



Combined Funds Financial Statements

JUNE 2026

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION COMBINED FUNDS

Interim Combined Statement of Financial Position

(Unaudited)

(Expressed in millions of Canadian dollars)

Assets	NOTES	June 30, 2026	December 31, 2025
Cash		\$ 6,665	\$ 1,738
Receivables		2,140	795
Derivative assets		3,331	1,536
Investments	3	237,268	221,993
Total assets		249,404	226,062
Liabilities			
Payable to related parties	3	623	543
Other payables	3	2,024	336
Amounts payable under repurchase agreements		21,758	21,810
Derivative liabilities		2,693	702
Capital market debt financing	4	12,036	8,501
Total liabilities		39,134	31,892
Net assets of Combined Funds		\$ 210,270	\$ 194,170

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

Interim Combined Statement of Comprehensive Income

(Unaudited)

(Expressed in millions of Canadian dollars)

For the six-month period ended June 30

Income	NOTES	2026	2025
Investment income	3	\$ 3,075	\$ 3,224
Foreign exchange loss		(9)	(31)
Change in fair value of investments, derivatives and capital market debt financing:			
Net realized gain		6,682	1,769
Net change in unrealized gain		5,790	1,888
Total income		15,538	6,850
Expenses			
BCI cost recoveries	3	222	212
External management fees		9	9
Interest expense		465	415
Other expenses		72	67
Total expenses		768	703
Increase in net assets of Combined Funds		\$ 14,770	\$ 6,147

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION COMBINED FUNDS

Interim Combined Statement of Changes in Net Assets of Combined Funds

(Unaudited)

(Expressed in millions of Canadian dollars)

For the six-month period ended June 30

	NOTES	2026	2025
Balance, beginning of period	\$	194,170 \$	176,396
Increase in net assets of Combined Funds		14,770	6,147
Contributions in connection with the Private Equity Program Reorganization	3	261	4,045
Capital contributed by clients		52,449	49,079
Distributions paid to clients		(51,380)	(51,110)
Balance, end of period	\$	210,270 \$	184,557

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION

COMBINED FUNDS

Interim Combined Statement of Cash Flows

(Unaudited)

(Expressed in millions of Canadian dollars)

For the six-month period ended June 30

Operating activities	NOTES	2026	2025
Increase in net assets of Combined Funds ^a		\$ 14,770	\$ 6,147
Adjustments:			
Foreign exchange loss		9	31
Net realized gain		(6,682)	(1,769)
Net change in unrealized gain of investments, derivatives and capital market debt financing		(5,790)	(1,888)
		2,307	2,521
Net changes in operating assets and liabilities:			
Net purchase of investments and derivatives	3	(2,077)	(4,475)
Receivables		(1,345)	(1,900)
Other payables		1,652	1,775
Payable to related parties		80	207
Net cash flows provided by (used in) operating activities		617	(1,872)
Financing activities			
Proceeds from clients' contributions		52,449	49,079
Distributions paid to clients		(51,380)	(51,110)
Proceeds from issuance of capital market debt financing	4	3,266	2,989
Proceeds from credit facility	3	235	176
Payments on credit facility	3	(199)	(165)
Net proceeds and repayments from repurchase agreements		(52)	1,277
Net cash flows provided by financing activities		4,319	2,246
Net increase in cash		4,936	374
Effect of exchange rate changes on cash		(9)	(31)
Cash, beginning of period		1,738	335
Cash, end of period		\$ 6,665	\$ 678

(a) Increase in net assets of Combined Funds for the period ended June 30, 2026 includes interest received and interest paid of \$2,054 and \$464 (2025 - \$2,027 and \$348, respectively) and dividends received of \$936 (2025 - \$1,198).

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION

COMBINED FUNDS

Interim Combined Schedule of Investments

(Unaudited)

(Expressed in millions of Canadian dollars)

	NOTES	June 30, 2026	December 31, 2025
Public markets			
Public equity investments:			
Canadian	\$	9,548	\$ 7,125
Foreign		25,922	32,360
		35,470	39,485
Fixed income investments:			
Government money market investments		993	1,948
Corporate money market investments		2,430	1,189
Government bonds		76,707	66,473
Corporate bonds		12,876	12,733
Mortgage-backed securities		6,166	5,086
Private debt investments		23,944	19,184
Investment-related assets:			
Securities purchased under reverse repurchase agreements		4,378	6,634
		127,494	113,247
		162,964	152,732
Private markets			
Infrastructure and renewable resources		21,047	20,006
Private equity		35,002	33,510
Absolute return strategies		13,372	12,405
Loans to related parties:			
Loans to QuadReal-managed entities	3	1,438	529
Loans to Infrastructure and Renewable Resources program	3	791	523
Loans to Fixed Income program	3	2,306	1,970
Prepaid investment	3	348	318
		74,304	69,261
Total Investments	\$	237,268	\$ 221,993

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION

COMBINED FUNDS

Interim Combined Schedule of Derivative Assets and Liabilities

(Unaudited)

(Expressed in millions of Canadian dollars)

	June 30, 2026			December 31, 2025		
	Fair Value ^(c)			Fair Value ^(c)		
	Notional Value ^(a)	Derivative Assets ^(b)	Derivative Liabilities	Notional Value ^(a)	Derivative Assets ^(b)	Derivative Liabilities
Equity derivatives						
OTC						
Swaps	\$ 51,120	\$ 2,850	\$ (856)	\$ 26,194	\$ 812	\$ (338)
Options - Purchased	14	—	—	45	1	—
Options - Written	346	—	(12)	107	—	(1)
Currency derivatives						
OTC						
Forwards	58,720	297	(1,748)	55,216	545	(255)
Swaps	105	—	(7)	315	—	(6)
Options - Purchased	—	—	—	137	1	—
Options - Written	—	—	—	137	—	—
Interest rate derivatives						
Listed						
Futures	4,840	—	—	4,356	—	—
OTC						
Swaps	20,906	172	(70)	15,077	177	(102)
Credit derivatives						
OTC						
Credit default swaps - Purchased	147	12	—	1	—	—
Total	\$ 136,198	\$ 3,331	\$ (2,693)	\$ 101,585	\$ 1,536	\$ (702)

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

	June 30, 2026	December 31, 2025
Less than 1 year	\$ 114,831	\$ 93,726
1 to 2 years	5,213	2,486
Over 2 years	16,154	5,373
Total	\$ 136,198	\$ 101,585

- (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 Interim Combined 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 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 at period end are recorded in receivables or other payables on the Interim Combined 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 interim combined financial statements is to provide users with information on 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 interim 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 interim combined financial statements have been prepared by BCI and are the responsibility of BCI management.

The Combined Funds are comprised of individual Funds, which are managed under the following programs (the "Programs"):

- Absolute Return Strategies
- Fixed Income
- Infrastructure and Renewable Resources
- Private Equity
- Public Equity

The Programs 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. MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These interim combined financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). The interim combined financial statements do not include all of the information and disclosures required for a complete set of interim combined financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with BCI's annual Combined Funds financial statements for the year ended December 31, 2025.

These interim combined financial statements have been prepared using the same accounting policies as those used to prepare the annual Combined Funds financial statements for the year ended December 31, 2025.

These interim combined financial statements were authorized for issue by the Chief Executive Officer / Chief Investment Officer on September 25, 2026.

(b) 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 payable under repurchase agreements	FVTPL
Capital market debt financing	FVTPL
Cash	Amortized cost
Receivables	Amortized cost
Other payables	Amortized cost

(c) Use of estimates and judgment

The preparation of interim combined 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 7. This information relates to the determination of fair value of investments with significant unobservable inputs.

(d) Future Accounting Policies

There have been no significant updates to the future accounting policies disclosed in Note 3 of Combined Funds annual financial statements for the year ended December 31, 2025.

3. 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.

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 Interim Combined Statement of Comprehensive Income and the corresponding payable is included in Other Payables on the Interim Combined Statement of Financial Position. As at June 30, 2026, the BCI cost recoveries and BCI cost recoveries payable are \$222 (June 30, 2025 - \$212) and \$36 (December 31, 2025 - \$31) respectively.

Investments

Transactions between the Funds and related balances are eliminated upon combination and therefore not disclosed in this note.

The Combined Funds entered into investment transactions with subsidiaries and associates in the normal course of business of its investments and unfunded capital commitments as disclosed in Note 5. 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 entered into investment transactions with related parties in the normal course of business. The terms of the respective purchases and sales are equivalent to those prevailing in an arm's length transaction, with each Fund's interests represented by different BCI personnel.

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 Funds provide the required return based on the return of the Funds to the segregated client accounts and the Funds enter into new agreements with the same terms and counterparty as the previous agreement. At June 30, the agreements 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 June 30, 2026, the fair value of the payable to the segregated client accounts was \$623 (December 31, 2025 - \$543).

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 Transactions Directive*. The amounts in the table represent fair value of outstanding amounts as at:

Borrowing entity	Initial principal financing commitment	June 30, 2026	December 31, 2025
Infrastructure and Renewable Resources ¹	Up to \$3,450	\$ 791	\$ 523
Total loans to Infrastructure and Renewable Resources program		\$ 791	\$ 523

Borrowing entity	Initial principal financing commitment	June 30, 2026	December 31, 2025
QuadReal Global I REIT Investment LP ²	Up to \$500	\$ 25	\$ 25
QuadReal Multi Asset Realty ³	Up to \$1,400	1,413	504
Total loans to QuadReal-managed entities		\$ 1,438	\$ 529

¹The borrowing entities are client segregated accounts within the Infrastructure and Renewable Resources program. The Facilities earn a floating rate return that is linked to Canadian Overnight Repo Rate plus 0.93% - 1.56% and of which \$641 matures in January 2027 and \$150 matures in May 2028.

² 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 1.09% - 1.34%. In February 2026, this Facility was rolled over for additional 12 months to mature February 2027. The extended facility earns a floating rate return that is linked to the Canadian Overnight Repo Rate plus 1.22%.

³ The borrowing entity is QuadReal Multi Asset Realty, a pooled investment portfolio within the Real Estate program. The Facilities earn a fixed rate return of 3.59% and floating rate return that is linked to the Canadian Overnight Repo Rate plus 0.90% - 0.92% and of which \$504 matures in January 2030 and \$909 matures in June 2031.

Borrowing entity	June 30, 2026	December 31, 2025
Fixed Income ¹	\$ 2,181	\$ 1,970
Fixed Income ²	125	—
Total loans to Fixed Income program	\$ 2,306	\$ 1,970

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 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.

Prepaid investment

A Fund within the Infrastructure and Renewable Resources program entered into an interest assignment agreement for the period from January 1, 2021 to June 30, 2026 and an option grant to exercise after June 30, 2026, related to private debt investments held in client segregated accounts, whereby the respective Fund is entitled to receive interest income in respect of the debt interests as well as an option agreement to acquire the private debt investments in exchange for \$337, which approximated fair value. The fair value of the prepaid investment of \$348 (December 31, 2025 - \$318) has been recorded on the Interim Combined Statement of Financial Position within investments and interest income of \$2 was assigned in relation to the private debt investments during the period ended June 30, 2026 (June 30, 2025 - \$2). The option was exercised on July 22, 2026.

Credit Facility

During the year ended December 31, 2025, 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 two Funds 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 June 30, 2026, \$36 (December 31, 2025 - \$49) 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").

On January 1, 2026, as part of this Program Reorganization, investments with a total fair value of \$261 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 Funds (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 of BCI.

The fair value of the transferred investments was determined using the valuation framework described within Note 7 and based on valuations completed as at December 31, 2025. The following table represents the consideration paid by the Receiving Funds in respect of the transferred investments:

¹ The borrowing entities are segregated client accounts within the Fixed Income program. The Facilities earn a floating rate of return that is linked to the SOFR plus 2.06% - 4.85% and mature in August 2026. The loans will be subject to annual renewal.

² The borrowing entities are segregated client accounts within the Fixed Income program. The Facilities earn a floating rate of return that is linked to the SOFR plus 2.06-4.85% and mature in April, 2027. The loans will be subject to annual renewal.

June 30, 2026				
Fund	Payment for units issued in-kind		Cash	Fair value of investments
The Receiving Funds	\$	241	\$	20
				\$ 261

December 31, 2025				
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 June 30, 2026, all amounts arising from the Program Reorganization were fully settled with no balances remaining outstanding.

4. CAPITAL MARKET DEBT FINANCING

During the period ended June 30, 2026 and year ended December 31, 2025, 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 as at:

	June 30, 2026		December 31, 2025	
	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	\$ 2,444	\$ 2,250	\$ 2,441
Senior unsecured medium-term Canadian dollar note Series 2, bearing interest at 3.4% per annum and maturing on June 2, 2030.	3,000	3,029	3,000	3,032
Senior unsecured medium-term Canadian dollar note Series 3, bearing interest at 4.0% per annum and maturing on June 2, 2035.	3,000	3,061	3,000	3,028
Senior unsecured medium-term Canadian dollar note Series 4, bearing interest at 3.25% per annum and maturing on June 2, 2031.	3,500	3,502	—	—
Total	\$ 11,750	\$ 12,036	\$ 8,250	\$ 8,501

On August 17, 2026, BCI issued \$2,000 in Series 5 medium-term notes, bearing interest at 4.15% per annum and maturing on June 2, 2036.

5. 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. Recalable capital is distributions or previously contributed capital that has been returned that may be recalled at some future date. Thus, due to changes in recalable capital, unfunded commitments may change at different reporting dates.

Furthermore, commitments are typically made in foreign 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	Unfunded committed capital	
	June 30, 2026	December 31, 2025
Absolute Return Strategies	\$ 6,974	\$ 7,032
Fixed Income	6,138	5,088
Infrastructure and Renewable Resources	2,933	2,383
Private Equity	13,939	12,927
Total	\$ 29,984	\$ 27,430

6. 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.

In addition to the risk management policies, directives and procedures related to the investment activities described in BCI's annual Combined Funds financial statements for the year ended December 31, 2025, a description and quantification of the risks are presented in the following sections.

(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 receivables due to the Combined Funds. The carrying value of these financial instruments as recorded in the Interim 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 holding its cash with high credit quality financial institutions.

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 is as follows:

INSTRUMENTS BY CREDIT RATING		June 30, 2026				
		Fixed income securities	Reverse repurchase agreements	Derivative assets	Private debt securities	Total
AAA/AA	\$	75,529	\$ 1,201	\$ 1,408	\$ —	\$ 78,138
A		14,408	2,719	1,923	—	19,050
BBB		5,334	250	—	481	6,065
BB		3,077	—	—	804	3,881
B		824	—	—	680	1,504
CCC		—	—	—	155	155
CC		—	—	—	19	19
Not rated		—	208	—	21,805	22,013
Total	\$	99,172	\$ 4,378	\$ 3,331	\$ 23,944	\$ 130,825

INSTRUMENTS BY CREDIT RATING		December 31, 2025				
		Fixed income securities	Reverse repurchase agreements	Derivative assets	Private debt securities	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

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

	June 30, 2026	December 31, 2025
Securities repurchase and reverse repurchase agreements		
Amounts payable under repurchase agreements	\$ 21,758	\$ 21,810
Collateral pledged	26,918	26,187
Collateral received	4,378	6,634
Derivatives contracts		
Collateral pledged	376	132
Collateral received	2,504	687

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 Interim Combined Statement of Financial Position. The ISDA and similar master netting agreements do not meet the criteria for

offsetting in the Interim Combined Statement of Financial Position. This is because the Combined Funds do not have any currently legally enforceable right of set-off of recognized 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.

June 30, 2026

	Gross amount subject to netting arrangements	Less: Amounts offset	Net amount presented in the Interim 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	\$ 4,378	\$ —	\$ 4,378	\$ (4,378)	\$ —
Derivative assets	3,331	—	3,331	(600)	(2,433)
Total financial assets	\$ 7,709	\$ —	\$ 7,709	\$ (4,978)	\$ (2,433)
Amounts payable under repurchase agreements	\$ 21,758	\$ —	\$ 21,758	\$ (4,378)	\$ (17,380)
Derivative liabilities	2,693	—	2,693	(600)	(345)
Total financial liabilities	\$ 24,451	\$ —	\$ 24,451	\$ (4,978)	\$ (17,725)

December 31, 2025

	Gross amount subject to netting arrangements	Less: Amounts offset	Net amount presented in the Interim 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)	\$ —
Derivative assets	1,536	—	1,536	(436)	(555)
Total financial assets	\$ 8,170	\$ —	\$ 8,170	\$ (7,070)	\$ (555)
Amounts payable under repurchase agreements	\$ 21,810	\$ —	\$ 21,810	\$ (6,634)	\$ (15,176)
Derivative liabilities	702	—	702	(436)	(11)
Total financial liabilities	\$ 22,512	\$ —	\$ 22,512	\$ (7,070)	\$ (15,187)

(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. At June 30, the Combined Funds have total unfunded commitments of \$29,984 (Note 5). 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.

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 Funds' ongoing liquidity requirements.

Note 4 of the Interim Combined 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 period end of the Combined Funds.

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

June 30, 2026					
	Carrying value	Less than 1 year	1 to 2 years	Over 2 years	Total
Derivative assets	\$ 3,331	\$ 2,361	\$ 7	\$ 963	\$ 3,331
Derivative liabilities	(2,693)	(1,264)	(204)	(1,225)	(2,693)
	\$ 638	\$ 1,097	\$ (197)	\$ (262)	\$ 638

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

(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 represent the investments with the significant exposure to interest rate risk, were as follows:

June 30, 2026					
	Mortgage-backed securities	Government and corporate bonds	Private debt securities	Total	
Within 1 year	\$ 492	\$ 240	\$ 103	\$	835
1 to 5 years	5,674	29,598	346		35,618
5 to 10 years	—	23,085	2		23,087
10 to 20 years	—	8,503	158		8,661
20 to 30 years	—	7,142	236		7,378
Over 30 years	—	6,835	376		7,211
Total	\$ 6,166	\$ 75,403	\$ 1,221	\$	82,790

December 31, 2025					
	Mortgage-backed securities	Government and corporate bonds	Private debt securities	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

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:

	June 30, 2026	December 31, 2025
Money market investment	\$ 3,423	\$ 3,137
Variable rate instruments and other debt instruments not subject to significant interest rate risk	45,816	38,909
Total	\$ 49,239	\$ 42,046

As at June 30, 2026, 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 \$5,084 (December 31, 2025 - \$5,192), representing 2.4% of the Combined Funds' net assets (December 31, 2025 - 2.7%). In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

The Combined Funds have simultaneously entered into 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.

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.

June 30, 2026			December 31, 2025		
CURRENCY	Net Exposure	% of Total Net Assets	Net Exposure	% of Total Net Assets	
Australian Dollar	\$ 1,770	0.8 %	\$ 1,688	0.9 %	
Brazilian Real	554	0.3	489	0.3	
British Pound Sterling	3,593	1.7	3,417	1.8	
Chinese Yuan	538	0.3	359	0.2	
Czech Koruna	480	0.2	561	0.3	
Euro	12,369	5.9	11,832	6.1	
Hong Kong Dollar	1,581	0.8	1,964	1.0	
Indian Rupee	1,256	0.6	1,347	0.7	
Japanese Yen	216	0.1	555	0.3	
South Korean Won	2,489	1.2	1,355	0.7	
Taiwan Dollar	2,697	1.3	1,795	0.9	
United States Dollar	51,095	24.3	60,756	31.3	
Other	1,706	0.8	1,964	1.0	
Net Foreign Exchange Exposure	\$ 80,344	38.3 %	\$ 88,082	45.4 %	

As at June 30, 2026, 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 \$803 (December 31, 2025 - \$881), representing 0.4% of the Combined Funds' net assets (December 31, 2025 - 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 for non-equity derivative instruments. For equity derivative instruments, exposure to other price risk is not limited to the fair value recognized in the Interim Combined Statement of Financial Position given that changes in the price of the underlying reference asset apply to the notional amount of the equity leg. As at June 30, 2026, the notional amount of the equity leg of these derivatives was \$21,209 (December 31, 2025 - \$11,599).

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

INDUSTRY SECTOR	June 30, 2026		December 31, 2025	
	Total	% of Total	Total	% of Total
Consumer Discretionary	\$ 7,105	3.0 %	\$ 7,158	3.2 %
Consumer Staples	4,622	1.8	3,834	1.7
Education	—	—	102	0.0
Energy	3,371	1.4	2,385	1.1
Financials	27,076	11.2	27,281	12.4
Food and beverage	428	0.2	1,207	0.5
Government	69,591	28.9	61,149	27.7
Health Care	6,372	2.6	6,486	2.9
Industrials	14,061	5.8	11,940	5.4
Information Technology	20,661	8.6	15,674	7.1
Materials	3,672	1.5	3,419	1.6
Other	169	0.1	210	0.1
Real Estate	1,209	0.5	914	0.4
Services	—	—	101	0.0
Telecommunication Services	6,328	2.6	5,887	2.7
Transportation	1,750	0.7	1,720	0.8
Diversified industries	59,800	24.8	57,377	26.3
Utilities	14,473	5.9	13,543	6.1
Total	\$ 240,688	100.0 %	\$ 220,387	100.0 %

Equity by Geographic Region

The Combined Funds' investments, including equity derivative instruments, are exposed to the following geographic regions as at:

GEOGRAPHIC REGION	June 30, 2026		December 31, 2025	
	Total	% of Total	Total	% of Total
North America	\$ 139,152	57.8 %	\$ 137,240	62.3 %
Asia	18,104	7.5	11,762	5.3
Europe	18,240	7.6	18,082	8.2
South America, Central America, and Caribbean	12,314	5.1	4,416	2.0
Oceania	2,807	1.2	2,261	1.0
Africa	296	0.1	371	0.2
	\$ 190,913	79.3 %	\$ 174,132	79.0 %
Diversified globally	49,775	20.7 %	46,255	21.0 %
Total	\$ 240,688	100.0 %	\$ 220,387	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 June 30, 2026, had equity and other market prices increased or decreased by 10%, with all other variables held constant, net assets of the Combined Funds would have increased or decreased by approximately \$24,069 (December 31, 2025 - \$22,039), representing 11.4% of the Combined Funds' net assets (December 31, 2025 - 11.4%).

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

7. 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 prices 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 to which it represents actual market transactions;
- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
- if multiple 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, 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.

The Combined Funds' investments held through private corporations, limited partnerships, or trusts 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.

	June 30, 2026				December 31, 2025			
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total
Absolute Return Strategies	\$ —	\$ 35	\$ 13,337	\$ 13,372	\$ —	\$ 61	\$ 12,344	\$ 12,405
Fixed Income	27,992	85,093	21,535	134,620	17,631	83,707	17,353	118,691
Infrastructure and Renewable Resources	1,057	200	21,195	22,452	1,511	123	20,200	21,834
Private Equity	—	24	34,978	35,002	—	136	33,365	33,501
Public Equity	31,812	10	—	31,822	35,498	60	4	35,562
Total investments	\$ 60,861	\$ 85,362	\$ 91,045	\$ 237,268	\$ 54,640	\$ 84,087	\$ 83,266	\$ 221,993
Amounts payable under repurchase agreements	\$ —	\$ (21,758)	\$ —	\$ (21,758)	\$ —	\$ (21,810)	\$ —	\$ (21,810)
Derivative financial instruments, net	—	638	—	638	—	834	—	834
Payable to related parties	—	(623)	—	(623)	—	(543)	—	(543)
Capital market debt financing	—	(12,036)	—	(12,036)	—	(8,501)	—	(8,501)
Total	\$ 60,861	\$ 51,583	\$ 91,045	\$ 203,489	\$ 54,640	\$ 54,067	\$ 83,266	\$ 191,973

During the six-month period ended June 30, 2026, quoted prices in active markets became available and unavailable due to changes in market conditions. Therefore, these securities, with an amount of \$3,467 (June 30, 2025 - \$1,002) were transferred from Level 2 to Level 1, and \$126 (June 30, 2025 - \$1,172) were transferred from Level 1 to Level 2 respectively.

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.

June 30, 2026

	Absolute Return Strategies		Fixed Income		Infrastructure and Renewable Resources		Private Equity		Public Equity		Total
Opening balance, beginning of period	\$	12,348	\$	17,353	\$	20,200	\$	33,365	\$	—	\$ 83,266
Total gains recognized in profit or loss		603		797		1,090		1,899		—	4,389
Purchases		2,211		5,917		1,213		1,742		—	11,083
Transfer		—		(81)		—		—		—	(81)
Sales		(1,825)		(2,451)		(1,308)		(2,028)		—	(7,612)
Closing balance, end of period	\$	13,337	\$	21,535	\$	21,195	\$	34,978	\$	—	\$ 91,045
Total unrealized gains for the period included in profit or loss related to level 3 investments held at the reporting date											
	\$	461	\$	310	\$	549	\$	1,186	\$	—	\$ 2,506

June 30, 2025

	Absolute Return Strategies		Fixed Income		Infrastructure and Renewable Resources		Private Equity		Public Equity		Total
Opening balance, beginning of period	\$	9,912	\$	14,616	\$	19,510	\$	27,176	\$	3	\$ 71,217
Total gains or losses recognized in profit or loss		579		271		(99)		(269)		1	483
Purchases		1,923		2,053		1,310		6,482		—	11,768
Transfer		—		66		—		—		—	66
Sales		(600)		(1,262)		(180)		(1,995)		—	(4,037)
Closing balance, end of period	\$	11,814	\$	15,744	\$	20,541	\$	31,394	\$	4	\$ 79,497
Total unrealized gains (losses) for the period included in profit or loss related to level 3 investments held at the reporting date											
	\$	43	\$	390	\$	(121)	\$	(263)	\$	1	\$ 50

During the six-month period ended June 30, 2026, the unavailability of broker quotes led to the transfer of these investments, with an amount of \$57 (June 30, 2025 - \$66) from Level 2 to Level 3. During the six-month period ended June 30, 2026, the availability of broker quotes led to the transfer of these investments, with an amount of \$138 (June 30, 2025 - \$0) from Level 3 to Level 2.

(i) Significant Unobservable Inputs Used in Measuring Fair Value

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

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June 30, 2026						
Program	Holding	Fair Value	Valuation Technique	Unobservable Input	Amount/Range	Weighted Average
Absolute Return Strategies	Direct Private Equity Investments	\$ 1,888	Net Asset Value	Net Asset Value	\$1,888	N/A
		52	Adjusted Net Asset Value	Adjusted Net Asset Value	52	N/A
		389	Transaction Price	N/A	N/A	N/A
	Unlisted Private Equity Investee Funds	6,360	Net Asset Value	Net Asset Value	6,360	N/A
		3,060	Adjusted Net Asset Value	Adjusted Net Asset Value	3,060	N/A
		228	Market approach	EBITDA multiple	9.0x - 12.0x	9.9x
	Direct Private Debt Investments	560	Net Asset Value	Net Asset Value	560	N/A
		84	Transaction Price	N/A	N/A	N/A
		256	Discounted Cash Flows	Discount rate	11.0% - 15.3%	12.6%
	Unlisted Private Debt Investee Funds	460	Net Asset Value	Net Asset Value	460	N/A
Fixed Income	Direct Private Equity Investments	3	Transaction Price	N/A	N/A	N/A
	Direct Private Debt Investments	1,121	Net Asset Value	Net Asset Value	1,121	N/A
		84	Adjusted Net Asset Value	Adjusted Net Asset Value	84	N/A
		2,863	Transaction Price	N/A	N/A	N/A
		25	Market approach	Revenue multiple	0.8x	0.8x
		170	Market approach	EBITDA multiple	6.0x - 8.0x	6.8x
		4,095	Discounted Cash Flows	Discount rate	3.0% - 20.5%	8.7%
	Unlisted Private Debt Investee Funds	12,927	Net Asset Value	Net Asset Value	12,927	N/A
		11	Adjusted Net Asset Value	Adjusted Net Asset Value	11	N/A
		211	Transaction Price	N/A	N/A	N/A
		25	Discounted Cash Flows	Discount rate	6.4%	6.4%
Infrastructure and Renewable Resources	Direct Private Equity Investments	301	Net Asset Value	Net Asset Value	301	N/A
		225	Adjusted Net Asset Value	Adjusted Net Asset Value	225	N/A
		2,187	Transaction Price	N/A	N/A	N/A
		10,468	Discounted Cash Flows	Discount rate	6.9% - 23.5%	9.1%
		2,042	Net Asset Value	Net Asset Value	2,042	N/A
		2,248	Adjusted Net Asset Value	Adjusted Net Asset Value	2,248	N/A
	Direct Private Debt Investments	1,377	Transaction Price	N/A	N/A	N/A
		1,999	Discounted Cash Flows	Discount rate	7.0% - 23.5%	10.0%
		348	Discounted Cash Flows	Discount rate	12.4%	12.4%
Private Equity	Direct Private Equity Investments	12,591	Net Asset Value	Net Asset Value	12,591	N/A
		979	Adjusted Net Asset Value	Adjusted Net Asset Value	979	N/A
		531	Transaction Price	N/A	N/A	N/A
		1,849	Market approach	EBITDA multiple	10.0x - 16.9x	14.4x
		16,480	Net Asset Value	Net Asset Value	16,480	N/A
		2,325	Adjusted Net Asset Value	Adjusted Net Asset Value	2,325	N/A
	Unlisted Private Equity Investee Funds	29	Transaction Price	N/A	N/A	N/A
	Direct Private Debt Investments	194	Net Asset Value	Net Asset Value	194	N/A

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NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2026
(All amounts expressed in millions of Canadian dollars, unless otherwise noted)

December 31, 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%	
	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	
		4,578	Discounted Cash Flows	Discount rate	3.0% - 19.5%	9.3%	
Unlisted Private Debt Investee Funds		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%	
Infrastructure and Renewable Resources		Direct Private Equity Investments	291	Net Asset Value	Net Asset Value	291	N/A
			1,571	Transaction Price	N/A	N/A	N/A
			10,448	Discounted Cash Flows	Discount rate	6.9% - 23%	14.4%
		Unlisted Private Equity Investee Funds	1,957	Net Asset Value	Net Asset Value	1,957	N/A
	2,219		Adjusted Net Asset Value	Adjusted Net Asset Value	2,219	N/A	
	Direct Private Debt Investments	1,086	Transaction Price	N/A	N/A	N/A	
		2,310	Discounted Cash Flows	Discount rate	6.8% - 23%	12.4%	
	Prepaid Investments	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	N/A	
		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	N/A

(i) 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 valuers 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%.

	June 30, 2026		December 31, 2025	
Favourable	\$	8,453	\$	7,636
Unfavourable		(8,371)		(7,297)



VICTORIA

750 Pandora Ave
BC, Canada
V8W 0E4

VANCOUVER

666 Burrard St
BC, Canada
V6C 2X8

NEW YORK

16B-767 Fifth Ave
NY, USA
10153

LONDON

20 Carlton House Terrace
England, UK
SW1Y 5AN

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