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 inputs that are unobservable.

(b) Valuation models

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Combined Funds use 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.

Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives, which reduces the need for management judgment and estimation and 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 events and general conditions in the financial markets.

For more complex instruments, such as private equity and debt, the Combined Funds use proprietary valuation models, which are usually developed from recognized valuation methods. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates, or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgment and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments, and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Combined Funds believe that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Combined Funds and the counterparties where appropriate.

(c) Valuation framework

The Combined Funds have an established framework with respect to the measurement of fair values. Where possible, for direct private equity and debt investments held by the Combined Funds, external, independent valuation specialists are engaged annually to assist in the determination of fair value. In those circumstances where the Combined Funds are reliant on a third party manager for the determination of fair value, BCI reviews the appropriateness of such valuations using audited financial statements of the underlying investments, and other information from the underlying third party manager or other sources.

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

- verifying that the broker or pricing service is approved by the Combined Funds for use in pricing the relevant type of financial instrument;
- understanding how the fair value was determined and the extent 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 multiple of quotes for the same financial instrument have been obtained, how fair value was determined using those quotes.

In addition, BCI applies the following specific controls in relation to the determination of fair values:

- verification of observable pricing inputs;
 - analysis and investigation of significant valuation movements; and
 - review of unobservable inputs and valuation adjustments.

(d) Financial instruments not measured at fair value

The carrying value of cash, other receivables, and other payables approximate their fair value given their short-term nature. These financial instruments are classified as Level 2 in the fair value hierarchy because while prices are available, there is no active market for these instruments.

For the Combined Funds' investments held through either private corporations, limited partnerships, or trusts, they are measured based on the fair value of the underlying investments of these entities, using a net asset value ("NAV") approach. The NAV fair value is considered Level 3 in the fair value hierarchy.

The table below further discloses the underlying components which in aggregate comprise the NAV of the Combined Funds' investments as described above measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. All fair value measurements are recurring.

	2025				2024			
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Un- observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Un- observable Inputs)	Total
Absolute Return Strategies	\$ —	\$ 61	\$ 12,344	\$ 12,405	\$ —	\$ 34	\$ 9,912	\$ 9,946
Fixed Income	17,631	83,707	17,353	118,691	13,573	78,065	14,616	106,254
Infrastructure and Renewable Resources	1,511	123	20,200	21,834	714	243	19,510	20,467
Private Equity	—	136	33,365	33,501	—	52	27,176	27,228
Public Equity	35,498	60	4	35,562	37,818	48	3	37,869
Total investments	\$ 54,640	\$ 84,087	\$ 83,266	\$ 221,993	\$ 52,105	\$ 78,442	\$ 71,217	\$ 201,764
Payable to related parties	—	(543)	—	(543)	—	(301)	—	(301)
Amounts payable under repurchase agreements	\$ —	\$ (21,810)	\$ —	\$ (21,810)	\$ —	\$ (20,184)	\$ —	\$ (20,184)
Derivative financial instruments, net	—	834	—	834	—	(1,610)	—	(1,610)
Capital market debt financing	—	(8,501)	—	(8,501)	—	(3,939)	—	(3,939)
Total	\$ 54,640	\$ 54,067	\$ 83,266	\$ 191,973	\$ 52,105	\$ 52,408	\$ 71,217	\$ 175,730

During 2025, quoted prices in active markets became available and unavailable for certain bond investments due to changes in market conditions. Therefore, these securities, with an amount of \$1,851 (2024 - \$3,942) were transferred from Level 2 to Level 1, and \$1,254 (2024 - \$nil) were transferred from Level 1 to Level 2.

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.

2025							
	Absolute Return Strategies	Fixed Income	Infrastructure and Renewable Resources	Private Equity	Public Equity	Total	
Opening balance, beginning of year	\$ 9,912	\$ 14,616	\$ 19,510	\$ 27,176	\$ 3	\$ 71,217	
Total gains or losses recognized in profit or loss	779	630	(641)	2,779	1	3,548	
Purchases	4,632	5,462	2,122	34,990	4	47,210	
Transfer	—	64	—	—	—	64	
Sales	(2,979)	(3,419)	(791)	(31,580)	(4)	(38,773)	
Closing balance, end of year	\$ 12,344	\$ 17,353	\$ 20,200	\$ 33,365	\$ 4	\$ 83,266	
Total unrealized gains (losses) for the year included in profit or loss related to level 3 investments held at the reporting date							
	\$ 14	\$ 485	\$ (750)	\$ 2,268	\$ —	\$ 2,017	
2024							
	Absolute Return Strategies	Fixed Income	Infrastructure and Renewable Resources	Private Equity	Public Equity	Total	
Opening balance, beginning of year	\$ 6,826	\$ 12,107	\$ 16,531	\$ 23,504	\$ 2	\$ 58,970	
Total gains or losses recognized in profit or loss	1,318	1,250	1,006	3,101	—	6,675	
Purchases	3,599	6,828	2,019	3,704	1	16,151	
Transfer	—	(141)	—	78	—	(63)	
Sales	(1,831)	(5,428)	(46)	(3,211)	—	(10,516)	
Closing balance, end of year	\$ 9,912	\$ 14,616	\$ 19,510	\$ 27,176	\$ 3	\$ 71,217	
Total unrealized gains (losses) for the year included in profit or loss related to level 3 investments held at the reporting date							
	\$ 1,263	\$ 463	\$ 984	\$ 2,256	\$ —	\$ 4,966	

During 2025, due to changes in market conditions for certain fixed income investments, broker quotes became unavailable for these investments. Therefore, these investments, with an amount of \$64, were transferred from Level 2 to Level 3. During 2024, the availability of broker quotes led to the transfer of these investments, with an amount of \$(141), from Level 3 to Level 2.

During 2024, certain private equity investments, with an amount of \$78, were transferred from client segregated accounts managed by BCI into the assets of the Combined Funds, including the PEP Fund, PEH Fund, and PEY Fund (note 4).

(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:

		2025				
Program	Holding	Fair Value	Valuation Technique	Unobservable Input	Amount/Range	Weighted Average
Absolute Return Strategies	Direct Private Equity Investments	\$ 1,488	Net Asset Value	Net Asset Value	\$1,488	N/A
		133	Adjusted Net Asset Value	Adjusted Net Asset Value	\$133	N/A
		126	Transaction Price	N/A	N/A	N/A
	Unlisted Private Equity Investee Funds	6,454	Net Asset Value	Net Asset Value	\$6,454	N/A
		2,749	Adjusted Net Asset Value	Adjusted Net Asset Value	\$2,749	N/A
		220	Market approach	EBITDA multiple	9.0x - 12.0x	10.0x
	Direct Private Debt Investments	486	Net Asset Value	Net Asset Value	\$486	N/A
		353	Discounted Cash Flows	Discount rate	11.0% - 19.5%	13.5%
		335	Net Asset Value	Net Asset Value	\$335	N/A
Unlisted Private Debt Investee Funds	335	Net Asset Value	Net Asset Value	\$335	N/A	
Fixed Income	Direct Private Equity Investments	3	Transaction Price	N/A	N/A	N/A
		1	Market approach	Revenue multiple	0.8x	0.8x
	Direct Private Debt Investments	1,046	Net Asset Value	Net Asset Value	\$1,046	N/A
		77	Adjusted Net Asset Value	Adjusted Net Asset Value	\$77	N/A
		889	Transaction Price	N/A	N/A	N/A
		25	Market approach	Revenue multiple	0.8x	0.8x
		171	Market approach	EBITDA multiple	6.5x - 8.0x	7.4x
	Unlisted Private Debt Investee Funds	4,578	Discounted Cash Flows	Discount rate	3.0% - 19.5%	9.3%
		10,107	Net Asset Value	Net Asset Value	\$10,107	N/A
		433	Adjusted Net Asset Value	Adjusted Net Asset Value	\$433	N/A
		23	Discounted Cash Flows	Discount rate	6.0%	6.3%
		291	Net Asset Value	Net Asset Value	\$291	N/A
Infrastructure and Renewable Resources	Direct Private Equity Investments	1,571	Transaction Price	N/A	N/A	N/A
		10,448	Discounted Cash Flows	Discount rate	6.9% - 23%	14.4%
		1,957	Net Asset Value	Net Asset Value	\$1,957	N/A
	Unlisted Private Equity Investee Funds	2,219	Adjusted Net Asset Value	Adjusted Net Asset Value	\$2,219	N/A
		1,086	Transaction Price	N/A	N/A	N/A
	Direct Private Debt Investments	2,310	Discounted Cash Flows	Discount rate	6.8% - 23%	12.4%
		318	Discounted Cash Flows	Discount rate	11.0%	11.0%
	Private Equity	Direct Private Equity Investments	9,737	Net Asset Value	Net Asset Value	\$9,737
2,346			Adjusted Net Asset Value	Adjusted Net Asset Value	\$2,346	N/A
29			Transaction Price	N/A	N/A	N/A
2,920			Market approach	EBITDA multiple	6.5x - 16.9x	13.5x
913			Discounted Cash Flows	Discount rate	9.0%	9.0%
Unlisted Private Equity Investee Funds		14,283	Net Asset Value	Net Asset Value	\$14,283	N/A
		2,987	Adjusted Net Asset Value	Adjusted Net Asset Value	\$2,987	N/A
Direct Private Debt Investments		150	Net Asset Value	Net Asset Value	\$150	N/A
Public Equity	Direct Private Equity Investments	4	Transaction Price	N/A	N/A	NA

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

2024						
Program	Holding	Fair Value	Valuation Technique	Unobservable Input	Amount/Range	Weighted Average
Absolute Return Strategies	Direct Private Equity Investments	\$ 1,391	Net Asset Value	Net Asset Value	\$1,391	N/A
	Unlisted Private Equity Investee Funds	7,540	Net Asset Value	Net Asset Value	\$7,540	N/A
		111	Adjusted Net Asset Value	Adjusted Net Asset Value	\$111	N/A
	Direct Private Debt Investments	411	Net Asset Value	Net Asset Value	\$411	N/A
	Direct Private Debt Investments	116	Transaction Price	N/A	N/A	N/A
343		Discounted Cash Flows	Discount rate	12.9% - 16.4%	14.1%	
Fixed Income	Direct Private Equity Investments	21	Net Asset Value	Net Asset Value	\$21	N/A
	Direct Private Debt Investments	1,410	Net Asset Value	Net Asset Value	\$1,410	N/A
		102	Adjusted Net Asset Value	Adjusted Net Asset Value	\$102	N/A
		751	Transaction Price	N/A	N/A	N/A
		33	Market approach	Revenue multiple	1.0x	N/A
		135	Market approach	EBITDA multiple	6.5x - 7.0x	6.7x
	Unlisted Private Debt Investee Funds	3,839	Discounted Cash Flows	Discount rate	2.9% - 19.5%	10.4%
		8,324	Net Asset Value	Net Asset Value	\$8,324	N/A
1	Adjusted Net Asset Value	Adjusted Net Asset Value	\$1	N/A		
Infrastructure and Renewable Resources	Direct Private Equity Investments	288	Net Asset Value	Net Asset Value	\$288	N/A
		1	Adjusted Net Asset Value	Adjusted Net Asset Value	\$1	N/A
		1,465	Transaction Price	N/A	N/A	N/A
	Unlisted Private Equity Investee Funds	10,399	Discounted Cash Flows	Discount rate	6.9% - 15%	10.9%
		2,014	Net Asset Value	Net Asset Value	\$2,014	N/A
		1,886	Adjusted Net Asset Value	Adjusted Net Asset Value	\$1,886	N/A
		667	Transaction Price	N/A	N/A	N/A
		2,489	Discounted Cash Flows	Discount rate	6.4% - 15%	10.6%
Unlisted Private Debt Investee Funds	301	Discounted Cash Flows	Discount rate	10.4%	10.4%	
	9,927	Net Asset Value	Net Asset Value	\$9,927	N/A	
Private Equity	Direct Private Equity Investments	409	Adjusted Net Asset Value	Adjusted Net Asset Value	\$409	N/A
		285	Market approach	EBITDA multiple	10x	10x
		1,298	Discounted Cash Flows	Discount rate	11.0%	11.0%
		12,899	Net Asset Value	Net Asset Value	\$12,899	N/A
	Unlisted Private Equity Investee Funds	2,261	Adjusted Net Asset Value	Adjusted Net Asset Value	\$2,261	N/A
		97	Net Asset Value	Net Asset Value	\$97	N/A
Public Equity	Direct Private Debt Investments	97	Net Asset Value	Net Asset Value	\$97	N/A
		3	Market approach	Revenue multiple	6.4x	6.4x

Significant unobservable inputs are developed as follows:

EBITDA multiple

EBITDA multiples are selected from comparable public companies and transactions in private companies based on geographic location, industry, size, target markets, and other factors that management considers to be reasonable. The trading multiples for the comparable companies are determined by dividing the enterprise value of the company by its EBITDA. Multiples may be adjusted for considerations such as the lack of marketability and other differences between the comparable peer group and specific company.

Revenue multiple

Revenue multiples are selected from comparable public companies and transactions in private companies based on geographic location, industry, size, target markets, and other factors that management considers to be reasonable. The trading multiples for the comparable companies are determined by dividing the enterprise value of the company by its revenue. Multiples may be adjusted for considerations such as the lack of marketability and other differences between the comparable peer group and specific company.

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.

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.

Net Asset Value

Represents the net asset value of direct private equity and debt investments, and unlisted private equity and debt investee funds. BCI management values these investments 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 Combined Funds are 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.

In certain cases, when investments are held through funds, partnerships or similar structures, fair value is determined by third parties where valuation information is not available to BCI management.

Adjusted Net Asset Value

Represents the adjusted net asset value of direct private equity investments, and unlisted private equity and debt investee funds. BCI management values these investments 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.

In certain cases, when investments are held through funds, partnerships or similar structures, fair value is determined by third parties where valuation information is not available to BCI management.

(ii) Effects of Unobservable Inputs on Fair Value Measurement

Certain direct private equity and debt investments, and unlisted private equity and debt 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.

For certain direct private equity and debt investments, and unlisted private equity and debt investee funds, BCI management, in addition to performing its own analysis, engages third party independent valutors to assist in BCI management's determination of the fair value. The fair value of these investments may fluctuate in response to changes in specific assumptions for the key unobservable inputs.

Although the Combined Funds believe that their 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 of Combined Funds.

The following table shows how net assets of Combined Funds would change if:

- the valuations of certain direct private equity and direct private debt investments were calculated by recalibrating the model values using unobservable inputs based on the upper and lower threshold of the respective investment's range of possible estimates; and
- the fair value of the remaining underlying investments were adjusted by 10%.

	2025	2024
Favourable	\$ 7,636	\$ 6,631
Unfavourable	(7,297)	(6,588)

10. INVOLVEMENT IN STRUCTURED ENTITIES

The Combined Funds hold 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 Combined Funds' interest in these entities is reflected through the holding of trust units, partnership units or a partnership interest. The table below sets out the direct and indirect interests held by the Combined Funds in structured entities:

	2025			2024		
	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
Absolute Return Strategies	65	\$ 39,299	\$ 9,757	47	\$ 28,685	\$ 7,651
Fixed Income	30	95,504	12,945	20	63,491	8,890
Infrastructure and Renewable Resources	32	185,288	4,176	26	154,966	3,900
Private Equity	136	457,862	17,271	119	439,425	15,160
Public Equity	14	1,912,102	676	6	182,113	418
Total	277	\$ 2,690,055	\$ 44,825	218	\$ 868,680	\$ 36,019

The carrying amount of the investments held in these underlying funds represents the Combined Funds' maximum exposure to loss. During 2025 and 2024, the Combined Funds did not provide financial support to these structured entities other than through its investments in units or shares and have no intention of providing financial or other support, other than the unfunded capital commitments disclosed in Note 7.

11. INVOLVEMENT WITH SUBSIDIARIES AND ASSOCIATES

The Combined Funds also hold, through intermediary holding corporations, investments in which it has a controlling position or a position where it could otherwise exert significant influence on the operations of the investee. The Combined Funds measure these investments at fair value through profit or loss. The tables below present, in descending order, the most significant investees held by the Combined Funds in these unconsolidated subsidiaries and associates as at:

2025			
Entity	Principal Place of Business	Relationship	Ownership Interest
Puget Sound Energy	United States	Associate	17.1 %
Vantor Holdings (Formerly Maxar Technologies)	North America	Associate	22.4
National Gas Transmission	United Kingdom	Associate	22.7
Cleco Corporation	United States	Associate	30.1
Open Grid Europe GmbH.	Germany	Associate	26.3
Refresco Group	Europe	Associate	13.2
Isagen SA	Colombia	Associate	14.4
Transelec SA	Chile	Associate	21.3
Fidium (Formerly Consolidated Communications)	North America	Associate	19.0
BMS Group	Europe	Associate	33.8

2024			
Entity	Principal Place of Business	Relationship	Ownership Interest
Puget Sound Energy	United States	Associate	17.0 %
National Gas Transmission	United Kingdom	Associate	23.0
Transelec SA	Chile	Associate	22.0
Maxar Technologies	North America	Associate	19.0
Cleco Corporation	United States	Associate	31.0
Open Grid Europe GmbH.	Germany	Associate	27.0
Isagen SA	Colombia	Associate	15.0
Hayfin Capital Holdings Limited	Europe	Subsidiary	52.0
Refresco Group	Europe and North America	Associate	11.0
Viterra Limited	Netherlands	Associate	8.0

During 2025 and 2024, the Combined Funds did not provide financial support other than through its investments in units or shares to subsidiaries or associates and have no intention of providing financial or other support. Furthermore, the subsidiaries and associates listed in the table above are not subject to any significant restrictions on their ability to transfer funds to the Combined Funds.

12. SECURITIES SUBJECT TO LENDING ARRANGEMENTS

The Combined Funds participate in securities lending programs whereby the Combined Funds lend securities in order to enhance portfolio returns. The fair value of securities on loan, excluding repurchase agreements and percentage of securities on loan for the Funds was as follows:

Program	2025		2024			
	Fair Value of Securities on Loan		Percentage of Securities on Loan			
Public Equity	\$	2,380	\$	2,766	6.1 %	7.3 %
Fixed Income		14,941		18,760	16.7	22.8
Infrastructure and Renewable Resources		—		115	—	16.0

13. TAXES

Net cumulative capital losses for the Combined Funds as of December 31, 2025 are \$8,133. Non-capital losses for the Combined Funds as of December 31, 2025 are \$212 and expire from 2040 to 2045.



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