



FIXED INCOME

Pooled Investment Portfolios

DECEMBER 2024

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION

FIXED INCOME - POOLED INVESTMENT PORTFOLIOS

GROUP OF FUNDS

Canadian Money Market Fund ST1
Canadian Money Market Fund ST2
U.S. Dollar Money Market Fund ST3
U.S. Dollar Money Market Fund ST4
CDOR 2 Floating Rate Fund
CDOR 4 Floating Rate Fund
CORRA 1 Floating Rate Fund
CORRA 3 Floating Rate Fund
Short Term Bond Fund
Corporate Bond Fund
The Funding Program
Government Bond Fund

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

British Columbia Investment Management Corporation (BCI) manages Pooled Investment Portfolios (the "Funds") on behalf of governing fiduciaries such as pension fund trustees and other public sector clients. This report contains the financial statements for the following Funds for the year ended December 31, 2024:

Canadian Money Market Fund ST1	CORRA 1 Floating Rate Fund
Canadian Money Market Fund ST2	CORRA 3 Floating Rate Fund
U.S. Dollar Money Market Fund ST3	Short Term Bond Fund
U.S. Dollar Money Market Fund ST4	Corporate Bond Fund
CDOR 2 Floating Rate Fund	The Funding Program
CDOR 4 Floating Rate Fund	Government Bond Fund

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

BCI's Board has established an Audit Committee (the "Committee"). The 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 Funds. The 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 Committee the results of their audit of the Funds' financial statements and related findings with respect to such audits. Each of the Fund financial statements is audited by KPMG LLP in accordance with Canadian generally accepted auditing standards. KPMG LLP has performed such tests and other procedures as they considered necessary to express an opinion on the Fund financial statements.

[S] Gordon J. Fyfe

Gordon J. Fyfe

Chief Executive Officer / Chief Investment Officer

[S] Rechelle Effendy

Rechelle Effendy

Senior Vice President, Finance & CFO

Victoria, British Columbia
April 7, 2025



KPMG LLP
Chartered Professional Accountants
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INDEPENDENT AUDITOR'S REPORT

To the unitholders of following Fixed Income - Pooled Investment Portfolios

Canadian Money Market Fund ST1
Canadian Money Market Fund ST2
U.S. Dollar Money Market Fund ST3
U.S. Dollar Money Market Fund ST4
CDOR 2 Floating Rate Fund
CDOR 4 Floating Rate Fund
CORRA 1 Floating Rate Fund
CORRA 3 Floating Rate Fund
Short Term Bond Fund
Corporate Bond Fund
The Funding Program
Government Bond Fund

(collectively, the "Funds")

Opinion

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

- the statements of financial position as at December 31, 2024
- the statements of comprehensive income (loss) for the year then ended
- the statements of changes in net assets attributable to holders of redeemable units for the year then ended
- the statements of cash flows for the year then ended
- and notes to the 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 financial position of the Funds as at December 31, 2024, and their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audits 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 Funds in accordance with the ethical requirements that are relevant to our audits 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 Funds' abilities to continue as going concerns, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the 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 Funds' abilities to continue as going concerns. 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 Funds to cease to continue as going concerns.
- 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 audits.

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

Chartered Professional Accountants

Vancouver, Canada
April 7, 2025

CANADIAN MONEY MARKET FUND ST1**Statement of Financial Position**

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Interest receivable		\$ 1,111	\$ 1,607
Investments		3,752,335	2,677,576
Total assets		3,753,446	2,679,183
Liabilities			
BCI cost recoveries payable	4	6	7
Other accounts payable		84	125
		90	132
Net assets attributable to holders of redeemable units		\$ 3,753,356	\$ 2,679,051
Number of redeemable units outstanding	5	851.149	636.226
Net assets attributable to holders of redeemable units per unit		\$ 4,410	\$ 4,211

[S] Gordon J. Fyfe

 Gordon J. Fyfe
 Chief Executive Officer
 Chief Investment Officer

CANADIAN MONEY MARKET FUND ST1**Statement of Comprehensive Income**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income		\$ 143,620	\$ 121,251
Other income		13	30
Change in fair value of investments:			
Net change in unrealized appreciation		7	5
Total revenue		143,640	121,286
Expenses			
BCI cost recoveries	4	83	82
Administrative fees		132	89
Total operating expenses		215	171
Increase in net assets attributable to holders of redeemable units before distributions		143,425	121,115
Distributions to holders of redeemable units		(143,418)	(121,111)
Increase in net assets attributable to holders of redeemable units		\$ 7	\$ 4

CANADIAN MONEY MARKET FUND ST1**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 2,679,051	\$ 1,910,876
Increase in net assets attributable to holders of redeemable units	7	4
Redeemable unit transactions:		
Proceeds from units issued	67,484,464	52,376,761
Reinvestment of distributions	143,418	121,111
Amounts paid for units redeemed	(66,553,584)	(51,729,701)
Net increase from redeemable unit transactions	1,074,298	768,171
Balance, end of year	\$ 3,753,356	\$ 2,679,051

CANADIAN MONEY MARKET FUND ST1

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Increase in net assets attributable to holders of redeemable units	\$ 7	\$ 4
Adjustments for:		
Interest income	(143,620)	(121,251)
Net change in unrealized appreciation of investments	(7)	(5)
Amortization of premiums and discounts	(9,259)	(8,818)
Distributions to holders of redeemable units	143,418	121,111
BCI cost recoveries payable	(1)	1
Other accounts payable	(41)	(7)
Interest received	144,116	121,813
Net purchase of investments	(1,065,493)	(759,908)
	(930,880)	(647,060)
Financing activities		
Proceeds from issuance of redeemable units	67,484,464	52,376,761
Payments on redemption of redeemable units	(66,553,584)	(51,729,701)
	930,880	647,060
Cash, beginning and end of year	\$ —	\$ —

CANADIAN MONEY MARKET FUND ST1**Schedule of Investments**

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Money Market Investments				
Provincial Government	\$ —	\$ —	\$ 43,483	\$ 43,488
Municipal Government	213,468	213,477	149,768	149,785
Corporate	—	—	13,977	13,978
	213,468	213,477	207,228	207,251
Investment Related Receivables				
Securities purchased under reverse repurchase agreements	\$ 3,338,729	\$ 3,338,719	\$ 2,470,348	\$ 2,470,331
Securities purchased under reverse repurchase agreements - related party (note 4)	200,138	200,138	—	—
	3,538,867	3,538,857	2,470,348	2,470,331
Total Investments	\$ 3,752,335	\$ 3,752,334	\$ 2,677,576	\$ 2,677,582

CANADIAN MONEY MARKET FUND ST1

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The Canadian Money Market Fund ST1 (the "Fund") invests in very short-term reverse repurchase agreements, and debt securities that are issued, insured, or guaranteed by the Canadian federal, provincial, or municipal government. The investment objective of the Fund is to minimize market risk and maximize liquidity. The Fund's benchmark is the Canadian Overnight Repo Rate Average ("CORRA").

The Fund can hold the following securities:

- fixed income securities which are issued, insured or guaranteed by the Government of Canada, a provincial or municipal government;
- repurchase agreement investments secured by fixed income securities which are issued, insured, or guaranteed by the Government of Canada, a Canadian provincial government, or a government-owned and AAA rated Canadian public sector asset manager;
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management; and
- fully hedged US dollar denominated securities that meet investment guideline criteria.

The following restrictions apply to the Fund:

- the maximum term to maturity of the securities is 45 days;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any counterparty is downgraded below the approved credit standard, BCI will have discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

MONEY MARKET INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ —	0.0 %	\$ 207,228	100.0 %
A	213,468	100.0	—	0.0
Total	\$ 213,468	100.0 %	\$ 207,228	100.0 %

The Fund's other financial assets are not exposed to significant credit risk.

CANADIAN MONEY MARKET FUND ST1

Collateral Pledged and Received

Credit risk relating to reverse repurchase agreements is considered low due to the amount and quality of collateral, guaranteed by the Government of Canada, a Canadian provincial government, or a government-owned and AAA rated Canadian public sector asset manager, as well as high counterparty credit ratings. As at December 31, the Fund invested in securities purchased under reverse repurchase agreements with the following counterparty credit ratings:

REVERSE REPURCHASE INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 511,537	14.5 %	\$ 1,180,329	47.8 %
A	2,449,967	69.2	650,002	26.3
BBB	577,363	16.3	640,017	25.9
Total	\$ 3,538,867	100.0 %	\$ 2,470,348	100.0 %

Liquidity Risk

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

Interest Rate Risk

As at December 31, the Fund invested in fixed income instruments with terms to maturity within 45 days (2023 - 45 days), and a weighted average effective yield of 3.3% (2023 - 5.0%).

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 \$590 (2023 - \$268), representing 0.0% of the Fund's net assets (2023 - 0.0%). In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

Currency Risk

The Fund is not exposed to significant currency risk since the Fund's assets and liabilities are denominated in Canadian dollars.

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

Investments by geographic region

All of the Fund's investments are exposed to the Canadian market.

CANADIAN MONEY MARKET FUND ST1

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market investments	\$ —	\$ 213,468	\$ 213,468	\$ —	\$ 207,228	\$ 207,228
Securities purchased under reverse repurchase agreements	—	3,538,867	3,538,867	—	2,470,348	2,470,348
Total	\$ —	\$ 3,752,335	\$ 3,752,335	\$ —	\$ 2,677,576	\$ 2,677,576

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

CANADIAN MONEY MARKET FUND ST2**Statement of Financial Position**

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Receivable from issuance of units		\$ —	\$ 117,800
Interest receivable		6,981	3,125
Investments		3,438,588	2,534,339
Total assets		3,445,569	2,655,264
Liabilities			
Payable for redemption of units		—	117,800
BCI cost recoveries payable	4	19	21
Other accounts payable		40	83
		59	117,904
Net assets attributable to holders of redeemable units		\$ 3,445,510	\$ 2,537,360
Number of redeemable units outstanding	5	719.449	556.874
Net assets attributable to holders of redeemable units per unit		\$ 4,789	\$ 4,556

[S] Gordon J. Fyfe

 Gordon J. Fyfe
 Chief Executive Officer
 Chief Investment Officer

CANADIAN MONEY MARKET FUND ST2**Statement of Comprehensive Income**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income		\$ 127,243	\$ 115,362
Securities lending income		3	—
Other income		17	35
Change in fair value of investments:			
Net realized gain (loss)		4,141	(739)
Net change in unrealized appreciation		3,951	958
Total revenue		135,355	115,616
Expenses			
BCI cost recoveries	4	248	246
Administrative fees		—	31
Total operating expenses		248	277
Increase in net assets attributable to holders of redeemable units before distributions		135,107	115,339
Distributions to holders of redeemable units		(131,156)	(114,381)
Increase in net assets attributable to holders of redeemable units		\$ 3,951	\$ 958

CANADIAN MONEY MARKET FUND ST2**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 2,537,360	\$ 2,517,787
Increase in net assets attributable to holders of redeemable units	3,951	958
Redeemable unit transactions:		
Proceeds from units issued	6,678,100	7,059,291
Reinvestment of distributions	131,156	114,381
Amounts paid for units redeemed	(5,905,057)	(7,155,057)
Net increase from redeemable unit transactions	904,199	18,615
Balance, end of year	\$ 3,445,510	\$ 2,537,360

CANADIAN MONEY MARKET FUND ST2

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Increase in net assets attributable to holders of redeemable units	\$ 3,951	\$ 958
Adjustments for:		
Interest income	(127,243)	(115,362)
Net realized (gain) loss from investments	(4,141)	739
Net change in unrealized appreciation of investments	(3,951)	(958)
Amortization of premiums and discounts	(90,102)	(88,272)
Distributions to holders of redeemable units	131,156	114,381
BCI cost recoveries payable	(2)	5
Other accounts payable	(43)	(20)
Interest received	123,387	114,517
Net sale (purchase) of investments	(806,055)	68,893
	(773,043)	94,881
Financing activities		
Proceeds from issuance of redeemable units	6,795,900	6,941,491
Payments on redemption of redeemable units	(6,022,857)	(7,037,257)
	773,043	(95,766)
Net decrease in cash	—	(885)
Cash, beginning of year	—	885
Cash, end of year	\$ —	\$ —

CANADIAN MONEY MARKET FUND ST2

Schedule of Investments

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Bonds				
Federal Government	\$ 466,449	\$ 465,949	\$ —	\$ —
Provincial Government	98,193	98,039	—	—
Corporate	387,634	386,691	230,706	230,667
	952,276	950,679	230,706	230,667
Money Market Investments				
Federal Government	957,301	954,838	1,188,423	1,188,282
Municipal Government	91,547	91,535	480,992	480,990
Corporate	478,848	478,797	550,501	550,509
	1,527,696	1,525,170	2,219,916	2,219,781
Investment Related Receivables				
Securities purchased under reverse repurchase agreements	760,088	760,085	83,717	83,716
Securities purchased under reverse repurchase agreements - related party (note 4)	198,528	198,528	—	—
	958,616	958,613	83,717	83,716
Total Investments	\$ 3,438,588	\$ 3,434,462	\$ 2,534,339	\$ 2,534,164

CANADIAN MONEY MARKET FUND ST2

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The Canadian Money Market Fund ST2 (the "Fund") invests primarily in high quality Canadian government and corporate debt securities. The investment objective of the Fund is to exceed the return of the benchmark, the FTSE Canada 91 Day T-Bill Index, net of all investment expenses incurred.

The Fund can hold the following securities:

- fixed income securities that are issued, insured or guaranteed by the Government of Canada or a provincial or municipal government, or Canadian government-related entities;
- Canadian dollar denominated fixed income securities issued, insured or guaranteed by a sovereign government;
- Canadian dollar denominated fixed income securities which are issued, insured, or guaranteed by supranational entities including, but not limited to, the World Bank, the International Bank for Reconstruction and Development, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, or the Inter-American Development bank;
- corporate bonds, issued in Canadian dollars;
- corporate commercial paper, issued in Canadian dollars;
- interest-bearing money market investments such as term deposits;
- asset-backed securities, issued in Canadian dollars;
- unrated Canadian dollar denominated corporate paper (i.e., debt issued by credit unions), up to 1% of the Fund's assets;
- repurchase agreement investments secured by fixed income securities of approved issuers;
- derivative instruments for the purpose of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management; and
- fully hedged US dollar denominated securities that meet investment guideline criteria.

The following restrictions apply to the Fund:

- the maximum term to maturity is 15 months, unless it is a callable bond which has a high probability of being called within 15 months;
- not more than 15 percent of the market value of the Fund can be invested in the securities of one corporation;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- corporate money market investments, and government money market securities not issued or guaranteed by the Government of Canada or a Canadian provincial or municipal government or the Government of the United States, must be rated A-1 or better by Standard & Poor's or have an equivalent rating from another credit rating agency;
- corporate bonds, and government bonds that are not issued or guaranteed by the Government of Canada or a Canadian provincial or municipal government or the Government of the United States, must be rated A- or better by Standard & Poor's or have an equivalent rating from another credit rating agency;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

CANADIAN MONEY MARKET FUND ST2

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 644,552	26.0 %	\$ 93,505	3.8 %
A	1,602,752	64.6	2,347,139	95.8
BBB	232,668	9.4	9,978	0.4
Total	\$ 2,479,972	100.0 %	\$ 2,450,622	100.0 %

The Fund's other financial assets are not exposed to significant credit risk.

Collateral Pledged and Received

Credit risk relating to reverse repurchase agreements is considered low due to the amount and quality of collateral, as well as high counterparty credit ratings. As at December 31, the Fund invested in securities purchased under reverse repurchase agreements with the following issuer credit ratings:

REVERSE REPURCHASE INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 837,051	87.3 %	\$ 83,717	100.0 %
BBB	121,565	12.7	—	0.0
Total	\$ 958,616	100.0 %	\$ 83,717	100.0 %

Liquidity Risk

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

Interest Rate Risk

As at December 31, the Fund invested in fixed income instruments with an effective term to maturity within 11 months (2023 - 5 months), and a weighted average effective yield of 3.5% (2023 - 5.2%).

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 \$8,748 (2023 - \$5,829), representing 0.3% of the Fund's net assets (2023 - 0.2%). In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

Currency Risk

The Fund is not exposed to significant currency risk since the Fund's assets and liabilities are denominated in Canadian dollars.

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

Investments by geographic region

All of the Fund's investments are exposed to the Canadian market.

CANADIAN MONEY MARKET FUND ST2

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market investments	\$ —	\$ 1,527,696	\$ 1,527,696	\$ —	\$ 2,219,916	\$ 2,219,916
Bonds	—	952,276	952,276	—	230,706	230,706
Securities purchased under reverse repurchase agreements	—	958,616	958,616	—	83,717	83,717
Total	\$ —	\$ 3,438,588	\$ 3,438,588	\$ —	\$ 2,534,339	\$ 2,534,339

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

U.S. DOLLAR MONEY MARKET FUND ST3

Statement of Financial Position

(Expressed in thousands of U.S. dollars, except number of units)

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Interest receivable		\$ 60	\$ 969
Derivative assets:			
Forwards		1,312	—
Investments		551,874	2,152,068
Total assets		553,246	2,153,037
Liabilities			
BCI cost recoveries payable	4	5	5
Other accounts payable		46	92
		51	97
Net assets attributable to holders of redeemable units		\$ 553,195	\$ 2,152,940
Number of redeemable units outstanding	5	213,413	875,224
Net assets attributable to holders of redeemable units per unit		\$ 2,592	\$ 2,460

[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

U.S. DOLLAR MONEY MARKET FUND ST3

Statement of Comprehensive Income

(Expressed in thousands of U.S. dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income		\$ 86,511	\$ 101,246
Other income		8	2
Foreign exchange gain (loss)		(6,899)	4,932
Change in fair value of investments and derivatives:			
Net realized gain (loss)		8,681	(3,961)
Net change in unrealized appreciation		9	25
Total revenue		88,310	102,244
Expenses			
BCI cost recoveries	4	60	83
Administrative fees		48	56
Total operating expenses		108	139
Increase in net assets attributable to holders of redeemable units before distributions		88,202	102,105
Distributions to holders of redeemable units		(88,193)	(101,499)
Increase in net assets attributable to holders of redeemable units		\$ 9	\$ 606

U.S. DOLLAR MONEY MARKET FUND ST3**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of U.S. dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 2,152,940	\$ 2,470,992
Increase in net assets attributable to holders of redeemable units	9	606
Redeemable unit transactions:		
Proceeds from units issued	23,142,685	24,927,600
Reinvestment of distributions	88,193	101,499
Amounts paid for units redeemed	(24,830,632)	(25,347,757)
Net decrease from redeemable unit transactions	(1,599,754)	(318,658)
Balance, end of year	\$ 553,195	\$ 2,152,940

U.S. DOLLAR MONEY MARKET FUND ST3

Statement of Cash Flows

(Expressed in thousands of U.S. dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Increase in net assets attributable to holders of redeemable units	\$ 9	\$ 606
Adjustments for:		
Foreign exchange (gain) loss	6,899	(4,932)
Interest income	(86,511)	(101,246)
Net realized (gain) loss from investments and derivatives	(8,681)	3,961
Net change in unrealized appreciation of investments and derivatives	(9)	(25)
Amortization of premiums and discounts	(12,671)	(9,987)
Distributions to holders of redeemable units	88,193	101,499
BCI cost recoveries payable	—	(7)
Other accounts payable	(46)	(8)
Interest received	87,420	100,862
Net sale of investments and derivatives	1,620,243	324,502
	1,694,846	415,225
Financing activities		
Proceeds from issuance of redeemable units	23,142,685	24,927,600
Payments on redemption of redeemable units	(24,830,632)	(25,347,757)
	(1,687,947)	(420,157)
Net increase (decrease) in cash	6,899	(4,932)
Effect of exchange rate changes on cash	(6,899)	4,932
Cash, beginning and end of year	\$ —	\$ —

U.S. DOLLAR MONEY MARKET FUND ST3**Schedule of Investments**

(Expressed in thousands of U.S. dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Money Market Investments				
Provincial Government	\$ 27,785	\$ 28,377	\$ —	\$ —
Corporate	144,077	144,773	606,634	606,634
	171,862	173,150	606,634	606,634
Investment Related Receivables				
Securities purchased under reverse repurchase agreements	380,012	380,009	1,545,434	1,545,416
Total Investments	\$ 551,874	\$ 553,159	\$ 2,152,068	\$ 2,152,050

U.S. DOLLAR MONEY MARKET FUND ST3

Schedule of Derivative Assets and Liabilities

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024			2023		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
Derivative Assets ^(b)		Derivative Liabilities	Derivative Assets ^(b)		Derivative Liabilities	
Currency derivatives						
OTC						
Forwards	\$ 69,827	\$ 1,312	\$ —	\$ —	\$ —	\$ —
Total	\$ 69,827	\$ 1,312	\$ —	\$ —	\$ —	\$ —

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

	2024	2023
Less than 1 year	\$ 69,827	\$ —
Total	\$ 69,827	\$ —

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

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

U.S. DOLLAR MONEY MARKET FUND ST3

Financial Risk Management Discussion

(Expressed in thousands of U.S. dollars)

The U.S. Dollar Money Market Fund ST3 (the "Fund") invests primarily in short term government and corporate debt securities, including reverse repurchase agreements, and term deposits. The Fund's benchmark is the Secured Overnight Financing Rate ("SOFR").

The Fund can hold the following securities:

- US dollar denominated fixed income securities which are issued or guaranteed by the Government of Canada, a Canadian provincial or municipal government, Canadian government-related entities, or the Government of the United States;
- corporate money market securities, issued in US dollars;
- asset backed securities, issued in US dollars;
- interest-bearing money market investments such as term deposits, that meet investment guideline criteria;
- repurchase agreement investments secured by fixed income securities which are issued or guaranteed by the United States Government;
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management; and
- fully hedged Canadian-dollar denominated securities that meet investment guideline criteria.

The following restrictions apply to the Fund:

- corporate money market investments, and government money market securities not issued or guaranteed by the Government of Canada or a Canadian provincial or municipal government or the Government of the United States must be rated A-1 (Low) or better by Standard & Poor's or have an equivalent rating from another credit rating agency;
- corporate bonds, and government bonds that are not issued or guaranteed by the Government of Canada or a Canadian provincial or municipal government or the Government of the United States, must be rated "A-" or better by Standard & Poor's or have an equivalent rating from another credit rating agency;
- the maximum term to maturity of any one security is 45 days;
- not more than 15 percent of the market value of the Fund can be invested in the securities of one corporation;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

U.S. DOLLAR MONEY MARKET FUND ST3

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

MONEY MARKET INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 28,434	16.5 %	\$ 106,634	17.6 %
A	143,428	83.5	500,000	82.4
Total	\$ 171,862	100.0 %	\$ 606,634	100.0 %

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

DERIVATIVES BY CREDIT RATING	2024			2023		
	Notional Value	Fair Value		Notional Value	Fair Value	
		Derivative Assets	Derivative Liabilities		Derivative Assets	Derivative Liabilities
A	\$ 69,827	\$ 1,312	\$ —	\$ —	\$ —	\$ —
Total Derivatives	\$ 69,827	\$ 1,312	\$ —	\$ —	\$ —	\$ —

The Fund's other financial assets are not exposed to significant credit risk.

Collateral Pledged and Received

Credit risk relating to reverse repurchase agreements is considered low due to the amount and quality of collateral, as well as high counterparty credit ratings. As at December 31, the Fund invested in securities purchased under reverse repurchase agreements with the following issuer credit ratings:

REVERSE REPURCHASE INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 100,001	26.3 %	\$ 1,445,433	93.5 %
A	280,011	73.7	100,001	6.5
Total	\$ 380,012	100.0 %	\$ 1,545,434	100.0 %

Liquidity Risk

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

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

	2024				
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 1,312	\$ 1,312	\$ —	\$ —	\$ 1,312
Derivative liabilities	—	—	—	—	—
	\$ 1,312	\$ 1,312	\$ —	\$ —	\$ 1,312

U.S. DOLLAR MONEY MARKET FUND ST3

	2023				
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ —	\$ —	\$ —	\$ —	\$ —
Derivative liabilities	—	—	—	—	—
	\$ —	\$ —	\$ —	\$ —	\$ —

Interest Rate Risk

As at December 31, the Fund invested in fixed income instruments with terms to maturity within 45 days (2023 - 45 days), and a weighted average effective yield of 4.2% (2023 - 5.3%).

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 \$55 (2023 - \$215), representing 0.0% of the Fund's net assets (2023 - 0.0%). In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

Currency Risk

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

	2024				
	Net Investments and Investment-Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets	
Canadian Dollar	\$ 68,428	\$ (68,489)	\$ (61)	0.0 %	
Net Foreign Exchange Exposure	\$ 68,428	\$ (68,489)	\$ (61)	0.0 %	

	2023				
	Net Investments and Investment-Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets	
Canadian Dollar	\$ (15)	\$ —	\$ (15)	0.0 %	
Net Foreign Exchange Exposure	\$ (15)	\$ —	\$ (15)	0.0 %	

As at December 31, 2024, if the U.S. dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$(1) (2023 - \$nil), representing 0.0% (2023 - 0.0%) of the Fund's net assets. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

Investments by geographic region

The Fund's investments are exposed to the Canadian market, as all of the investments are U.S. dollar denominated instruments issued by Canadian governments and corporations.

U.S. DOLLAR MONEY MARKET FUND ST3

Fair Value Measurement Discussion

(Expressed in thousands of U.S. dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market investments	\$ —	\$ 171,862	\$ 171,862	\$ —	\$ 606,634	\$ 606,634
Securities purchased under reverse repurchase agreements	—	380,012	380,012	—	1,545,434	1,545,434
Total investments	—	551,874	551,874	—	2,152,068	2,152,068
Forwards, net	—	1,312	1,312	—	—	—
Total	\$ —	\$ 553,186	\$ 553,186	\$ —	\$ 2,152,068	\$ 2,152,068

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

U.S. DOLLAR MONEY MARKET FUND ST4

Statement of Financial Position

(Expressed in thousands of U.S. dollars, except number of units)

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Interest receivable		\$ 9	\$ 1
Derivative assets:			
Forwards		14,856	—
Investments		1,147,038	671,448
Total assets		1,161,903	671,449
Liabilities			
BCI cost recoveries payable	4	5	5
Other accounts payable		16	20
Derivative liabilities:			
Forwards		32	2,392
		53	2,417
Net assets attributable to holders of redeemable units		\$ 1,161,850	\$ 669,032
Number of redeemable units outstanding	5	1,029,242	625,325
Net assets attributable to holders of redeemable units per unit		\$ 1,129	\$ 1,070

[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

U.S. DOLLAR MONEY MARKET FUND ST4

Statement of Comprehensive Income

(Expressed in thousands of U.S. dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income		\$ 40,232	\$ 31,916
Securities lending income		588	—
Other income		—	718
Foreign exchange gain (loss)		254	(188)
Change in fair value of investments and derivatives:			
Net realized gain (loss)		3,778	(127)
Net change in unrealized appreciation		134	155
Total revenue		44,986	32,474
Expenses			
BCI cost recoveries	4	60	61
Administrative fees		22	27
Total operating expenses		82	88
Increase in net assets attributable to holders of redeemable units before distributions		44,904	32,386
Distributions to holders of redeemable units		(44,770)	(32,115)
Increase in net assets attributable to holders of redeemable units		\$ 134	\$ 271

U.S. DOLLAR MONEY MARKET FUND ST4**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of U.S. dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 669,032	\$ 487,489
Increase in net assets attributable to holders of redeemable units	134	271
Redeemable unit transactions:		
Proceeds from units issued	705,864	389,663
Reinvestment of distributions	44,770	32,115
Amounts paid for units redeemed	(257,950)	(240,506)
Net increase from redeemable unit transactions	492,684	181,272
Balance, end of year	\$ 1,161,850	\$ 669,032

U.S. DOLLAR MONEY MARKET FUND ST4

Statement of Cash Flows

(Expressed in thousands of U.S. dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Increase in net assets attributable to holders of redeemable units	\$ 134	\$ 271
Adjustments for:		
Foreign exchange (gain) loss	(254)	188
Interest income	(40,232)	(31,916)
Net realized (gain) loss from investments and derivatives	(3,778)	127
Net change in unrealized appreciation of investments and derivatives	(134)	(155)
Amortization of premiums and discounts	(39,049)	(26,975)
Distributions to holders of redeemable units	44,770	32,115
BCI cost recoveries payable	—	1
Other accounts payable	(4)	11
Interest received	40,224	32,035
Net purchase of investments and derivatives	(449,845)	(154,671)
	(448,168)	(148,969)
Financing activities		
Proceeds from issuance of redeemable units	705,864	389,663
Payments on redemption of redeemable units	(257,950)	(240,506)
	447,914	149,157
Net increase (decrease) in cash	(254)	188
Effect of exchange rate changes on cash	254	(188)
Cash, beginning and end of year	\$ —	\$ —

U.S. DOLLAR MONEY MARKET FUND ST4

Schedule of Investments

(Expressed in thousands of U.S. dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Money Market Investments				
Federal Government	\$ 669,612	\$ 669,594	\$ 517,225	\$ 517,214
Provincial Government	19,118	20,108	—	—
Municipal Government	244,210	252,989	—	—
Corporate	144,641	149,363	154,223	151,624
	1,077,581	1,092,054	671,448	668,838
Investment Related Receivables				
Securities purchased under reverse repurchase agreements	69,457	69,456	—	—
Total Investments	\$ 1,147,038	\$ 1,161,510	\$ 671,448	\$ 668,838

U.S. DOLLAR MONEY MARKET FUND ST4

Schedule of Derivative Assets and Liabilities

(Expressed in thousands of U.S. dollars)

As at December 31, 2024, with comparative information for 2023

	2024			2023		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
Derivative Assets ^(b)		Derivative Liabilities	Derivative Assets ^(b)		Derivative Liabilities	
Currency derivatives						
OTC						
Forwards	\$ 424,023	\$ 14,856	\$ (32)	\$ 150,029	\$ —	\$ (2,392)
Total	\$ 424,023	\$ 14,856	\$ (32)	\$ 150,029	\$ —	\$ (2,392)

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

	2024	2023
Less than 1 year	\$ 424,023	\$ 150,029
Total	\$ 424,023	\$ 150,029

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

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

U.S. DOLLAR MONEY MARKET FUND ST4

Financial Risk Management Discussion

(Expressed in thousands of U.S. dollars)

The U.S. Dollar Money Market Fund ST4 (the "Fund") invests in high quality government and corporate debt securities, primarily denominated in US dollars. The Fund's benchmark is the ICE BofA US 3-Month Treasury Bill Index.

The Fund can hold the following securities:

- US dollar denominated securities which are issued, insured, or guaranteed by the Government of Canada or a provincial or municipal government, Canadian government-related entities, or the Government of the United States;
- US dollar denominated fixed income securities which are issued or guaranteed by a sovereign or supranational entity including, but not limited to, the World Bank, the International Bank for Reconstruction and Development, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank and the Inter-American Development Bank;
- corporate bonds, issued in US dollars;
- corporate money market securities, issued in US dollars;
- interest-bearing money market investments such as term deposits, in US dollars;
- asset-backed securities issued in US dollars;
- repurchase agreement investments secured by fixed income securities which are issued or guaranteed by the United States Government;
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management; and
- fully hedged non-US dollar denominated investments that meet investment guideline criteria.

The following restrictions apply to the Fund:

- the maximum term to maturity is 15 months, unless it is a callable bond which has a high probability of being called within 15 months;
- not more than 15 percent of the market value of the Fund can be invested in the securities of one corporation;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- providers and issuers of corporate money market investments, and government money market securities not issued or guaranteed by the Government of Canada or a Canadian provincial or municipal government or the Government of the United States, must be rated A-1 or better by Standard & Poor's or have an equivalent rating from another credit rating agency;
- corporate bonds, and government bonds that are not issued or guaranteed by the Government of Canada or a Canadian provincial or municipal government or the Government of the United States, must be rated A- or better by Standard & Poor's or have an equivalent rating from another credit rating agency;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

U.S. DOLLAR MONEY MARKET FUND ST4

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

MONEY MARKET INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 357,464	33.2 %	\$ 572,446	85.3 %
A	720,117	66.8	99,002	14.7
Total	\$ 1,077,581	100.0 %	\$ 671,448	100.0 %

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

DERIVATIVES BY CREDIT RATING	2024			2023		
	Notional Value	Fair Value		Notional Value	Fair Value	
Derivative Assets		Derivative Liabilities	Derivative Assets		Derivative Liabilities	
AAA/AA	\$ 140,445	\$ 5,860	\$ —	\$ 72,941	\$ —	\$ (1,476)
A	283,578	8,996	(32)	77,088	—	(916)
Total Derivatives	\$ 424,023	\$ 14,856	\$ (32)	\$ 150,029	\$ —	\$ (2,392)

The Fund's other financial assets are not exposed to significant credit risk.

Collateral Pledged and Received

Credit risk relating to reverse repurchase agreements is considered low due to the amount and quality of collateral, as well as high counterparty credit ratings. As at December 31, the Fund invested in securities purchased under reverse repurchase agreements with the following issuer credit ratings:

REVERSE REPURCHASE INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 69,457	100.0 %	\$ —	0.0 %
Total	\$ 69,457	100.0 %	\$ —	0.0 %

Liquidity Risk

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

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

	2024				
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 14,856	\$ 14,856	\$ —	\$ —	\$ 14,856
Derivative liabilities	(32)	(32)	—	—	(32)
	\$ 14,824	\$ 14,824	\$ —	\$ —	\$ 14,824

U.S. DOLLAR MONEY MARKET FUND ST4

2023					
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ —	\$ —	\$ —	\$ —	\$ —
Derivative liabilities	(2,392)	(2,392)	—	—	(2,392)
	\$ (2,392)	\$ (2,392)	\$ —	\$ —	\$ (2,392)

Interest Rate Risk

As at December 31, the Fund invested in fixed income instruments with terms to maturity within 11 months (2023 - 5 months), and a weighted average effective yield of 3.9% (2023 - 5.2%).

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 \$2,753 (2023 - \$1,544) representing 0.2% of the Fund's net assets (2023 - 0.2%). In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

Currency Risk

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

2024					
	Net Investments and Investment- Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets	
Canadian Dollar	\$ 407,968	\$ (408,827)	\$ (859)	(0.1)%	
Net Foreign Exchange Exposure	\$ 407,968	\$ (408,827)	\$ (859)	(0.1)%	

2023					
	Net Investments and Investment- Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets	
Canadian Dollar	\$ 150,744	\$ (152,272)	\$ (1,528)	0.0 %	
Net Foreign Exchange Exposure	\$ 150,744	\$ (152,272)	\$ (1,528)	0.0 %	

As at December 31, 2024, if the U.S. dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$(9) (2023 - \$(15)), representing 0.0% (2023 - 0.0%) of the Fund's net assets. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

U.S. DOLLAR MONEY MARKET FUND ST4

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

Investments by geographic region

As at December 31, the Fund's money market investments are concentrated in the following geographical regions:

GEOGRAPHIC REGION	2024		2023	
	Total	% of Total	Total	% of Total
Canada	\$ 407,968	37.9 %	\$ 154,223	23.0 %
United States	669,613	62.1	517,225	77.0
Total	\$ 1,077,581	100.0 %	\$ 671,448	100.0 %

U.S. DOLLAR MONEY MARKET FUND ST4

Fair Value Measurement Discussion

(Expressed in thousands of U.S. dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market investments	\$ —	\$ 1,077,581	\$ 1,077,581	\$ —	\$ 671,448	\$ 671,448
Securities purchased under reverse repurchase agreements	—	69,457	69,457	—	—	—
Total investments	—	1,147,038	1,147,038	—	671,448	671,448
Forwards, net	—	14,824	14,824	—	(2,392)	(2,392)
Total	\$ —	\$ 1,161,862	\$ 1,161,862	\$ —	\$ 669,056	\$ 669,056

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

CDOR 2 FLOATING RATE FUND

Statement of Financial Position

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Dividends receivable	\$	—	\$ 6,177
Other receivables		—	520
Derivative assets:			
Swaps		7,748	2,184
Investments		2,335,701	3,034,441
Total assets		2,343,449	3,043,322
Liabilities			
Payable for redemption of units		360,522	833,565
Other accounts payable		17	6,327
Derivative liabilities:			
Swaps		7,246	35,585
		367,785	875,477
Net assets attributable to holders of redeemable units	\$	1,975,664	\$ 2,167,845
Number of redeemable units outstanding	5	1,589.630	1,841.264
Net assets attributable to holders of redeemable units per unit		\$ 1,243	\$ 1,177

[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

CDOR 2 FLOATING RATE FUND**Statement of Comprehensive Loss**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income	\$	99,183	\$ 182,300
Dividend income		130,112	17,215
Securities lending income		243	144
Foreign exchange gain		3	—
Change in fair value of investments and derivatives:			
Net realized loss		(90,332)	(12,741)
Net change in unrealized appreciation		30,429	7,845
Total revenue		169,638	194,763
Expenses			
Administrative fees		12	53
Total operating expenses		12	53
Increase in net assets attributable to holders of redeemable units before distributions		169,626	194,710
Distributions to holders of redeemable units		(218,884)	(198,622)
Decrease in net assets attributable to holders of redeemable units	\$	(49,258)	\$ (3,912)

CDOR 2 FLOATING RATE FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 2,167,845	\$ 3,102,219
Decrease in net assets attributable to holders of redeemable units	(49,258)	(3,912)
Redeemable unit transactions:		
Proceeds from units issued	7,307,756	4,565,867
Reinvestment of distributions	218,884	198,622
Amounts paid for units redeemed	(7,669,563)	(5,694,951)
Net decrease from redeemable unit transactions	(142,923)	(930,462)
Balance, end of year	\$ 1,975,664	\$ 2,167,845

CDOR 2 FLOATING RATE FUND**Statement of Cash Flows**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Decrease in net assets attributable to holders of redeemable units	\$ (49,258)	\$ (3,912)
Adjustments for:		
Foreign exchange gain	(3)	—
Interest income	(99,183)	(182,300)
Dividend income	(130,112)	(17,215)
Net realized loss from investments and derivatives	90,332	12,741
Net change in unrealized appreciation of investments and derivatives	(30,429)	(7,845)
Amortization of premiums and discounts	(2)	(15)
Distributions to holders of redeemable units	218,884	198,622
Other receivables	520	(520)
Other accounts payable	(6,310)	4,012
Interest received	99,183	182,300
Dividends received	136,289	13,331
Net sale of investments and derivatives	604,936	96,320
	834,847	295,519
Financing activities		
Proceeds from issuance of redeemable units	7,307,756	4,565,867
Payments on redemption of redeemable units	(8,142,606)	(4,861,386)
	(834,850)	(295,519)
Net decrease in cash	(3)	—
Effect of exchange rate changes on cash	3	—
Cash, beginning and end of year	\$ —	\$ —

CDOR 2 FLOATING RATE FUND**Schedule of Investments**

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Equity Investments				
Publicly Traded	\$ 493,278	\$ 495,280	\$ 612,311	\$ 627,044
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Canadian Money Market Fund ST1	123	123	82	83
U.S. Dollar Money Market Fund ST3	7	8	6	6
	130	131	88	89
Internal Financing Transactions (note 4)				
Loans to Infrastructure & Renewable Resources program	910,964	903,520	1,132,765	1,117,064
Loans to Private Equity program	906,150	900,000	—	—
Loans to QuadReal-managed entities	25,179	25,000	1,289,277	1,275,000
	1,842,293	1,828,520	2,422,042	2,392,064
Total Investments	\$ 2,335,701	\$ 2,323,931	\$ 3,034,441	\$ 3,019,197

CDOR 2 FLOATING RATE FUND**Schedule of Derivative Assets and Liabilities**

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024			2023		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
Derivative Assets ^(b)		Derivative Liabilities	Derivative Assets ^(b)		Derivative Liabilities	
Equity derivatives						
OTC						
Swaps	\$ 493,330	\$ 7,748	\$ (7,246)	\$ 576,661	\$ 2,184	\$ (35,585)
Total	\$ 493,330	\$ 7,748	\$ (7,246)	\$ 576,661	\$ 2,184	\$ (35,585)

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

	2024	2023
Less than 1 year	\$ 493,330	\$ 576,661
Total	\$ 493,330	\$ 576,661

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

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

CDOR 2 FLOATING RATE FUND

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The CDOR 2 Floating Rate Fund (the "Fund") allows participating BCI pooled Funds to earn a floating rate return that is linked to the benchmark reference rate, the Canadian Overnight Repo Rate Average (CORRA). Ownership of the Fund is limited to BCI pooled funds and BCI clients through segregated investment accounts. The functional currency of the Fund is Canadian dollars.

The Fund can hold the following securities:

- government and corporate fixed income securities;
- money market investments;
- repurchase agreement investments secured by fixed income securities of approved issuers;
- publicly traded common stock, common stock equivalents or exchange traded funds of companies whose country is included in the Morgan Stanley Capital International All Country World Constituent Index, paired with derivative instruments;
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management;
- agreements to finance other BCI Funds, portfolios and accounts; and
- units in the BCI Canadian and/or US Dollar Short Term (money market) Funds and other BCI short-term fixed income pooled funds for cash, currency hedging, and collateral management purposes.

The following restrictions apply to the Fund:

- fixed income investments are limited to issuers or entities with a minimum long-term credit rating of BBB- by Standard & Poor's, or short-term rating of A-1 (Low), or have an equivalent credit rating from another credit rating agency;
- maximum term to maturity of a security is 5 years unless it is a callable bond which has a high probability of being called within 5 years;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have the discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

CDOR 2 FLOATING RATE FUND

Credit Risk

The Fund invests in derivative contracts, which inherently have counterparty risk. The credit risk of each counterparty is monitored through an evaluation of the credit quality of each counterparty that transacts with the Fund. The credit risk exposure of derivative instruments, by credit rating category, without taking account of any collateral held at December 31 is as follows:

DERIVATIVES BY CREDIT RATING	2024			2023		
	Notional Value	Fair Value		Notional Value	Fair Value	
		Derivative Assets	Derivative Liabilities		Derivative Assets	Derivative Liabilities
AAA/AA	\$ 493,330	\$ 7,748	\$ (7,246)	\$ 249,901	\$ 1,125	\$ (2,387)
A	—	—	—	326,760	1,059	(33,198)
Total Derivatives	\$ 493,330	\$ 7,748	\$ (7,246)	\$ 576,661	\$ 2,184	\$ (35,585)

The Fund's loans were made to related parties as described in note 4. Due to the private nature of the loans, they are not subject to rating by a rating agency. The maximum credit risk exposure is \$1,842,293 (2023 - \$2,422,042).

The Fund's other financial assets are not exposed to significant credit risk.

Collateral Pledged and Received

BCI is party to derivative contracts that involve pledging and holding collateral, as outlined in Note 7 (b). 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. The following table illustrates the fair value of such collateral:

COLLATERAL	2024	2023
Collateral received	\$ 502	\$ 859

Liquidity Risk

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

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

	2024				
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 7,748	\$ 7,748	\$ —	\$ —	\$ 7,748
Derivative liabilities	(7,246)	(7,246)	—	—	(7,246)
	\$ 502	\$ 502	\$ —	\$ —	\$ 502

	2023				
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 2,184	\$ 2,184	\$ —	\$ —	\$ 2,184
Derivative liabilities	(35,585)	(35,585)	—	—	(35,585)
	\$ (33,401)	\$ (33,401)	\$ —	\$ —	\$ (33,401)

CDOR 2 FLOATING RATE FUND

Interest Rate Risk

As at December 31, the Fund held no fixed income instruments. The current strategy of the Fund is to invest in publicly traded equity securities and enter into derivative contracts, whereby the total return of the publicly traded equity securities is swapped for a floating rate of return linked to CORRA.

As the securities held within the Fund are swapped for a floating rate of return linked to CORRA and the internal financing transactions are linked to CORRA, the Fund is not exposed to significant fair value interest rate risk.

Currency Risk

The Fund is not exposed to significant currency risk since the majority of the Fund's assets and liabilities are denominated in Canadian dollars and amounts denominated in other currencies are considered nominal.

Other Price Risk

The current strategy of the Fund is to invest in publicly traded equity securities and enter into derivative contracts, whereby the total return of the publicly traded equity securities is swapped for a floating rate of return linked to CORRA. Because of the Fund's current strategy, the Fund is generally not exposed to other price risk from the publicly traded public equity securities. As the Fund's financial assets and liabilities are not exposed to significant other price risk, industry and geographic concentration information is not provided.

CDOR 2 FLOATING RATE FUND

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Public equities	\$ 493,278	\$ —	\$ 493,278	\$ 612,311	\$ —	\$ 612,311
Money market funds	—	130	130	—	88	88
Internal financing transactions	—	1,842,293	1,842,293	—	2,422,042	2,422,042
Total investments	493,278	1,842,423	2,335,701	612,311	2,422,130	3,034,441
Swaps, net	—	502	502	—	(33,401)	(33,401)
Total	\$ 493,278	\$ 1,842,925	\$ 2,336,203	\$ 612,311	\$ 2,388,729	\$ 3,001,040

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

CDOR 2 FLOATING RATE FUND

Involvement with Structured Entities

(Expressed in thousands of dollars, except number of investee funds)

A structured entity is an entity that has been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. The Fund holds interests in structured entities. These structured entities are comprised of investee funds organized as unit trusts. These investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issue of units to these investors. Accordingly, the Fund's interests in these entities is reflected through the holdings of units issued by the investee funds. During 2024 and 2023, the Fund did not provide additional financial or other support to these structured entities, other than through its investment in units of these entities. Furthermore, these structured units are not subject to restrictions over operations or redemptions, other than certain investment related restrictions in accordance with maintaining their investment objectives. The tables below set out the interests held by the Fund in these structured entities:

Entity	2024			2023		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	2	\$ 4,548,961	\$ 130	2	\$ 5,517,918	\$ 88

CDOR 4 FLOATING RATE FUND**Statement of Financial Position**

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Receivable from sale of investments		\$ —	\$ 34,215
Interest receivable		4,217	1,696
Derivative assets:			
Swaps		—	1,051
Investments		1,696,029	885,261
Total assets		1,700,246	922,223
Liabilities			
Other accounts payable		24	24
Derivative liabilities:			
Swaps		18,789	5,919
		18,813	5,943
Net assets attributable to holders of redeemable units		\$ 1,681,433	\$ 916,280
Number of redeemable units outstanding	5	1,471.305	840.381
Net assets attributable to holders of redeemable units per unit		\$ 1,143	\$ 1,090

[S] Gordon J. Fyfe

 Gordon J. Fyfe
 Chief Executive Officer
 Chief Investment Officer

CDOR 4 FLOATING RATE FUND**Statement of Comprehensive Loss**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income		\$ 68,509	\$ 43,830
Securities lending income		332	44
Other income		—	1
Change in fair value of investments and derivatives:			
Net realized gain		4,630	9,888
Net change in unrealized appreciation		(466)	(5,005)
Total revenue		73,005	48,758
Expenses			
BCI cost recoveries	4	15	1
Administrative fees		25	30
Total operating expenses		40	31
Increase in net assets attributable to holders of redeemable units before distributions		72,965	48,727
Distributions to holders of redeemable units		(73,485)	(51,037)
Decrease in net assets attributable to holders of redeemable units		\$ (520)	\$ (2,310)

CDOR 4 FLOATING RATE FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 916,280	\$ 714,674
Decrease in net assets attributable to holders of redeemable units	(520)	(2,310)
Redeemable unit transactions:		
Proceeds from units issued	3,120,432	1,945,250
Reinvestment of distributions	73,485	51,037
Amounts paid for units redeemed	(2,428,244)	(1,792,371)
Net increase from redeemable unit transactions	765,673	203,916
Balance, end of year	\$ 1,681,433	\$ 916,280

CDOR 4 FLOATING RATE FUND**Statement of Cash Flows**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Decrease in net assets attributable to holders of redeemable units	\$ (520)	\$ (2,310)
Adjustments for:		
Interest income	(68,509)	(43,830)
Net realized gain from investments and derivatives	(4,630)	(9,888)
Net change in unrealized appreciation of investments and derivatives	466	5,005
Amortization of premiums and discounts	(36,116)	(17,982)
Distributions to holders of redeemable units	73,485	51,037
Other accounts payable	—	8
Interest received	65,988	44,103
Net purchase of investments and derivatives	(722,352)	(229,386)
	(692,188)	(203,243)
Financing activities		
Proceeds from issuance of redeemable units	3,120,432	1,995,614
Payments on redemption of redeemable units	(2,428,244)	(1,792,371)
	692,188	203,243
Cash, beginning and end of year	\$ —	\$ —

CDOR 4 FLOATING RATE FUND**Schedule of Investments**

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Bonds				
Federal Government	\$ 1,016,640	\$ 1,006,867	\$ 281,734	\$ 281,696
Provincial Government	480,528	474,627	282,368	282,496
	1,497,168	1,481,494	564,102	564,192
Money Market Investments				
Federal Government	88,491	87,999	226,416	226,112
Units in BCI Pooled Investment Portfolio				
Canadian Money Market Fund ST1	110,370	110,370	94,743	94,743
	198,861	198,369	321,159	320,855
Total Investments	\$ 1,696,029	\$ 1,679,863	\$ 885,261	\$ 885,047

CDOR 4 FLOATING RATE FUND

Schedule of Derivative Assets and Liabilities

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024			2023		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
		Derivative Assets ^(b)	Derivative Liabilities		Derivative Assets ^(b)	Derivative Liabilities
Interest rate derivatives						
Listed						
Futures ^(c)	\$ 38,750	\$ —	\$ —	\$ —	\$ —	\$ —
OTC						
Swaps	1,420,000	—	(18,789)	792,000	1,051	(5,919)
Total	\$ 1,458,750	\$ —	\$ (18,789)	\$ 792,000	\$ 1,051	\$ (5,919)

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

	2024	2023
Less than 1 year	\$ 996,750	\$ 495,000
1 to 2 years	347,000	177,000
Over 2 years	115,000	120,000
Total	\$ 1,458,750	\$ 792,000

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

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

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

CDOR 4 FLOATING RATE FUND

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The CDOR 4 Floating Rate Fund (the "Fund") allows participating BCI pooled Funds to earn a floating rate return that is linked to the benchmark reference rate, the Canadian Overnight Repo Rate Average (CORRA). Ownership of the Fund is limited to BCI pooled funds and BCI clients through segregated investment accounts. The functional currency of the Fund is Canadian dollars.

The Fund can hold the following securities:

- government and corporate fixed income securities;
- money market investments;
- repurchase agreement investments secured by fixed income securities of approved issuers;
- publicly traded common stock, common stock equivalents or exchange traded funds of companies whose country is included in the Morgan Stanley Capital International All Country World Constituent Index, paired with derivative instruments;
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management;
- agreements to finance other BCI Funds, portfolios and accounts; and
- units in the BCI Canadian and/or US Dollar Short Term (money market) Funds and other BCI short-term fixed income pooled funds for cash, currency hedging, and collateral management purposes.

The following restrictions apply to the Fund:

- fixed income investments are limited to issuers or entities with a minimum long-term credit rating of BBB- by Standard & Poor's, or short-term rating of A-1 (Low), or have an equivalent credit rating from another credit rating agency;
- maximum term to maturity of a security is 5 years unless it is a callable bond which has a high probability of being called within 5 years;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have the discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

CDOR 4 FLOATING RATE FUND

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 1,497,168	94.4 %	\$ 281,734	35.6 %
A	88,491	5.6	508,784	64.4
Total	\$ 1,585,659	100.0 %	\$ 790,518	100.0 %

The Fund invests in derivative contracts, which inherently have counterparty risk. The credit risk of each counterparty is monitored through an evaluation of the credit quality of each counterparty that transacts with the Fund. The credit risk exposure of derivative instruments, by credit rating category, without taking account of any collateral held at December 31 is as follows:

DERIVATIVES BY CREDIT RATING	2024			2023		
	Notional Value	Fair Value		Notional Value	Fair Value	
		Derivative Assets	Derivative Liabilities		Derivative Assets	Derivative Liabilities
AAA/AA	\$ 320,000	\$ —	\$ (2,803)	\$ 282,000	\$ 1,051	\$ (4,100)
A	1,100,000	—	(15,986)	510,000	—	(1,819)
Total Derivatives	\$ 1,420,000	\$ —	\$ (18,789)	\$ 792,000	\$ 1,051	\$ (5,919)

The Fund's other financial assets are not exposed to significant credit risk.

Collateral Pledged and Received

BCI is party to derivative contracts that involve pledging and holding collateral, as outlined in Note 7 (b). 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. The following table illustrates the fair value of such collateral:

COLLATERAL	2024	2023
Collateral pledged	650 \$	—

Liquidity Risk

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

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

	2024				Total
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	
Derivative assets	\$ —	\$ —	\$ —	\$ —	—
Derivative liabilities	(18,789)	(6,738)	(8,900)	(3,151)	(18,789)
	\$ (18,789)	\$ (6,738)	\$ (8,900)	\$ (3,151)	\$ (18,789)

	2023				Total
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	
Derivative assets	\$ 1,051	\$ —	\$ 1,051	\$ —	1,051
Derivative liabilities	(5,919)	(1,204)	(1,287)	(3,428)	(5,919)
	\$ (4,868)	\$ (1,204)	\$ (236)	\$ (3,428)	\$ (4,868)

CDOR 4 FLOATING RATE FUND

Interest Rate Risk

The Fund is not exposed to significant fair value interest rate risk as the securities held within the Fund are floating rate instruments or fixed rate instruments whose cash flows have been swapped for a floating rate cash flow through an interest rate derivative.

BONDS BY MATURITY DATE	2024		2023	
	Total	Avg Effective Yield	Total	Avg Effective Yield
Within 1 year	\$ 1,021,240	3.1 %	\$ 276,897	4.8 %
1 to 2 years	360,301	3.0	173,186	4.1
2 to 5 years	115,627	3.0	114,019	3.8
Total Bonds	\$ 1,497,168	3.1 %	\$ 564,102	4.4 %

As at December 31, the Fund invested in money market investments with terms to maturity within 1 year, and a weighted average effective yield of 3.1% (2023 - 4.8%)

Currency Risk

The Fund is not exposed to significant currency risk since the majority of the Fund's assets and liabilities are denominated in Canadian dollars and amounts denominated in other currencies are considered nominal.

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

Investments by geographic region

All of the Fund's investments are exposed to the Canadian market.

CDOR 4 FLOATING RATE FUND

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market funds	\$ —	\$ 110,370	\$ 110,370	\$ —	\$ 94,743	\$ 94,743
Money market investments	—	88,491	88,491	—	226,416	226,416
Bonds	—	1,497,168	1,497,168	—	564,102	564,102
Total investments	—	1,696,029	1,696,029	—	885,261	885,261
Swaps, net	—	(18,789)	(18,789)	—	(4,868)	(4,868)
Total	\$ —	\$ 1,677,240	\$ 1,677,240	\$ —	\$ 880,393	\$ 880,393

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

CDOR 4 FLOATING RATE FUND

Involvement with Structured Entities

(Expressed in thousands of dollars, except number of investee funds)

A structured entity is an entity that has been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. The Fund holds interests in structured entities. These structured entities are comprised of investee funds organized as unit trusts. These investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issue of units to these investors. Accordingly, the Fund's interests in these entities is reflected through the holdings of units issued by the investee funds. During 2024 and 2023, the Fund did not provide additional financial or other support to these structured entities, other than through its investment in units of these entities. Furthermore, these structured units are not subject to restrictions over operations or redemptions, other than certain investment related restrictions in accordance with maintaining their investment objectives. The tables below set out the interests held by the Fund in these structured entities:

Entity	2024			2023		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	1	\$ 3,753,356	\$ 110,370	1	\$ 2,679,051	\$ 94,743

CORRA 1 FLOATING RATE FUND**Statement of Financial Position**

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Cash		\$ 1	\$ 23
Receivable from sale of investments		60,522	833,565
Interest receivable		19,490	25,018
Other receivables		—	1
Derivative assets:			
Swaps		2,152	8,450
Investments		4,169,604	6,432,861
Total assets		4,251,769	7,299,918
Liabilities			
BCI cost recoveries payable	4	—	49
Other accounts payable		66	57
Derivative liabilities:			
Swaps		63,806	44,531
		63,872	44,637
Net assets attributable to holders of redeemable units		\$ 4,187,897	\$ 7,255,281
Number of redeemable units outstanding	5	3,893.168	7,097.943
Net assets attributable to holders of redeemable units per unit		\$ 1,076	\$ 1,022

[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

CORRA 1 FLOATING RATE FUND

Statement of Comprehensive Loss

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for the period from July 26, 2023 to December 31, 2023

Revenue	NOTES	2024	2023
Interest income	\$	354,051	\$ 89,937
Dividend income		72,979	206
Securities lending income		5,243	676
Other income		808	—
Foreign exchange gain (loss)		748	(12)
Change in fair value of investments and derivatives:			
Net realized gain		6,116	7,170
Net change in unrealized appreciation		(1,457)	(3,779)
Total revenue		438,488	94,198
Expenses			
BCI cost recoveries	4	649	116
Administrative fees		110	29
Commissions and stock exchange fees		11	—
Total operating expenses		770	145
Increase in net assets attributable to holders of redeemable units before distributions		437,718	94,053
Distributions to holders of redeemable units		(440,474)	(97,581)
Decrease in net assets attributable to holders of redeemable units	\$	(2,756)	\$ (3,528)

CORRA 1 FLOATING RATE FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for the period from July 26, 2023 to December 31, 2023.

	2024	2023
Balance, beginning of period	\$ 7,255,281	\$ —
Decrease in net assets attributable to holders of redeemable units	(2,756)	(3,528)
Redeemable unit transactions:		
Proceeds from units issued	36,569,211	13,787,677
Reinvestment of distributions	440,474	97,581
Amounts paid for units redeemed	(40,074,313)	(6,626,449)
Net increase (decrease) from redeemable unit transactions	(3,064,628)	7,258,809
Balance, end of period	\$ 4,187,897	\$ 7,255,281

CORRA 1 FLOATING RATE FUND

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for the period from July 26, 2023 to December 31, 2023

Operating activities	2024	2023
Decrease in net assets attributable to holders of redeemable units	\$ (2,756)	\$ (3,528)
Adjustments for:		
Foreign exchange (gain) loss	(748)	12
Interest income	(354,051)	(89,937)
Dividend income	(72,979)	(206)
Net realized gain from investments and derivatives	(6,116)	(7,170)
Net change in unrealized appreciation of investments and derivatives	1,457	3,779
Amortization of premiums and discounts	(99,849)	(36,785)
Distributions to holders of redeemable units	440,474	97,581
Other receivables	1	(1)
BCI cost recoveries payable	(49)	49
Other accounts payable	9	57
Interest received	359,579	64,919
Dividends received	72,979	206
Net sale (purchase) of investments and derivatives	3,166,381	(7,190,169)
	3,504,332	(7,161,193)
Financing activities		
Proceeds from issuance of redeemable units	36,569,211	13,787,677
Payments on redemption of redeemable units	(40,074,313)	(6,626,449)
	(3,505,102)	7,161,228
Net increase (decrease) in cash	(770)	35
Effect of exchange rate changes on cash	748	(12)
Cash, beginning of period	23	—
Cash, end of period	\$ 1	\$ 23

CORRA 1 FLOATING RATE FUND

Schedule of Investments

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Bonds				
Federal Government	\$ 1,679,940	\$ 1,660,266	\$ 2,538,752	\$ 2,515,935
Provincial Government	754,899	740,752	1,146,144	1,130,720
Corporate	1,230,200	1,199,726	2,036,976	2,024,495
	3,665,039	3,600,744	5,721,872	5,671,150
Money Market Investments				
Federal Government	—	—	242,814	242,290
Corporate	125,000	125,000	25,000	25,000
Units in BCI Pooled Investment Portfolio				
Canadian Money Market Fund ST1	52,464	52,464	50,331	50,331
U.S. Dollar Money Market Fund ST3	190	203	—	—
	177,654	177,667	318,145	317,621
Floating Rate Funds				
Units in BCI Pooled Investment Portfolio				
CDOR 2 Floating Rate Fund	326,911	330,085	392,844	392,595
Total Investments	\$ 4,169,604	\$ 4,108,496	\$ 6,432,861	\$ 6,381,366

CORRA 1 FLOATING RATE FUND

Schedule of Derivative Assets and Liabilities

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024			2023		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
Derivative Assets ^(b)		Derivative Liabilities	Derivative Assets ^(b)		Derivative Liabilities	
Currency derivatives						
OTC						
Swaps	\$ 157,744	\$ —	\$ (8,987)	\$ 105,488	\$ 3,490	\$ —
Interest rate derivatives						
Listed						
Futures ^(c)	—	—	—	212,500	—	—
OTC						
Swaps	2,996,500	2,152	(54,819)	4,676,000	4,960	(44,531)
Total	\$ 3,154,244	\$ 2,152	\$ (63,806)	\$ 4,993,988	\$ 8,450	\$ (44,531)

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

	2024	2023
Less than 1 year	\$ 819,528	\$ 1,333,500
1 to 2 years	977,216	1,725,744
Over 2 years	1,357,500	1,934,744
Total	\$ 3,154,244	\$ 4,993,988

- (a) Notional value represents the net absolute value of the contractual amount to which a rate or price is applied in order to calculate the exchange of cash flows and is therefore not recorded in the financial statements. Notional amounts do not necessarily indicate the amounts of future cash flows or the current fair value of the derivative contracts and, therefore do not necessarily indicate the Fund's exposure to credit or market risk.
- (b) The fair value of derivative contracts recorded as an asset represents the credit risk or the loss to which the Fund is potentially exposed should counterparties fail to perform under the derivative contract.
- (c) As futures derivative contracts are fair valued through profit and loss and settled daily, the gain or loss recognized on December 31 is recorded in other receivables or other accounts payable on the Statement of Financial Position and in realized gains and losses on the Statement of Comprehensive Income.

CORRA 1 FLOATING RATE FUND

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The CORRA 1 Floating Rate Fund (the "Fund") allows participating BCI pooled Funds to earn a floating rate return that is linked to the benchmark reference rate, the Canadian Overnight Repo Rate Average (CORRA). Ownership of the Fund is limited to BCI pooled funds and BCI clients through segregated investment accounts. The functional currency of the Fund is Canadian dollars.

The Fund can hold the following securities:

- government and corporate fixed income securities;
- money market investments;
- repurchase agreement investments secured by fixed income securities of approved issuers;
- publicly traded common stock, common stock equivalents or exchange traded funds of companies whose country is included in the Morgan Stanley Capital International All Country World Constituent Index, paired with derivative instruments;
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management;
- agreements to finance other BCI Funds, portfolios and accounts; and
- units in the BCI Canadian and/or US Dollar Short Term (money market) Funds and other BCI short-term fixed income pooled funds for cash, currency hedging, and collateral management purposes.

The following restrictions apply to the Fund:

- fixed income investments are limited to issuers or entities with a minimum long-term credit rating of BBB- by Standard & Poor's, or short-term rating of A-1 (Low), or have an equivalent credit rating from another credit rating agency;
- maximum term to maturity of a security is 5 years unless it is a callable bond which has a high probability of being called within 5 years;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have the discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

CORRA 1 FLOATING RATE FUND

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 2,843,707	75.0 %	\$ 3,095,659	51.7 %
A	946,332	25.0	2,838,848	47.4
BBB	—	—	55,179	0.9
Total	\$ 3,790,039	100.0 %	\$ 5,989,686	100.0 %

The Fund invests in derivative contracts, which inherently have counterparty risk. The credit risk of each counterparty is monitored through an evaluation of the credit quality of each counterparty that transacts with the Fund. The credit risk exposure of derivative instruments, by credit rating category, without taking account of any collateral held at December 31 is as follows:

DERIVATIVES BY CREDIT RATING	2024			2023		
	Notional Value	Fair Value		Notional Value	Fair Value	
		Derivative Assets	Derivative Liabilities		Derivative Assets	Derivative Liabilities
AAA/AA	\$ 1,039,000	\$ —	\$ (16,849)	\$ 2,739,000	\$ 4,181	\$ (28,358)
A	2,115,244	2,152	(46,957)	2,042,488	4,269	(16,173)
Total Derivatives	\$ 3,154,244	\$ 2,152	\$ (63,806)	\$ 4,781,488	\$ 8,450	\$ (44,531)

The Fund's other financial assets are not exposed to significant credit risk.

Collateral Pledged and Received

BCI is party to derivative contracts that involve pledging and holding collateral, as outlined in Note 7 (b). 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. At BCI, the financial assets in the floating rate funds are used as pledged collateral for BCI as a whole. The following table illustrates the fair value of such collateral:

COLLATERAL	2024	2023
Collateral pledged	\$ 25,439	\$ 44,088

Liquidity Risk

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

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

	2024				Total
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	
Derivative assets	\$ 2,152	\$ —	\$ 2,152	\$ —	2,152
Derivative liabilities	(63,806)	(9,173)	(27,667)	(26,966)	(63,806)
	\$ (61,654)	\$ (9,173)	\$ (25,515)	\$ (26,966)	(61,654)

CORRA 1 FLOATING RATE FUND

2023					
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 8,450	\$ 218	\$ 6,163	\$ 2,069	\$ 8,450
Derivative liabilities	(44,531)	(2,710)	(10,071)	(31,750)	(44,531)
	\$ (36,081)	\$ (2,492)	\$ (3,908)	\$ (29,681)	\$ (36,081)

Interest Rate Risk

The current strategy of the Fund is to invest largely in fixed income securities and enter into derivative contracts whereby the fixed interest rate returns of the fixed income securities are swapped for a floating rate of return linked to CORRA. Therefore, the Fund is generally not exposed to fair value interest rate risk from the fixed income securities held within the Fund.

BONDS BY MATURITY DATE	2024		2023	
	Total	Avg Effective Yield	Total	Avg Effective Yield
Within 1 year	\$ 1,013,623	3.3 %	\$ 1,751,199	4.9 %
1 to 2 years	1,202,302	3.4 %	2,019,736	4.4 %
2 to 5 years	1,449,114	3.1 %	1,950,937	4.1 %
Total Bonds	\$ 3,665,039	3.3 %	\$ 5,721,872	4.5 %

As at December 31, the Fund invested in money market investments with terms to maturity within 1 year and a weighted average effective yield of 4.5% (2023 - 5.0%).

Currency Risk

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

2024				
	Net Investments and Investment- Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets
British Pound Sterling	\$ 41,249	\$ (42,688)	\$ (1,439)	0.0 %
United States Dollar	116,610	(115,056)	1,554	0.0 %
Net Foreign Exchange Exposure	\$ 157,859	\$ (157,744)	\$ 115	0.0 %

2023				
	Net Investments and Investment- Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets
British Pound Sterling	\$ —	\$ —	\$ —	0.0 %
United States Dollar	106,757	(105,488)	1,269	0.0 %
Net Foreign Exchange Exposure	\$ 106,757	\$ (105,488)	\$ 1,269	0.0 %

As at December 31, 2024, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$1 (2023 - \$13), representing 0.0% (2023 - 0.0%) of the Fund's net assets. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

CORRA 1 FLOATING RATE FUND*Investments by geographic region*

As at December 31, the Fund's bond and money market investments are concentrated in the following geographical regions:

GEOGRAPHIC REGION	2024		2023	
	Total	% of Total	Total	% of Total
Canada	\$ 3,501,669	92.4 %	\$ 5,868,567	98.0 %
United States	288,370	7.6	121,119	2.0
Total	\$ 3,790,039	100.0 %	\$ 5,989,686	100.0 %

CORRA 1 FLOATING RATE FUND

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market funds	\$ —	\$ 52,654	\$ 52,654	\$ —	\$ 50,331	\$ 50,331
Floating rate funds	—	326,911	326,911	—	392,844	392,844
Money market investments	—	125,000	125,000	—	267,814	267,814
Bonds	57,615	3,607,424	3,665,039	—	5,721,872	5,721,872
Total investments	57,615	4,111,989	4,169,604	—	6,432,861	6,432,861
Swaps, net	—	(61,654)	(61,654)	—	(36,081)	(36,081)
Total	\$ 57,615	\$ 4,050,335	\$ 4,107,950	\$ —	\$ 6,396,780	\$ 6,396,780

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

During 2024, due to changes in market conditions for certain bond investments, quoted prices in active markets became available for these securities. Therefore, these securities, with an amount of \$52,783 were transferred from Level 2 to Level 1.

During 2023, there were no significant transfers between the three levels in the hierarchy.

CORRA 1 FLOATING RATE FUND

Involvement with Structured Entities

(Expressed in thousands of dollars, except number of investee funds)

A structured entity is an entity that has been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. The Fund holds interests in structured entities. These structured entities are comprised of investee funds organized as unit trusts. These investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issue of units to these investors. Accordingly, the Fund's interests in these entities is reflected through the holdings of units issued by the investee funds. During 2024 and 2023, the Fund did not provide additional financial or other support to these structured entities, other than through its investment in units of these entities. Furthermore, these structured units are not subject to restrictions over operations or redemptions, other than certain investment related restrictions in accordance with maintaining their investment objectives. The tables below set out the interests held by the Fund in these structured entities:

Entity	2024			2023		
	Number of Investee Funds	Total Net Assets of Investee Funds	included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	2	\$ 4,548,961	\$ 52,654	1	\$ 2,679,051	\$ 50,331
Investee floating rate funds administered by BCI	1	1,975,664	326,911	1	2,167,845	392,844

CORRA 3 FLOATING RATE FUND

Statement of Financial Position

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Cash		\$ 1	\$ —
Receivable from sale of investments		300,000	—
Interest receivable		25,296	22,798
Derivative assets:			
Swaps		2,171	8,079
Investments		6,836,771	5,773,701
Total assets		7,164,239	5,804,578
Liabilities			
BCI cost recoveries payable	4	29	18
Other accounts payable		68	23
Derivative liabilities:			
Swaps		56,395	33,832
		56,492	33,873
Net assets attributable to holders of redeemable units		\$ 7,107,747	\$ 5,770,705
Number of redeemable units outstanding	5	6,603.523	5,639.421
Net assets attributable to holders of redeemable units per unit		\$ 1,076	\$ 1,023

[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

CORRA 3 FLOATING RATE FUND

Statement of Comprehensive Loss

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for the period from July 21, 2023 to December 31, 2023

Revenue	NOTES	2024	2023
Interest income		\$ 261,528	\$ 66,899
Dividend income		60,345	324
Securities lending income		2,678	428
Other income		490	—
Foreign exchange gain (loss)		(7)	1
Change in fair value of investments and derivatives:			
Net realized gain		14,632	4,571
Net change in unrealized appreciation		(18,085)	(2,163)
Total revenue		321,581	70,060
Expenses			
BCI cost recoveries	4	364	52
Administrative fees		66	33
Commissions and stock exchange fees		3	—
Total operating expenses		433	85
Increase in net assets attributable to holders of redeemable units before distributions		321,148	69,975
Distributions to holders of redeemable units		(342,098)	(72,138)
Decrease in net assets attributable to holders of redeemable units		\$ (20,950)	\$ (2,163)

CORRA 3 FLOATING RATE FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for the period from July 21, 2023 to December 31, 2023

	2024	2023
Balance, beginning of period	\$ 5,770,705	\$ —
Decrease in net assets attributable to holders of redeemable units	(20,950)	(2,163)
Redeemable unit transactions:		
Proceeds from units issued	4,627,170	5,747,124
Reinvestment of distributions	342,098	72,138
Amounts paid for units redeemed	(3,611,276)	(46,394)
Net increase from redeemable unit transactions	1,357,992	5,772,868
Balance, end of period	\$ 7,107,747	\$ 5,770,705

CORRA 3 FLOATING RATE FUND

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for the period from July 21, 2023 to December 31, 2023

Operating activities	2024	2023
Decrease in net assets attributable to holders of redeemable units	\$ (20,950)	\$ (2,163)
Adjustments for:		
Foreign exchange (gain) loss	7	(1)
Interest income	(261,528)	(66,899)
Dividend income	(60,345)	(324)
Net realized gain from investments and derivatives	(14,632)	(4,571)
Net change in unrealized appreciation of investments and derivatives	18,085	2,163
Amortization of premiums and discounts	(75,744)	(30,136)
Distributions to holders of redeemable units	342,098	72,138
BCI cost recoveries payable	11	18
Other accounts payable	45	23
Interest received	259,030	44,101
Dividends received	60,345	324
Net purchase of investments and derivatives	(1,262,308)	(5,715,404)
	(1,015,886)	(5,700,731)
Financing activities		
Proceeds from issuance of redeemable units	4,627,170	5,747,124
Payments on redemption of redeemable units	(3,611,276)	(46,394)
	1,015,894	5,700,730
Net increase (decrease) in cash	8	(1)
Effect of exchange rate changes on cash	(7)	1
Cash, beginning of period	—	—
Cash, end of period	\$ 1	\$ —

CORRA 3 FLOATING RATE FUND

Schedule of Investments

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Bonds				
Federal Government	\$ 2,425,178	\$ 2,405,689	\$ 1,952,263	\$ 1,937,349
Provincial Government	1,162,471	1,146,515	895,433	879,741
Corporate	1,324,845	1,300,161	1,591,977	1,579,235
	4,912,494	4,852,365	4,439,673	4,396,325
Money Market Investments				
Federal Government	226,180	224,910	369,854	369,444
Corporate	25,000	25,000	—	—
Units in BCI Pooled Investment Portfolio				
Canadian Money Market Fund ST1	23,560	23,560	35,668	35,668
U.S. Dollar Money Market Fund ST3	784	846	70	71
	275,524	274,316	405,592	405,183
Floating Rate Funds				
Units in BCI Pooled Investment Portfolio				
CDOR 2 Floating Rate Fund	1,648,753	1,664,475	928,436	928,251
Total Investments	\$ 6,836,771	\$ 6,791,156	\$ 5,773,701	\$ 5,729,759

CORRA 3 FLOATING RATE FUND

Schedule of Derivative Assets and Liabilities

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024			2023		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
Derivative Assets ^(b)		Derivative Liabilities	Derivative Assets ^(b)		Derivative Liabilities	
Currency derivatives						
OTC						
Swaps	\$ 28,764	\$ 2,027	\$ (1,533)	\$ 26,372	\$ 2,879	\$ —
Interest rate derivatives						
Listed						
Futures ^(c)	227,250	—	—	—	—	—
OTC						
Swaps	4,009,000	144	(54,862)	4,079,179	5,200	(33,832)
Total	\$ 4,265,014	\$ 2,171	\$ (56,395)	\$ 4,105,551	\$ 8,079	\$ (33,832)

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

	2024	2023
Less than 1 year	\$ 1,585,250	\$ 1,343,179
1 to 2 years	1,193,764	1,530,000
Over 2 years	1,486,000	1,232,372
Total	\$ 4,265,014	\$ 4,105,551

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

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

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

CORRA 3 FLOATING RATE FUND

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The CORRA 3 Floating Rate Fund (the "Fund") allows participating BCI pooled Funds to earn a floating rate return that is linked to the benchmark reference rate, the Canadian Overnight Repo Rate Average (CORRA). Ownership of the Fund is limited to BCI pooled funds and BCI clients through segregated investment accounts. The functional currency of the Fund is Canadian dollars.

The Fund can hold the following securities:

- government and corporate fixed income securities;
- money market investments;
- repurchase agreement investments secured by fixed income securities of approved issuers;
- publicly traded common stock, common stock equivalents or exchange traded funds of companies whose country is included in the Morgan Stanley Capital International All Country World Constituent Index, paired with derivative instruments;
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management;
- agreements to finance other BCI Funds, portfolios and accounts; and
- units in the BCI Canadian and/or US Dollar Short Term (money market) Funds and other BCI short-term fixed income pooled funds for cash, currency hedging, and collateral management purposes.

The following restrictions apply to the Fund:

- fixed income investments are limited to issuers or entities with a minimum long-term credit rating of BBB- by Standard & Poor's, or short-term rating of A-1 (Low), or have an equivalent credit rating from another credit rating agency;
- maximum term to maturity of a security is 5 years unless it is a callable bond which has a high probability of being called within 5 years;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have the discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

CORRA 3 FLOATING RATE FUND

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 3,836,555	74.3 %	\$ 2,485,809	51.7 %
A	1,309,078	25.4	2,283,714	47.5
BBB	18,041	0.3	40,004	0.8
Total	\$ 5,163,674	100.0 %	\$ 4,809,527	100.0 %

The Fund invests in derivative contracts, which inherently have counterparty risk. The credit risk of each counterparty is monitored through an evaluation of the credit quality of each counterparty that transacts with the Fund. The credit risk exposure of derivative instruments, by credit rating category, without taking account of any collateral held at December 31 is as follows:

DERIVATIVES BY CREDIT RATING	2024			2023		
	Notional Value	Fair Value		Notional Value	Fair Value	
		Derivative Assets	Derivative Liabilities		Derivative Assets	Derivative Liabilities
AAA/AA	\$ 1,650,000	\$ 2,027	\$ (20,514)	\$ 2,559,179	\$ 5,250	\$ (21,396)
A	2,387,764	144	(35,881)	1,546,372	2,829	(12,436)
Total Derivatives	\$ 4,037,764	\$ 2,171	\$ (56,395)	\$ 4,105,551	\$ 8,079	\$ (33,832)

The Fund's other financial assets are not exposed to significant credit risk.

Collateral Pledged and Received

BCI is party to derivative contracts that involve pledging and holding collateral, as outlined in Note 7 (b). 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. At BCI, the financial assets in the floating rate funds are used as pledged collateral for BCI as a whole. The following table illustrates the fair value of such collateral:

COLLATERAL	2024	2023
Collateral pledged	\$ 86,217	\$ 4,708

Liquidity Risk

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

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

	2024				
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 2,171	\$ —	\$ 27	\$ 2,144	\$ 2,171
Derivative liabilities	(56,395)	(11,497)	(19,734)	(25,164)	(56,395)
	\$ (54,224)	\$ (11,497)	\$ (19,707)	\$ (23,020)	\$ (54,224)

CORRA 3 FLOATING RATE FUND**2023**

	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 8,079	\$ 1,209	\$ 1,738	\$ 5,132	8,079
Derivative liabilities	(33,832)	(3,353)	(15,566)	(14,913)	(33,832)
	\$ (25,753)	\$ (2,144)	\$ (13,828)	\$ (9,781)	(25,753)

CORRA 3 FLOATING RATE FUND

Interest Rate Risk

The current strategy of the Fund is to invest largely in fixed income securities and enter into derivative contracts whereby the fixed interest rate returns of the fixed income securities are swapped for a floating rate of return linked to CORRA. Therefore, the Fund is generally not exposed to fair value interest rate risk from the fixed income securities held within the Fund.

BONDS BY MATURITY DATE	2024		2023	
	Total	Avg Effective Yield	Total	Avg Effective Yield
Within 1 year	\$ 1,918,905	3.2 %	\$ 1,459,275	4.9 %
1 to 2 years	1,423,398	3.2	1,605,149	4.4
2 to 5 years	1,570,191	3.2	1,375,249	4.2
Total Bonds	\$ 4,912,494	3.2 %	\$ 4,439,673	4.5 %

As at December 31, the Fund invested in money market investments with terms to maturity within 1 year, and a weighted average effective yield of 3.2% (2023 - 5.0%).

Currency Risk

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

2024				
	Net Investments and Investment-Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets
United States Dollar	\$ 29,928	\$ (28,764)	\$ 1,164	0.0 %
Net Foreign Exchange Exposure	\$ 29,928	\$ (28,764)	\$ 1,164	0.0 %

2023				
	Net Investments and Investment-Related Receivables/ (Payables)	Net Foreign Currency Contracts Receivables/ (Payables)	Net Exposure	% of Total Net Assets
United States Dollar	\$ 26,819	\$ (26,372)	\$ 447	0.0 %
Net Foreign Exchange Exposure	\$ 26,819	\$ (26,372)	\$ 447	0.0 %

As at December 31, 2024, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$12 (2023 - \$4), representing 0.0% (2023 - 0.0%) of the Fund's net assets. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

CORRA 3 FLOATING RATE FUND

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

Investments by geographic region

As at December 31, the Fund's bond and money market investments are concentrated in the following geographical regions:

GEOGRAPHIC REGION	2024		2023	
	Total	% of Total	Total	% of Total
Canada	\$ 5,017,709	97.2 %	\$ 4,739,814	98.6 %
United States	145,965	2.8	69,713	1.4
Total	\$ 5,163,674	100.0 %	\$ 4,809,527	100.0 %

CORRA 3 FLOATING RATE FUND

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market funds	\$ —	\$ 24,344	\$ 24,344	—	35,738	35,738
Floating rate funds	—	1,648,753	1,648,753	—	928,436	928,436
Money market investments	—	251,180	251,180	—	369,854	369,854
Bonds	—	4,912,494	4,912,494	—	4,439,673	4,439,673
Total investments	—	6,836,771	6,836,771	—	5,773,701	5,773,701
Swaps, net	—	(54,224)	(54,224)	—	(25,753)	(25,753)
Total	\$ —	\$ 6,782,547	\$ 6,782,547	\$ —	\$ 5,747,948	\$ 5,747,948

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

CORRA 3 FLOATING RATE FUND

Involvement with Structured Entities

(Expressed in thousands of dollars, except number of investee funds)

A structured entity is an entity that has been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. The Fund holds interests in structured entities. These structured entities are comprised of investee funds organized as unit trusts. These investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issue of units to these investors. Accordingly, the Fund's interests in these entities is reflected through the holdings of units issued by the investee funds. During 2024 and 2023, the Fund did not provide additional financial or other support to these structured entities, other than through its investment in units of these entities. Furthermore, these structured units are not subject to restrictions over operations or redemptions, other than certain investment related restrictions in accordance with maintaining their investment objectives. The tables below set out the interests held by the Fund in these structured entities:

Entity	2024			2023		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	2	\$ 4,548,961	\$ 24,344	2	\$ 5,517,918	\$ 35,738
Investee floating rate funds administered by BCI	1	1,975,664	1,648,753	1	2,167,845	928,436

SHORT TERM BOND FUND**Statement of Financial Position**

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Interest receivable		\$ 12,476	\$ 11,221
Investments		1,727,765	1,703,058
Total assets		1,740,241	1,714,279
Liabilities			
BCI cost recoveries payable	4	49	53
Other accounts payable		19	25
		68	78
Net assets attributable to holders of redeemable units		\$ 1,740,173	\$ 1,714,201
Number of redeemable units outstanding	5	584.950	605.457
Net assets attributable to holders of redeemable units per unit		\$ 2,975	\$ 2,831

[S] Gordon J. Fyfe

 Gordon J. Fyfe
 Chief Executive Officer
 Chief Investment Officer

SHORT TERM BOND FUND

Statement of Comprehensive Income

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income		\$ 64,433	\$ 52,891
Securities lending income		526	464
Change in fair value of investments:			
Net realized gain (loss)		16,009	(48,628)
Net change in unrealized appreciation		6,154	65,333
Total revenue		87,122	70,060
Expenses			
BCI cost recoveries	4	621	716
Administrative fees		28	29
Total operating expenses		649	745
Increase in net assets attributable to holders of redeemable units before distributions		86,473	69,315
Distributions to holders of redeemable units		(64,310)	(52,610)
Increase in net assets attributable to holders of redeemable units		\$ 22,163	\$ 16,705

SHORT TERM BOND FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 1,714,201	\$ 1,550,407
Increase in net assets attributable to holders of redeemable units	22,163	16,705
Redeemable unit transactions:		
Proceeds from units issued	500	169,855
Reinvestment of distributions	64,310	52,610
Amounts paid for units redeemed	(61,001)	(75,376)
Net increase from redeemable unit transactions	3,809	147,089
Balance, end of year	\$ 1,740,173	\$ 1,714,201

SHORT TERM BOND FUND

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Increase in net assets attributable to holders of redeemable units	\$ 22,163	\$ 16,705
Adjustments for:		
Interest income	(64,433)	(52,891)
Net realized (gain) loss from investments	(16,009)	48,628
Net change in unrealized appreciation of investments	(6,154)	(65,333)
Amortization of premiums and discounts	(13,353)	(10,447)
Distributions to holders of redeemable units	64,310	52,610
BCI cost recoveries payable	(4)	(2)
Other accounts payable	(6)	7
Interest received	63,178	48,414
Net sale (purchase) of investments	10,809	(132,170)
	60,501	(94,479)
Financing activities		
Proceeds from issuance of redeemable units	500	169,855
Payments on redemption of redeemable units	(61,001)	(75,376)
	(60,501)	94,479
Cash, beginning and end of year	\$ —	\$ —

SHORT TERM BOND FUND

Schedule of Investments

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Bonds				
Federal Government	\$ 1,045,624	\$ 1,040,499	\$ 1,126,700	\$ 1,119,639
Provincial Government	391,723	386,148	441,640	442,047
Municipal Government	98,116	96,077	—	—
Mortgage-Backed Securities	171,938	170,236	123,151	121,518
	1,707,401	1,692,960	1,691,491	1,683,204
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Canadian Money Market Fund ST1	20,364	20,364	11,567	11,567
Total Investments	\$ 1,727,765	\$ 1,713,324	\$ 1,703,058	\$ 1,694,771

SHORT TERM BOND FUND

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The investment objective of the Short Term Bond Fund (the "Fund") is to exceed the return of the benchmark, the FTSE Canada Short Term Government Bond Index, net of all investment expenses incurred. The portfolio manager seeks to generate excess returns through actively managing the interest rate and government credit exposure of the Fund.

The Fund can hold the following securities:

- fixed income securities which are issued or guaranteed by the Government of Canada, a Canadian provincial or municipal government, or Canadian government-related entities;
- Canadian dollar denominated fixed income securities which are issued or guaranteed by a sovereign government;
- Canadian dollar denominated fixed income securities which are issued, insured, or guaranteed by supranational entities including, but not limited to, the World Bank, the International Bank for Reconstruction and Development, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, or the Inter-American Development Bank;
- fully hedged US-dollar denominated securities that meet investment guideline criteria;
- units in BCI's Short Term Money Market Fund (ST1) and other BCI Funds that meet the Fund's Investment Policies criteria; and
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management.

The following restrictions apply to the Fund:

- fixed income securities issued by municipalities, Canadian government-related entities, and non-Canadian entities must be rated BBB- or better by Standard & Poor's or have an equivalent rating from another credit rating agency;
- the Fund's weighting of securities issued by municipalities and Canadian government-related entities shall not exceed 10 percentage points above the weighting of such securities within the FTSE Canada Short Term Government Bond Index;
- the maximum term to maturity is 5.5 years, unless it is a callable bond which has a high probability of being called within 5.5 years;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

SHORT TERM BOND FUND

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

BONDS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 1,707,401	100.0 %	\$ 1,290,586	76.3 %
A	—	0.0	400,905	23.7
Total	\$ 1,707,401	100.0 %	\$ 1,691,491	100.0 %

The Fund's other financial assets are not exposed to significant credit risk.

Liquidity Risk

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

Interest Rate Risk

As at December 31, the Fund invested in bond instruments with the following terms to maturity and average effective yield:

BONDS BY MATURITY DATE	2024		2023	
	Total	Avg Effective Yield	Total	Avg Effective Yield
Within 1 year	\$ 47,399	3.2 %	—	0.0 %
1 to 2 years	431,468	3.1	554,812	4.2
2 to 5 years	1,206,984	3.1	1,092,634	3.5
5 to 10 years	21,550	3.0	44,045	3.3
Total Bonds	\$ 1,707,401	3.1 %	\$ 1,691,491	3.7 %

The duration is to be managed within \pm 20 percent of the benchmark duration, which was 2.7 years as at December 31, 2024 (2023 - 2.6 years). As at December 31, 2024, the Fund had an average duration of 2.7 years (2023 - 2.6 years).

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 \$46,100 (2023 - \$44,317), representing 2.6% of the Fund's net assets (2023 - 2.6%). In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

Currency Risk

The Fund is not exposed to significant currency risk since the Fund's assets and liabilities are denominated in Canadian dollars.

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

Investments by geographic region

All of the Fund's investments are exposed to the Canadian market.

SHORT TERM BOND FUND

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market funds	\$ —	\$ 20,364	\$ 20,364	\$ —	\$ 11,567	\$ 11,567
Bonds	—	1,707,401	1,707,401	—	1,691,491	1,691,491
Total	\$ —	\$ 1,727,765	\$ 1,727,765	\$ —	\$ 1,703,058	\$ 1,703,058

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

SHORT TERM BOND FUND

Involvement with Structured Entities

(Expressed in thousands of dollars, except number of investee funds)

A structured entity is an entity that has been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. The Fund holds interests in structured entities. These structured entities are comprised of investee funds organized as unit trusts. These investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issue of units to these investors. Accordingly, the Fund's interests in these entities is reflected through the holdings of units issued by the investee funds. During 2024 and 2023, the Fund did not provide additional financial or other support to these structured entities, other than through its investment in units of these entities. Furthermore, these structured units are not subject to restrictions over operations or redemptions, other than certain investment related restrictions in accordance with maintaining their investment objectives. The tables below set out the interests held by the Fund in these structured entities:

Entity	2024			2023		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	1	\$ 3,753,356	\$ 20,364	1	\$ 2,679,051	\$ 11,567

CORPORATE BOND FUND

Statement of Financial Position

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Cash		\$ 11,831	\$ 18,340
Receivable from sale of investments		5,426	9,307
Receivable from issuance of units		—	37,800
Interest receivable		206,509	147,908
Derivative assets:			
Forwards		—	261,572
Investments		17,630,766	12,759,135
Total assets		17,854,532	13,234,062
Liabilities			
Payable for purchase of investments		114,886	15,333
Payable for redemption of units		—	37,800
BCI cost recoveries payable	4	1,924	2,101
Other accounts payable		1,222	74
Derivative liabilities:			
Forwards		701,557	2,554
		819,589	57,862
Net assets attributable to holders of redeemable units		\$ 17,034,943	\$ 13,176,200
Number of redeemable units outstanding	5	12,026.257	9,661.023
Net assets attributable to holders of redeemable units per unit		\$ 1,416	\$ 1,364

[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

CORPORATE BOND FUND

Statement of Comprehensive Income (Loss)

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income		\$ 1,024,467	\$ 783,520
Dividend income		42,887	33,276
Securities lending income		7,842	7,420
Other income		2,018	206
Foreign exchange gain (loss)		10	(14,191)
Change in fair value of investments and derivatives:			
Net realized loss		(26,996)	(673,159)
Net change in unrealized appreciation		(391,026)	1,030,734
Total revenue		659,202	1,167,806
Expenses			
BCI cost recoveries	4	24,524	20,955
Administrative fees		668	96
Commissions and stock exchange fees		302	358
Total operating expenses		25,494	21,409
Increase in net assets attributable to holders of redeemable units before distributions		633,708	1,146,397
Distributions to holders of redeemable units		(1,052,032)	(789,163)
Increase (decrease) in net assets attributable to holders of redeemable units		\$ (418,324)	\$ 357,234

CORPORATE BOND FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 13,176,200	\$ 10,829,803
Increase (decrease) in net assets attributable to holders of redeemable units	(418,324)	357,234
Redeemable unit transactions:		
Proceeds from units issued	3,943,715	2,426,265
Reinvestment of distributions	1,052,032	789,163
Amounts paid for units redeemed	(718,680)	(1,226,265)
Net increase from redeemable unit transactions	4,277,067	1,989,163
Balance, end of year	\$ 17,034,943	\$ 13,176,200

CORPORATE BOND FUND

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (418,324)	\$ 357,234
Adjustments for:		
Foreign exchange (gain) loss	(10)	14,191
Interest income	(1,024,467)	(783,520)
Dividend income	(42,887)	(33,276)
Net realized loss from investments and derivatives	26,996	673,159
Net change in unrealized appreciation of investments and derivatives	391,026	(1,030,734)
Amortization of premiums and discounts	(195,963)	(192,413)
Distributions to holders of redeemable units	1,052,032	789,163
BCI cost recoveries payable	(177)	949
Other accounts payable	1,148	11
Interest received	965,866	752,203
Dividends received	42,887	33,276
Net purchase of investments and derivatives	(4,029,681)	(1,767,717)
	(3,231,554)	(1,187,474)
Financing activities		
Proceeds from issuance of redeemable units	3,981,515	2,388,465
Payments on redemption of redeemable units	(756,480)	(1,188,465)
	3,225,035	1,200,000
Net increase (decrease) in cash	(6,519)	12,526
Effect of exchange rate changes on cash	10	(14,191)
Cash, beginning of year	18,340	20,005
Cash, end of year	\$ 11,831	\$ 18,340

CORPORATE BOND FUND

Schedule of Investments

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Equity Investments				
Exchange Traded Funds	\$ 565,378	\$ 516,167	\$ 818,446	\$ 793,394
Bonds				
Federal Government	3,693,741	3,689,207	1,581,550	1,567,483
Corporate	12,406,706	11,909,274	9,943,787	10,012,666
	16,100,447	15,598,481	11,525,337	11,580,149
Private Debt Investments ¹	370,405	356,411	—	—
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Canadian Money Market Fund ST1	391,122	391,123	200,961	200,961
U.S. Dollar Money Market Fund ST3	203,414	230,303	214,391	215,899
	594,536	621,426	415,352	416,860
Total Investments	\$ 17,630,766	\$ 17,092,485	\$ 12,759,135	\$ 12,790,403

¹ The private debt investments are held through a limited partnership.

CORPORATE BOND FUND

Schedule of Derivative Assets and Liabilities

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024			2023		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
Derivative Assets ^(b)		Derivative Liabilities	Derivative Assets ^(b)		Derivative Liabilities	
Currency derivatives						
OTC						
Forwards	\$ 15,584,721	\$ —	\$ (701,557)	\$ 11,584,793	\$ 261,572	\$ (2,554)
Interest rate derivatives						
Listed						
Futures ^(c)	613,300	—	—	461,420	—	—
Total	\$ 16,198,021	\$ —	\$ (701,557)	\$ 12,046,213	\$ 261,572	\$ (2,554)

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

	2024		2023	
Less than 1 year	\$ 16,198,021	\$ 12,046,213		
Total	\$ 16,198,021	\$ 12,046,213		

- (a) Notional value represents the net absolute value of the contractual amount to which a rate or price is applied in order to calculate the exchange of cash flows and is therefore not recorded in the financial statements. Notional amounts do not necessarily indicate the amounts of future cash flows or the current fair value of the derivative contracts and, therefore do not necessarily indicate the Fund's exposure to credit or market risk.
- (b) The fair value of derivative contracts recorded as an asset represents the credit risk or the loss to which the Fund is potentially exposed should counterparties fail to perform under the derivative contract.
- (c) As futures derivative contracts are fair valued through profit and loss and settled daily, the gain or loss recognized on December 31 is recorded in other receivables or other accounts payable on the Statement of Financial Position and in realized gains and losses on the Statement of Comprehensive Income.

CORPORATE BOND FUND

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The investment objective of the Corporate Bond Fund (the "Fund") is to provide a diversified portfolio of fixed income securities. The Fund primarily invests in corporate investment grade and high yield securities issued in the United States and Canada. The Fund's benchmarks are the Intercontinental Exchange Bank of America US Corporate Index, (CAD Hedged) and the Intercontinental Exchange Bank of America BB-B US Cash Pay High Yield Constrained Index (CAD Hedged; collectively, "the Indexes"). The objective of the Fund is to exceed the benchmark return of the Fund's Indexes, net of all investment expenses incurred.

The Fund can hold the following securities:

- fixed income securities;
- equity securities;
- exchange traded funds;
- derivatives for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management; and
- units in BCI Canadian and/or US Dollar Short Term Money Market Funds, other BCI short-term fixed income Funds, and the Floating Rate Funds.

The following restrictions apply to the Fund:

- no more than 15% of the market value of the Fund can be invested in the securities of one company;
- no more than 70% of the market value of the Fund can be invested in the aggregate of (i) debt securities rated at or below BB+ by Standard & Poor's or an equivalent rating from another credit rating agency, (ii) preferred shares rated at or below P-4 by Standard & Poor's or an equivalent rating from another credit rating agency, and (iii) unrated debt securities;
- no more than 10% of the market value of the Fund can be invested in the aggregate of (i) debt securities rated at or below CCC+ by Standard & Poor's or an equivalent rating from another credit rating agency, and (ii) unrated debt securities;
- no more than 20% of the market value of the Fund can be invested in equity securities (including preferred shares, but excluding fixed income exchange traded funds);
- the Fund may not borrow money or use derivatives to create leverage;
- the Fund may borrow money to satisfy cash flow needs and/or to avoid the untimely sale of assets;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

The Fund holds its private debt investments through a limited partnership. The limited partnership holds the following net assets:

	2024		2023	
	Total	% of Total	Total	% of Total
Net investment-related receivables	\$ 575	0.2 %	—	0.0 %
Direct private debt investments	369,830	99.8	—	0.0
Total	\$ 370,405	100.0 %	—	0.0 %

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

CORPORATE BOND FUND

Credit Risk

As at December 31, the Fund invested in debt instruments, including direct private debt investments, with the following security or issuer credit ratings:

INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 3,834,016	23.3 %	\$ 1,722,760	14.9 %
A	2,014,834	12.2	1,647,823	14.3
BBB	4,085,631	24.8	2,977,229	25.8
BB	5,422,123	32.9	3,906,868	34.0
B	1,113,673	6.8	1,270,657	11.0
Total	\$ 16,470,277	100.0 %	\$ 11,525,337	100.0 %

In addition, the Fund is exposed to credit risk through the underlying securities held in exchange traded funds.

The Fund invests in derivative contracts, which inherently have counterparty risk. The credit risk of each counterparty is monitored through an evaluation of the credit quality of each counterparty that transacts with the Fund. The credit risk exposure of derivative instruments, by credit rating category, without taking account of any collateral held at December 31 is as follows:

DERIVATIVES BY CREDIT RATING	2024			2023		
	Notional Value	Fair Value		Notional Value	Fair Value	
		Derivative Assets	Derivative Liabilities		Derivative Assets	Derivative Liabilities
AAA/AA	\$ 2,807,022	\$ —	\$ (116,460)	\$ 3,171,308	\$ 76,963	\$ (647)
A	12,777,699	—	(585,097)	8,413,485	184,609	(1,907)
Total Derivatives	\$ 15,584,721	\$ —	\$ (701,557)	\$ 11,584,793	\$ 261,572	\$ (2,554)

The Fund's other financial assets are not exposed to significant credit risk.

Collateral Pledged and Received

BCI is party to derivative contracts that involve pledging and holding collateral, as outlined in Note 7 (b). 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. The following table illustrates the fair value of such collateral:

COLLATERAL	2024	2023
Collateral pledged	\$ 10,100	\$ 18,939

Liquidity Risk

The Fund is not exposed to significant liquidity risk through its investment in direct private debt investments. Cash and money market investments provide the Fund with additional liquidity.

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

CORPORATE BOND FUND

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

2024					
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ —	\$ —	\$ —	\$ —	—
Derivative liabilities	(701,557)	(701,557)	—	—	(701,557)
	\$ (701,557)	\$ (701,557)	\$ —	\$ —	(701,557)

2023					
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 261,572	\$ 261,572	\$ —	\$ —	261,572
Derivative liabilities	(2,554)	(2,554)	—	—	(2,554)
	\$ 259,018	\$ 259,018	\$ —	\$ —	259,018

Interest Rate Risk

As at December 31, the Fund invested in bond instruments with the following terms to maturity and average effective yield:

BONDS BY MATURITY DATE	2024		2023	
	Total	Avg Effective Yield	Total	Avg Effective Yield
Within 1 year	\$ —	0.0 %	\$ 60,263	5.9 %
1 to 2 years	157,383	5.4	162,045	6.3
2 to 5 years	5,214,293	5.4	2,387,498	5.4
5 to 10 years	7,500,861	5.7	6,254,216	5.6
10 to 20 years	1,109,860	5.2	834,055	4.9
20 to 30 years	1,192,517	5.5	961,075	4.9
Over 30 years	925,533	6.8	866,185	7.4
Total Bonds	\$ 16,100,447	5.6 %	\$ 11,525,337	5.6 %

As at December 31, 2024, the Fund had an average duration of 5.3 years (2023 - 5.7 years). As at December 31, the Fund invested in fixed income instruments with the longest term to maturity of 75 years (2023 - 76 years).

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 \$932,216 (2023 - \$729,554), representing 5.5% of the Fund's net assets (2023 - 5.5%). In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

The Fund's directly held private debt instruments, with a carrying value of \$369,830 are comprised of variable rate debt instruments with interest rates from 6.1% to 7.1% and maturity dates ranging from 2028 to 2031. Lending rates are generally based on SOFR plus a risk and liquidity premium. As a result, the Fund is generally not exposed to fair value interest rate risk from directly held private debt instruments.

In addition, the Fund is exposed to interest rate risk through the underlying securities held in exchange traded funds.

CORPORATE BOND FUND

Currency Risk

At December 31, 2024, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows. The table includes foreign currency contracts.

2024						
	Net Investments and Investments-Related Receivables/(Payables)		Net Foreign Currency Contracts Receivables/(Payables)		Net exposure	% of total net asset
United States Dollar	\$	16,215,939	\$	(16,323,570)	\$ (107,631)	(0.6)%
Net Foreign Exchange Exposure	\$	16,215,939	\$	(16,323,570)	\$ (107,631)	(0.6)%

2023						
	Net Investment Related Receivables/(Payables)		Net Foreign Currency Contracts Receivables/(Payables)		Net exposure	% of total net asset
United States Dollar	\$	11,665,723	\$	(11,339,960)	\$ 325,763	2.5 %
Net Foreign Exchange Exposure	\$	11,665,723	\$	(11,339,960)	\$ 325,763	2.5 %

As at December 31, 2024, if the Canadian dollar had strengthened/weakened by 1% in relation to the U.S. currency, holding all other variables constant, net assets would have decreased/increased, respectively, by \$(1,076) (2023 - \$3,258), representing 0.0% (2023 - 0.0%) of the Fund's net assets. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

Other Price Risk

Management monitors the concentration of risk for debt securities based on geographic location and industry.

As at December 31, the Fund's direct private debt and bond investments are concentrated in the following geographical regions:

GEOGRAPHIC REGION	2024		2023	
	Total	% of Total	Total	% of Total
Direct Private Debt and Bond Investments				
Canada	\$ 2,573,477	15.6 %	\$ 2,075,777	18.0 %
Ireland	51,169	0.3	—	0.0
Netherlands	161,298	1.0	299,411	2.6
Singapore	—	0.0	53,425	0.5
United Kingdom	210,545	1.3	—	0.0
United States	13,473,788	81.8	9,096,724	78.9
Total	\$ 16,470,277	100.0 %	\$ 11,525,337	100.0 %

As at December 31, the Fund's direct private debt investments are exposed to the following industries:

INDUSTRY SECTOR	2024		2023	
	Total	% of Total	Total	% of Total
Direct Private Debt Investments				
Consumer Discretionary	\$ 206,135	55.7 %	\$ —	0.0 %
Health Care	86,477	23.4	—	0.0
Industrials	7,222	2.0	—	0.0
Information Technology	51,947	14.0	—	0.0
Materials	18,049	4.9	—	0.0
Total	\$ 369,830	100.0 %	\$ —	0.0 %

CORPORATE BOND FUND

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Exchange traded funds	\$ 565,378	\$ —	\$ 565,378	\$ 818,446	\$ —	\$ 818,446
Money market funds	—	594,536	594,536	—	415,352	415,352
Bonds	12,456,950	3,643,497	16,100,447	—	11,525,337	11,525,337
Net investment-related receivables	—	575	575	—	—	—
Direct private debt investments	—	369,830	369,830	—	—	—
Total investments	13,022,328	4,608,438	17,630,766	818,446	11,940,689	12,759,135
Forwards, net	—	(701,557)	(701,557)	—	259,018	259,018
Total	\$ 13,022,328	\$ 3,906,881	\$ 16,929,209	\$ 818,446	\$ 12,199,707	\$ 13,018,153

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

During 2024, due to changes in market conditions for certain bond investments, quoted prices in active markets became available for these securities. Therefore, these securities, with an amount of \$3,889,257 were transferred from Level 2 to Level 1.

During 2023, there were no significant transfers between the three levels in the hierarchy.

CORPORATE BOND FUND

Involvement with Structured Entities

(Expressed in thousands of dollars, except number of investee funds)

A structured entity is an entity that has been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. The Fund holds interests in structured entities. These structured entities are comprised of investee funds organized as unit trusts. These investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issue of units to these investors. Accordingly, the Fund's interests in these entities is reflected through the holdings of units issued by the investee funds. During 2024 and 2023, the Fund did not provide additional financial or other support to these structured entities, other than through its investment in units of these entities. Furthermore, these structured units are not subject to restrictions over operations or redemptions, other than certain investment related restrictions in accordance with maintaining their investment objectives. The tables below set out the interests held by the Fund in these structured entities:

Entity	2024			2023		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	2	\$ 4,548,961	\$ 594,536	2	\$ 5,517,918	\$ 415,352
Investee funds administered by external manager	2	48,709,373	565,378	2	35,787,559	818,446

THE FUNDING PROGRAM

Statement of Financial Position

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Cash		\$ —	\$ 1,551
Receivable from sale of investments		118,955	646,204
Interest receivable		143,628	117,042
Derivative assets:			
Swaps		209,150	105,707
Investments		28,079,437	23,920,063
Total assets		28,551,170	24,790,567
Liabilities			
Payable for purchase of investments		43,232	292,152
BCI cost recoveries payable	4	1,313	1,440
Interest payable		181,521	222,040
Amounts payable under repurchase agreements	4	20,583,137	18,856,215
Other accounts payable		293	1,477
Derivative liabilities:			
Swaps		477	—
Capital market debt financing	6	3,939,444	1,352,170
		24,749,417	20,725,494
Net assets attributable to holders of redeemable units		\$ 3,801,753	\$ 4,065,073
Number of redeemable units outstanding	5	4,459,118.266	4,698,679.223
Net assets attributable to holders of redeemable units per unit		\$ 1	\$ 1

[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

THE FUNDING PROGRAM

Statement of Comprehensive Income (Loss)

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income		\$ 948,150	\$ 659,916
Securities lending income		275	—
Other income		293	36
Change in fair value of investments, derivatives and capital market debt financing:			
Net realized loss		(78,895)	(533,589)
Net change in unrealized appreciation		19,335	1,176,283
Total revenue		889,158	1,302,646
Expenses			
BCI cost recoveries	4	16,765	15,800
Administrative fees		5,668	1,457
Interest expense		1,018,828	830,515
Commissions and stock exchange fees		9,646	5,244
Pursuit costs		41	—
Total operating expenses		1,050,948	853,016
Increase (decrease) in net assets attributable to holders of redeemable units		\$ (161,790)	\$ 449,630

THE FUNDING PROGRAM

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 4,065,073	\$ 1,649,003
Increase (decrease) in net assets attributable to holders of redeemable units	(161,790)	449,630
Redeemable unit transactions:		
Proceeds from units issued	627,316	2,006,381
Amounts paid for units redeemed	(728,846)	(39,941)
Net increase (decrease) from redeemable unit transactions	(101,530)	1,966,440
Balance, end of year	\$ 3,801,753	\$ 4,065,073

THE FUNDING PROGRAM

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (161,790)	\$ 449,630
Adjustments for:		
Interest income	(948,150)	(659,916)
Interest expense	1,018,828	830,515
Net realized loss from investments, derivatives and capital market debt financing	78,895	533,589
Net change in unrealized appreciation of investments, derivatives and capital market debt financing	(19,335)	(1,176,283)
Amortization of premiums and discounts	(52,514)	(22,057)
BCI cost recoveries payable	(127)	440
Other accounts payable	(1,184)	1,379
Interest received	926,934	614,470
Interest paid	(1,059,347)	(726,275)
Net purchase of investments and derivatives	(3,968,283)	(6,135,542)
	(4,186,073)	(6,290,050)
Financing activities		
Proceeds from issuance of redeemable units	627,316	2,006,381
Payments on redemption of redeemable units	(728,846)	(39,941)
Net proceeds from repurchase agreements	1,726,922	3,084,711
Proceeds from issuance of capital market debt financing	2,559,130	1,240,450
	4,184,522	6,291,601
Net increase (decrease) in cash	(1,551)	1,551
Cash, beginning of year	1,551	—
Cash, end of year	\$ —	\$ 1,551

THE FUNDING PROGRAM

Schedule of Investments

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Bonds				
Pledged financial assets at FVTPL				
Federal Government	\$ 15,342,724	\$ 15,217,862	\$ 13,827,328	\$ 13,622,271
Provincial Government	8,530,041	8,950,266	7,270,877	7,839,161
Corporate	205,636	202,782	—	—
Non-pledged financial assets at FVTPL				
Federal Government	519,203	516,322	314,158	307,735
Provincial Government	2,250,845	2,296,142	1,444,930	1,425,404
Municipal Government	171,103	162,524	73,901	67,147
Mortgage-Backed Securities	722,899	713,245	—	—
Supranational and Sovereign	56,109	55,049	55,749	55,080
	27,798,560	28,114,192	22,986,943	23,316,798
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Canadian Money Market Fund ST1	102,712	102,713	3,614	3,614
Bond Funds				
Units in BCI Pooled Investment Portfolio				
Government Bond Fund	5,701	5,696	—	—
Investment Related Receivables				
Securities purchased under reverse repurchase agreements	172,464	172,464	929,506	929,501
Total Investments	\$ 28,079,437	\$ 28,395,065	\$ 23,920,063	\$ 24,249,913

THE FUNDING PROGRAM

Schedule of Derivative Assets and Liabilities

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024			2023		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
Derivative Assets ^(b)		Derivative Liabilities	Derivative Assets ^(b)		Derivative Liabilities	
Interest rate derivatives						
Listed						
Futures ^(c)	\$ —	\$ —	\$ —	2,141,200	\$ —	—
OTC						
Swaps	3,900,000	209,150	(477)	1,375,000	105,707	—
Total	\$ 3,900,000	\$ 209,150	\$ (477)	\$ 3,516,200	\$ 105,707	\$ —

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

	2024	2023
Less than 1 year	\$ 150,000	\$ 2,266,200
1 to 2 years	—	—
Over 2 years	3,750,000	1,250,000
Total	\$ 3,900,000	\$ 3,516,200

- (a) Notional value represents the net absolute value of the contractual amount to which a rate or price is applied in order to calculate the exchange of cash flows and is therefore not recorded in the financial statements. Notional amounts do not necessarily indicate the amounts of future cash flows or the current fair value of the derivative contracts and, therefore do not necessarily indicate the Fund's exposure to credit or market risk.
- (b) The fair value of derivative contracts recorded as an asset represents the credit risk or the loss to which the Fund is potentially exposed should counterparties fail to perform under the derivative contract.
- (c) As futures derivative contracts are fair valued through profit and loss and settled daily, the gain or loss recognized on December 31 is recorded in other receivables or other accounts payable on the Statement of Financial Position and in realized gains and losses on the Statement of Comprehensive Income.

THE FUNDING PROGRAM

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The investment objective of the The Funding Program (the "Fund") is to provide participating clients with an opportunity to benefit from BCI's use of leverage. The Fund's asset benchmark is actual performance and liability benchmark is realized cost of financing.

The Fund can hold the following securities:

- fixed income securities issued or guaranteed by the Government of Canada, a Canadian provincial or municipal government, Canadian government-related entities, or the Government of the United States;
- Canadian dollar denominated fixed income securities which are issued or guaranteed by a sovereign government;
- Canadian dollar denominated fixed income securities which are issued or guaranteed by supranational entities;
- money market instruments including repurchase agreements;
- agreements to finance other BCI Funds, portfolios, and accounts;
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, liquidity management, and/or leverage; and
- units in BCI Canadian and/or US Dollar Short Term Money Market Funds, other BCI short-term fixed income Funds, and the Floating Rate Funds.

The following restrictions apply to the Fund:

- fixed income securities issued by municipalities, Canadian government-related entities, and non-Canadian entities must be rated BBB- or better by Standard & Poor's or have an equivalent rating from another credit rating agency;
- The weighting of securities issued by municipalities and Canadian government-related entities shall not exceed 10 percentage points above the weighting of such bonds within the FTSE Canada All Government Bond Index;
- Not more than 25 percent of the market value of the Fund's bond portfolio can be invested in securities issued or guaranteed by an entity other than the Government of Canada or a Canadian provincial or municipal government except on a temporary basis with documented CEO/CIO approval;
- the Fund may not sell a security which it does not own (i.e. short sale);
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any derivatives counterparty is downgraded below the approved credit standard, BCI will have discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

BONDS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 27,183,639	97.8 %	\$ 19,017,238	82.7 %
A	614,921	2.2	3,969,705	17.3
Total	\$ 27,798,560	100.0 %	\$ 22,986,943	100.0 %

THE FUNDING PROGRAM

The Fund invests in derivative contracts, which inherently have counterparty risk. The credit risk of each counterparty is monitored through an evaluation of the credit quality of each counterparty that transacts with the Fund. The credit risk exposure of derivative instruments, by credit rating category, without taking account of any collateral held at December 31 is as follows:

DERIVATIVES BY CREDIT RATING	2024			2023		
	Notional Value	Fair Value		Notional Value	Fair Value	
		Derivative Assets	Derivative Liabilities		Derivative Assets	Derivative Liabilities
AAA/AA	\$ 1,075,000	\$ 88,087	\$ (159)	\$ 1,325,000	\$ 105,334	\$ —
A	2,825,000	121,063	(318)	50,000	373	—
Total Derivatives	\$ 3,900,000	\$ 209,150	\$ (477)	\$ 1,375,000	\$ 105,707	\$ —

The Fund's other financial assets are not exposed to significant credit risk.

Collateral Pledged and Received

The Fund is party to repurchase and sell buy back agreements, which involve pledging and holding collateral. The following table illustrates the fair values of such collateral and the securities under these agreements:

	2024	2023
Amounts payable under repurchase agreements	\$ 20,583,137	\$ 18,856,215
Collateral received	208,765	105,707
Collateral pledged	24,078,401	21,098,205

Credit risk relating to reverse repurchase agreements is considered low due to the amount and quality of collateral, as well as high counterparty credit ratings. As at December 31, the Fund invested in securities purchased under reverse repurchase agreements with the following issuer credit ratings:

REVERSE REPURCHASE INVESTMENTS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ —	0.0 %	\$ 773,506	83.2 %
A	172,464	100.0	156,000	16.8
Total	\$ 172,464	100.0 %	\$ 929,506	100.0 %

Liquidity Risk

Note 6 of the financial statements provides information on the carrying amount and the terms of the Fund's 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 Fund, respectively.

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

	2024				
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 209,150	\$ 605	\$ —	\$ 208,545	\$ 209,150
Derivative liabilities	(477)	(477)	—	—	(477)
	\$ 208,673	\$ 128	\$ —	\$ 208,545	\$ 208,673

THE FUNDING PROGRAM

	2023				
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ 105,707	\$ 575	\$ —	\$ 105,132	\$ 105,707
Derivative liabilities	—	—	—	—	—
	\$ 105,707	\$ 575	\$ —	\$ 105,132	\$ 105,707

Interest Rate Risk

The Fund's investment objective results in the Fund being exposed to leveraged interest rate risk. The Fund finances bond purchases with repurchase agreements which are generally of shorter duration than the bond investments, resulting in significant interest rate risk. The Fund's investment in bonds is approximately 7 times the net asset value of the Fund (2023 - 6), resulting in significantly greater interest rate risk than an unleveraged bond investment.

As at December 31, the Fund invested in bond instruments with the following terms to maturity and average effective yield:

BONDS BY MATURITY DATE	2024		2023	
	Total	Avg Effective Yield	Total	Avg Effective Yield
Within 1 year	\$ 67,919	3.0 %	\$ —	— %
1 to 2 years	2,904,092	3.0	2,094,474	4.0
2 to 5 years	7,075,912	3.0	5,127,065	3.5
5 to 10 years	9,034,613	3.4	8,525,531	4.0
10 to 20 years	3,097,487	4.0	3,376,357	3.8
20 to 30 years	3,551,556	4.1	3,031,346	4.0
Over 30 years	2,066,981	3.9	832,170	3.8
Total Bonds	\$ 27,798,560	3.4 %	\$ 22,986,943	3.9 %

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 \$2,157,168 (2023 - \$1,817,650), representing 56.7% of the Fund's net assets (2023 - 44.7%). In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

Note 6 of the financial statements provides information on the carrying amount and the terms of the Fund's capital market debt financing. The Fund has simultaneously entered into interest rate swaps whereby the fixed interest rate return of the capital market debt financing is swapped for a floating rate of return. Therefore, the Fund is generally not exposed to fair value interest rate risk from the capital market debt financing held within the Fund.

Currency Risk

The Fund is not exposed to significant currency risk since the Fund's assets and liabilities are denominated in Canadian dollars.

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

Investments by geographic region

All of the Fund's investments are exposed to the Canadian market.

THE FUNDING PROGRAM

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market funds	\$ —	\$ 102,712	\$ 102,712	\$ —	\$ 3,614	\$ 3,614
Bond funds	—	5,701	5,701	—	—	—
Bonds	—	27,798,560	27,798,560	—	22,986,943	22,986,943
Securities purchased under reverse repurchase agreements	—	172,464	172,464	—	929,506	929,506
Total investments	—	28,079,437	28,079,437	—	23,920,063	23,920,063
Swaps, net	—	208,673	208,673	—	105,707	105,707
Capital market debt financing	—	(3,939,444)	(3,939,444)	—	(1,352,170)	(1,352,170)
Amounts payable under repurchase agreements	—	(20,583,137)	(20,583,137)	—	(18,856,215)	(18,856,215)
Total	\$ —	\$ 3,765,529	\$ 3,765,529	\$ —	\$ 3,817,385	\$ 3,817,385

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

THE FUNDING PROGRAM

Involvement with Structured Entities

(Expressed in thousands of dollars, except number of investee funds)

A structured entity is an entity that has been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. The Fund holds interests in structured entities. These structured entities are comprised of investee funds organized as unit trusts. These investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issue of units to these investors. Accordingly, the Fund's interests in these entities is reflected through the holdings of units issued by the investee funds. During 2024 and 2023, the Fund did not provide additional financial or other support to these structured entities, other than through its investment in units of these entities. Furthermore, these structured units are not subject to restrictions over operations or redemptions, other than certain investment related restrictions in accordance with maintaining their investment objectives. The tables below set out the interests held by the Fund in these structured entities:

Entity	2024			2023		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	1	\$ 3,753,356	\$ 102,712	1	\$ 2,679,051	\$ 3,614
Investee bond funds administered by BCI	1	21,461,485	5,701	—	—	—

GOVERNMENT BOND FUND**Statement of Financial Position**

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

As at December 31, 2024, with comparative information for 2023

Assets	NOTES	2024	2023
Cash		\$ —	\$ 1,355
Receivable from sale of investments		175,771	59,653
Receivable from issuance of units		—	57,500
Interest receivable		107,786	90,507
Investments		21,308,136	18,567,332
Total assets		21,591,693	18,776,347
Liabilities			
Payable for purchase of investments		129,696	53,404
Payable for redemption of units		—	57,500
BCI cost recoveries payable	4	460	491
Other accounts payable		52	55
		130,208	111,450
Net assets attributable to holders of redeemable units		\$ 21,461,485	\$ 18,664,897
Number of redeemable units outstanding	5	22,690.061	20,391.019
Net assets attributable to holders of redeemable units per unit		\$ 946	\$ 915

[S] Gordon J. Fyfe

 Gordon J. Fyfe
 Chief Executive Officer
 Chief Investment Officer

GOVERNMENT BOND FUND**Statement of Comprehensive Income (Loss)**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Revenue	NOTES	2024	2023
Interest income		\$ 727,603	\$ 587,928
Securities lending income		9,350	9,153
Other income		(14)	1
Foreign exchange gain		1	—
Change in fair value of investments:			
Net realized loss		(44,568)	(507,129)
Net change in unrealized appreciation		6,199	956,160
Total revenue		698,571	1,046,113
Expenses			
BCI cost recoveries	4	5,818	7,846
Administrative fees		111	86
Commissions and stock exchange fees		239	156
Total operating expenses		6,168	8,088
Increase in net assets attributable to holders of redeemable units before distributions		692,403	1,038,025
Distributions to holders of redeemable units		(731,012)	(589,159)
Increase (decrease) in net assets attributable to holders of redeemable units		\$ (38,609)	\$ 448,866

GOVERNMENT BOND FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Balance, beginning of year	\$ 18,664,897	\$ 15,092,129
Increase (decrease) in net assets attributable to holders of redeemable units	(38,609)	448,866
Redeemable unit transactions:		
Proceeds from units issued	5,936,739	6,329,439
Reinvestment of distributions	731,012	589,159
Amounts paid for units redeemed	(3,832,554)	(3,794,696)
Net increase from redeemable unit transactions	2,835,197	3,123,902
Balance, end of year	\$ 21,461,485	\$ 18,664,897

GOVERNMENT BOND FUND**Statement of Cash Flows**

(Expressed in thousands of dollars)

Year ended December 31, 2024, with comparative information for 2023

Operating activities	2024	2023
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (38,609)	\$ 448,866
Adjustments for:		
Foreign exchange gain	(1)	—
Interest income	(727,603)	(587,928)
Net realized loss from investments	44,568	507,129
Net change in unrealized appreciation of investments	(6,199)	(956,160)
Amortization of premiums and discounts	(56,650)	(46,647)
Distributions to holders of redeemable units	731,012	589,159
BCI cost recoveries payable	(31)	(227)
Other accounts payable	(3)	27
Interest received	710,324	563,815
Net purchase of investments	(2,762,349)	(3,051,422)
	(2,105,541)	(2,533,388)
Financing activities		
Proceeds from issuance of redeemable units	5,994,239	6,271,939
Payments on redemption of redeemable units	(3,890,054)	(3,737,196)
	2,104,185	2,534,743
Net increase (decrease) in cash	(1,356)	1,355
Effect of exchange rate changes on cash	1	—
Cash, beginning of year	1,355	—
Cash, end of year	\$ —	\$ 1,355

GOVERNMENT BOND FUND

Schedule of Investments

(Expressed in thousands of dollars)

As at December 31, 2024, with comparative information for 2023

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Bonds				
Federal Government	\$ 11,995,217	\$ 11,885,608	\$ 11,126,854	\$ 10,913,821
Provincial Government	8,255,921	8,466,879	7,026,745	7,334,588
Municipal Government	231,200	234,896	304,183	310,304
Mortgage-Backed Securities	717,685	709,129	—	—
Supranational and Sovereign	25,473	25,167	105,719	107,171
	21,225,496	21,321,679	18,563,501	18,665,884
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Canadian Money Market Fund ST1	82,640	82,641	3,831	3,831
Total Investments	\$ 21,308,136	\$ 21,404,320	\$ 18,567,332	\$ 18,669,715

GOVERNMENT BOND FUND

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The Government Bond Fund (the "Fund") primarily invests in bonds issued or guaranteed by the Canadian government (federal, provincial, or municipal). The investment objective of the Fund is to exceed the Fund's benchmark, the FTSE Canada All Government Bond Index, net of all investment expenses incurred. The Fund is actively managed. The portfolio manager attempts to increase the returns relative to the Fund's benchmark by actively managing the interest rate and credit exposure of the Fund.

The Fund can hold the following securities:

- fixed income securities issued or guaranteed by the Government of Canada, a Canadian provincial or municipal government, Canadian government-related entities, or the Government of the United States;
- Canadian dollar denominated fixed income securities which are issued or guaranteed by a sovereign government;
- Canadian dollar denominated fixed income securities which are issued or guaranteed by supranational entities;
- derivative instruments for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management; and
- units in BCI Canadian and/or US Dollar Short Term Money Market Funds, other BCI short-term fixed income Funds, and the Floating Rate Funds.

The following restrictions apply to the Fund:

- fixed income securities issued by municipalities, Canadian government-related entities, and non-Canadian entities must be rated BBB- or better by Standard & Poor's or have an equivalent rating from another credit rating agency;
- the Fund's weighting of securities issued by municipalities and Canadian government-related entities shall not exceed 10 percentage points above the weighting of such bonds within the Index;
- not more than 25 percent of the market value of the Fund can be invested in securities issued or guaranteed by an entity other than the Government of Canada or a Canadian provincial or municipal government except on a temporary basis with documented CIO approval;
- the Fund may not sell a security which it does not own (i.e. a short sale), borrow securities, or purchase securities using a margin account;
- the Fund may not borrow money or use derivatives to create leverage;
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency;
- if any security or counterparty is downgraded below the approved credit standard, BCI will have discretion with respect to the sale of any affected security or the termination of any affected derivative transaction; and
- notwithstanding the restriction above, new over-the-counter derivative contracts with a downgraded counterparty are permitted if such contracts would fully or partially offset an existing exposure with the counterparty, leading to a reduction in net exposure.

Note 7 of the financial statements provides information on various types of financial risks associated with investing. The following information pertains specifically to this Fund.

Credit Risk

As at December 31, the Fund invested in debt instruments with the following security or issuer credit ratings:

BONDS BY CREDIT RATING	2024		2023	
	Total	% of Total	Total	% Total
AAA/AA	\$ 20,688,850	97.5 %	\$ 15,382,260	82.9 %
A	536,646	2.5	3,181,241	17.1
Total	\$ 21,225,496	100.0 %	\$ 18,563,501	100.0 %

The Fund's other financial assets are not exposed to significant credit risk.

GOVERNMENT BOND FUND

Liquidity Risk

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

Interest Rate Risk

As at December 31, the Fund invested in bond instruments with the following terms to maturity and average effective yield:

BONDS BY MATURITY DATE	2024		2023	
	Total	Avg Effective Yield	Total	Avg Effective Yield
Within 1 year	\$ 95,218	3.1 %	\$ 38,207	4.8 %
1 to 2 years	2,121,526	3.0	1,527,041	4.0
2 to 5 years	5,437,311	3.1	4,830,498	3.5
5 to 10 years	6,759,373	3.3	5,930,596	3.3
10 to 20 years	2,477,110	4.0	2,913,668	3.8
20 to 30 years	2,701,075	4.1	2,448,861	4.0
Over 30 years	1,633,883	3.9	874,630	3.8
Total Bonds	\$ 21,225,496	3.4 %	\$ 18,563,501	3.6 %

The duration is to be managed within \pm 20 percent of the benchmark duration, which was 7.8 years as at December 31, 2024 (2023 - 7.9 years). As at December 31, 2024, the Fund had an average duration of 7.8 years (2023 - 7.9 years). At December 31, the longest term to maturity for a debt instrument within the Fund is 50 years (2023 - 41 years).

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 \$1,659,834 (2023 - \$1,462,804), representing 7.7% (2023 - 7.8%) of the Fund's net assets. In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

Currency Risk

The Fund is not exposed to significant currency risk since the Fund's assets and liabilities are denominated in Canadian dollars.

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk since the Fund's assets and liabilities are fixed income instruments.

Investments by geographic region

As at December 31, the Fund's bond investments are concentrated in the following geographical regions:

GEOGRAPHIC REGION	2024		2023	
	Total	% of Total	Total	% of Total
Canada	\$ 21,200,023	99.9 %	\$ 18,457,782	99.4 %
Supranational	25,473	0.1	105,719	0.6
Total	\$ 21,225,496	100.0 %	\$ 18,563,501	100.0 %

GOVERNMENT BOND FUND

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

As described in note 8 of the financial statements, a three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's financial instruments.

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

As at December 31, all fair value measurements noted in the tables below are recurring.

	2024			2023		
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Total
Money market funds	\$ —	\$ 82,640	\$ 82,640	\$ —	\$ 3,831	\$ 3,831
Bonds	—	21,225,496	21,225,496	—	18,563,501	18,563,501
Total	\$ —	\$ 21,308,136	\$ 21,308,136	\$ —	\$ 18,567,332	\$ 18,567,332

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

During 2024 and 2023, there were no significant transfers between the three levels in the hierarchy.

GOVERNMENT BOND FUND

Involvement with Structured Entities

(Expressed in thousands of dollars, except number of investee funds)

A structured entity is an entity that has been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. The Fund holds interests in structured entities. These structured entities are comprised of investee funds organized as unit trusts. These investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issue of units to these investors. Accordingly, the Fund's interests in these entities is reflected through the holdings of units issued by the investee funds. During 2024 and 2023, the Fund did not provide additional financial or other support to these structured entities, other than through its investment in units of these entities. Furthermore, these structured units are not subject to restrictions over operations or redemptions, other than certain investment related restrictions in accordance with maintaining their investment objectives. The tables below set out the interests held by the Fund in these structured entities:

Entity	2024			2023		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	1	\$ 3,753,356	\$ 82,640	1	\$ 2,679,051	\$ 3,831

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. These financial statements have been prepared by BCI and are the responsibility of BCI management.

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

The pooled investment portfolios (the "Funds") were established on the following dates:

Pooled Investment Portfolios	Dates Established
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
CDOR 2 Floating Rate Fund	October 11, 2018
CDOR 4 Floating Rate Fund	October 16, 2019
CORRA 1 Floating Rate Fund	July 26, 2023
CORRA 3 Floating Rate Fund	July 21, 2023
Short Term Bond Fund	November 1, 1995
Corporate Bond Fund	January 8, 2016
The Funding Program	September 19, 2019
Government Bond Fund	January 7, 2021

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements have been prepared in compliance with IFRS Accounting Standards. These financial statements were authorized for issue by the Chief Executive Officer / Chief Investment Officer on April 7, 2025.

(b) Accounting for investments

The Funds qualify as investment entities as they meet the following definition of an investment entity outlined in IFRS 10, *Consolidated Financial Statements (IFRS 10)*:

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

(c) Basis of measurement

These financial statements have been prepared on a historical cost basis except for investments, derivative financial instruments, amounts payable under repurchase agreements, capital market debt financing, and redeemable units which are measured at fair value.

(d) Functional and presentation currency

These financial statements are presented in Canadian dollars which is the Funds' functional currency, except for U.S. Dollar Money Market Fund ST3 and U.S. Dollar Money Market Fund ST4, which are presented in U.S. dollars and whose functional currency is U.S. dollars.

(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, revenue, and expenses. Financial results as determined by actual events could differ from those estimates and assumptions, and the difference could be material. Given the current economic climate, 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. These factors continue 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.

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

(a) Financial instruments

(i) Recognition and measurement

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

Financial assets and financial liabilities are recognized initially on the trade date, which is the date on which the Funds become a party to the contractual provisions of the instrument. The 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 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 Funds may 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 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 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 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 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 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 Funds' financial assets and liabilities:

FINANCIAL ASSET OR LIABILITY	CLASSIFICATION
Investments	FVTPL
Derivative financial instruments	FVTPL
Amounts payable under repurchase agreements	FVTPL
Capital market debt financing	FVTPL
Redeemable units	FVTPL
Cash	Amortized cost
Receivable from sale of investments	Amortized cost
Receivable from issuance of units	Amortized cost
Interest receivable	Amortized cost
Dividends receivable	Amortized cost
Other receivables	Amortized cost
Payable for purchase of investments	Amortized cost
Payable for redemption of units	Amortized cost
BCI cost recoveries payable	Amortized cost
Interest payable	Amortized cost
Other accounts payable	Amortized cost

(b) Receivables and payables under repurchase agreements

The 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 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 Statement of Financial Position within Investments as securities purchased under reverse repurchase agreement, and the underlying asset is not recognized in the Funds' financial statements as the counterparty retains the risks and rewards of ownership of the underlying asset.

When the 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 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 Statement of Financial Position as amounts payable under repurchase agreement and the underlying asset is not derecognized.

(c) Redeemable Units

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

(d) Issues and redemption of units

Participation in each Fund is expressed in units. The initial value of a unit on inception is \$1 million (\$U.S. 1 million for the U.S. Dollar Money Market Fund ST3 and U.S. Dollar Money Market Fund ST4). For each subsequent unit issuance and redemption, the unit value is determined by dividing the fair value of the net assets of the portfolio by the total number of units outstanding. Where one Fund invests in another Fund, the unit issuances and redemptions are transacted on the same basis as client transactions. All unit

transactions are recorded on a trade date basis. All of the Funds were open-ended Funds throughout the year where the number of units available for issue was unlimited and the proportion of units issued or redeemed by each client on a particular valuation date depended on changes to their desired asset allocation.

(e) Foreign exchange

Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars (U.S. dollars for the U.S. Dollar Money Market Fund ST3 and the U.S. Dollar Money Market Fund ST4) using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign currency gains and losses are recognized in the Statement of Comprehensive Income.

(f) Revenue recognition

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

(g) Fees and commission expense

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

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

(i) Income taxes

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

(j) 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, 2024, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Funds.

Effective on January 1, 2025:

- Lack of exchangeability – Amendments to IAS 21

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

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 and corresponding payable are disclosed in each Fund's Statement of Comprehensive Income and Statement of Financial Position, respectively.

Investments

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

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

Internal financing transactions

In the normal course of business, CDOR 2 Floating Rate Fund extended internal 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	December 31, 2024	December 31, 2023
Infrastructure & Renewable Resources ¹	Up to \$2,000,000	\$ 910,964	\$ 1,132,765
Total Loans to Infrastructure & Renewable Resources Program		\$ 910,964	\$ 1,132,765
Private Equity ²	Up to \$900,000	\$ 906,150	—
Total Loans to Private Equity Program		\$ 906,150	\$ —

¹The borrowing entities are stopper corporations within Bolsena Fund, Bolsena (Public) Fund 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 0.91% - 0.95% and of which \$426,277 matured in January 2025 and \$484,687 matures in July 2025.

²The borrowing entity is a stopper corporation within 2016 Private Placement Fund. The Facility earns a floating rate return that is linked to Canadian Overnight Repo Rate plus 0.96% and matured in February 2025.

Borrowing entity	Initial principal financing commitment	December 31, 2024	December 31, 2023
QuadReal Multi Asset Realty ^{3,4}	\$500,000	\$ —	\$ 505,159
QuadReal Multi Asset Realty ^{4,5}	\$500,000	—	507,876
QuadReal Multi Asset Realty ^{4,6}	\$250,000	—	251,005
QuadReal Global I REIT Investment LP ⁷	Up to \$500,000	25,179	25,237
Total Loans to QuadReal-managed entities		\$ 25,179	\$ 1,289,277

Internal transactions between Funds are not secured in that specific assets are not pledged by the borrowing Fund to secure its obligations; however, the obligations of the borrowing Funds are supported by assurances from BCI's Strategic Asset Allocation Department that client assets will be reallocated to the borrowing pool as necessary to ensure satisfaction of payment obligations at the end of the financing term.

Repurchase agreements

During 2024, the Funding Program entered into internal repurchase agreements with short term money market funds managed by BCI which are classified as related parties. These transactions are carried out on terms that are equivalent to those that may prevail in transactions with unrelated parties subject to the same internal processes, and with each Fund's interest represented by different BCI personnel. The amounts in the table represent outstanding amounts as at:

Securities purchased under reverse repurchase agreements – related party	December 31, 2024
Canadian Money Market Fund ST1 ⁸	\$ 200,138
Canadian Money Market Fund ST2 ⁸	198,528
Total securities purchased under reverse repurchase agreements – related party	\$ 398,666

Amounts payable under repurchase agreements – related party	December 31, 2024
The Funding Program ⁸	\$ 398,666
Total amounts payable under repurchase agreements – related party	\$ 398,666

Credit Facility

During 2023, BCI entered into a secured and uncommitted line of credit (the "Facility") with its custodian for up to \$1,000,000 for cash flow management, working capital, and settlement coverage needs. The Facility is secured by certain qualified assets of the CDOR 1 Floating Rate Fund and CORRA 1 Floating Rate Fund. 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, 2024, \$20,336 (December 31, 2023: \$nil) has been drawn on this credit facility.

³The borrowing entity is QuadReal Multi Asset Realty, a pooled fund managed by QuadReal. The Facility earned a floating rate return that was linked to the Canadian Dollar Offered Rate plus 1.15%. In July 2023, this Facility was rolled over for an additional 12 months to mature July 2024. The extended facility earns a floating rate return that is linked to the Canadian Overnight Repo Rate plus 1.33%. In May 2024, the Facility was repaid in full.

⁴To ensure client fairness and reflect savings from the scale of BCI's impact on lowering financing costs, a savings sharing mechanism ("SSM") was introduced, whereby 50% of returns earned by the Facility are distributed directly to participating BCI clients.

⁵The borrowing entity is QuadReal Multi Asset Realty, a pooled fund managed by QuadReal. The Facility earned a floating rate return that was linked to the Canadian Dollar Offered Rate plus 0.625%. In October 2023, this Facility was rolled over for additional 12 months to mature October 2024. The extended facility earns a floating rate return that is linked to the Canadian Overnight Repo Rate plus 1.40%. In March 2024, the Facility was repaid in full.

⁶The borrowing entity is QuadReal Multi Asset Realty, a pooled fund managed by QuadReal. The Facility earned a floating rate return that was linked to the Canadian Dollar Offered Rate plus 1.075%. In December 2023, this Facility was rolled over for additional 12 months to mature December 2024. The extended facility earns a floating rate return that is linked to the Canadian Overnight Repo Rate plus 1.34%. In December 2024, the Facility was repaid in full.

⁷The 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 0.75% – 1.00%. In February 2024, this Facility was rolled over for additional 12 months to mature February 2025. 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 1.01% – 1.26%.

⁸The agreements are entered at a floating rate that is linked to the Canadian Overnight Repo Rate plus 0.08% - 0.16% and matured in January 2025.

5. REDEEMABLE UNITS

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

	CANADIAN MONEY MARKET FUND ST1		CANADIAN MONEY MARKET FUND ST2		U.S. DOLLAR MONEY MARKET FUND ST3	
	2024	2023	2024	2023	2024	2023
Outstanding, beginning of period	636.226	476.004	556.874	580.319	875.224	1,057.180
Issued for cash	15,639.147	12,735.546	1,433.269	1,603.624	9,189.713	10,398.605
Issued on reinvestment of distributions	33.273	29.449	28.068	25.719	34.915	42.315
Split (Consolidation) of units	(33.273)	(29.449)	(28.068)	(25.719)	(34.915)	(42.315)
Redeemed	(15,424.224)	(12,575.324)	(1,270.694)	(1,627.069)	(9,851.524)	(10,580.561)
Outstanding, end of period	851.149	636.226	719.449	556.874	213.413	875.224

	U.S. DOLLAR MONEY MARKET FUND ST4		CDOR 2 FLOATING RATE FUND		CDOR 4 FLOATING RATE FUND	
	2024	2023	2024	2023	2024	2023
Outstanding, beginning of period	625.325	479.413	1,841.264	2,794.770	840.381	688.217
Issued for cash	634.573	378.047	6,057.973	3,976.731	2,801.727	1,827.664
Issued on reinvestment of distributions	—	—	180.868	173.696	65.808	47.957
Split (Consolidation) of units	—	—	(180.868)	(173.696)	(65.808)	(47.957)
Redeemed	(230.656)	(232.135)	(6,309.607)	(4,930.237)	(2,170.803)	(1,675.500)
Outstanding, end of period	1,029.242	625.325	1,589.630	1,841.264	1,471.305	840.381

	CORRA 1 FLOATING RATE FUND		CORRA 3 FLOATING RATE FUND		SHORT TERM BOND FUND	
	2024	2023	2024	2023	2024	2023
Outstanding, beginning of period	7,097.943	—	5,639.421	—	605.457	570.428
Issued for cash	34,834.764	13,614.897	4,436.172	5,685.283	0.177	62.274
Issued on reinvestment of distributions	419.866	—	325.919	—	22.152	18.962
Split (Consolidation) of units	(419.866)	—	(325.919)	—	(22.152)	(18.962)
Redeemed	(38,039.539)	(6,516.954)	(3,472.070)	(45.862)	(20.684)	(27.245)
Outstanding, end of period	3,893.168	7,097.943	6,603.523	5,639.421	584.950	605.457

	CORPORATE BOND FUND		THE FUNDING PROGRAM		GOVERNMENT BOND FUND	
	2024	2023	2024	2023	2024	2023
Outstanding, beginning of period	9,661.023	8,719.830	4,698,679.223	1,703,399.260	20,391.019	17,488.850
Issued for cash	2,874.721	1,897.403	775,935.281	3,039,511.236	6,473.277	7,238.764
Issued on reinvestment of distributions	756.898	605.657	—	1,084.662	785.465	662.737
Split (Consolidation) of units	(756.898)	(605.657)	—	(1,084.662)	(785.465)	(662.737)
Redeemed	(509.487)	(956.210)	(1,015,496.238)	(44,231.273)	(4,174.235)	(4,336.595)
Outstanding, end of period	12,026.257	9,661.023	4,459,118.266	4,698,679.223	22,690.061	20,391.019

6. CAPITAL MARKET DEBT FINANCING

During 2024 and 2023, BCI issued senior unsecured medium term debt in respect of all assets under management that are held within pooled investment portfolios as defined under the Regulations, excluding real estate and real estate debt funds managed by BCI's wholly owned real estate and real estate debt asset management platform, QuadReal (collectively referred to as the "Combined Funds"). The capital raised from the capital market debt financing is used for general investment purposes. The Funding 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 as well as the fair value of the notes issued under the capital market debt financing program as at December 31:

	2024		2023	
	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	\$ 2,250,000	\$ 2,435,398	\$ 1,250,000	\$ 1,352,170
Senior unsecured medium-term Canadian dollar note Series 2, bearing interest at 3.4% per annum and maturing on June 2, 2030.	1,500,000	1,504,046	—	—
Total	\$ 3,750,000	\$ 3,939,444	\$ 1,250,000	\$ 1,352,170

On January 10, 2025, BCI issued an additional \$1,500,000 in Series 2 medium-term notes, bearing interest at 3.4% per annum and maturing on June 2, 2030.

7. FINANCIAL RISK MANAGEMENT

(a) Risk management framework

Each Fund has its own investment objectives. The Funds' overall risk management program seeks to minimize the potentially adverse effect of risk on the Funds' financial performance in a manner consistent with the 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 Fund and the type of investments it holds.

See additional discussion in the Financial Risk Management Discussion in the notes specific to each Fund.

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

BCI management monitors credit risk through an internal credit manager program detailing the credit rating of all credit-sensitive financial securities held in money market and bond pooled funds. Credit risk monitoring entails an evaluation of the credit quality of each issuer and counterparty that transacts with the Funds. To perform this evaluation, BCI management relies on ratings from three recognized credit rating agencies for very short term exposure to counterparties such as brokers. For direct holdings of

issuer debt in the long and short term Funds, BCI conducts its own independent credit reviews. Credit reviews are monitored on a quarterly basis through an established credit committee.

To avoid undue credit risk, the Funds have established specific investment criteria, such as minimum credit ratings required to transact with counterparties and to invest in 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 are required to provide adequate collateral and meet minimum credit rating requirements. BCI management frequently monitors the credit rating of its counterparties as determined by recognized credit rating agencies. With respect to derivative contracts, BCI has the ability to 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.

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 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.

See additional discussion of credit risk in the Financial Risk Management Discussion in the notes specific to each Fund.

(c) Liquidity risk

Liquidity risk is the risk that the Funds will encounter difficulty in meeting the obligations associated with their 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 redeem units. Units of a Fund may only be acquired by eligible clients or client groups in accordance with the respective Fund's purchasing limits that may be established by the CIO. In order to protect the interest of all clients, the CIO may also establish redemption limits for each Fund. The purchase and redemption limits may vary depending on market circumstances, client demand, and the liquidity of the underlying investments.

The Funds' cash position is monitored on a daily basis. In general, investments in cash and BCI Money Market Funds are expected to be highly liquid. BCI management utilizes appropriate measures and controls to monitor liquidity risk in order to ensure that there is sufficient liquidity to meet financial obligations as

they come due. The 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.

See additional discussion of liquidity risk in the Financial Risk Management Discussion in the notes specific to each Fund.

(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 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 Fund's investment objective. Investment objectives for the Funds are outlined in the notes specific to each Fund.

(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, securities purchased under reverse repurchase agreements, bonds, and private debt investments are subject to interest rate risk. The Fund has established duration bands based on its relevant benchmark to avoid undue active interest rate risk. Money market funds invest in short-term investments and have low interest rate risk.

See additional discussion of interest rate risk in the Financial Risk Management Discussion in the notes specific to each Fund.

(ii) Currency risk

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

Some Funds are exposed to currency risk through holding of investments, investment receivables and investment liabilities in various currencies. The 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.

See additional discussion of currency risk in the Financial Risk Management Discussion in the notes specific to each Fund.

(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 equity Funds are compiled to review that the level of risk is consistent with each Fund's objective.

See additional discussion of other price risk in the Financial Risk Management Discussion in the notes specific to each Fund.

8. 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 Funds determine fair values using other valuation techniques.

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

The 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 inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 inputs that are unobservable.

See additional discussion on the three-tier hierarchy in the Fair Value Measurement Discussion in the notes specific to each Fund.

(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 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 exists and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other factors used in estimating discount rates, money market prices, and foreign currency exchange rates in estimating valuations of foreign currency contracts.

Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives. The availability of observable market prices and model inputs reduces the need for management judgment and estimation and reduces the uncertainty associated with the determination of fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

(c) Valuation framework

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

- verifying that the broker or pricing service is approved by the Funds for use in pricing the relevant type of financial instrument;
- understanding how the fair value has been arrived at and the extent to which it represents actual market transactions;
- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and

- if a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

(d) Financial instruments not measured at fair value

The carrying value of cash, receivable from sale of investments, receivable from issuance of units, interest receivable, dividends receivable, other receivables, payable for purchase of investments, payable for redemption of units, BCI cost recoveries payable, interest payable, and other accounts payable approximates their fair value given their short-term nature. These financial instruments are classified as Level 2 in the fair value hierarchy because while prices are available, there is no active market for these instruments.

9. TAXES

Net cumulative capital losses and non-capital losses for the Funds with tax losses are as follows as of December 31, 2024:

Pooled Investment Portfolios	Net Capital Losses	Non Capital Losses
CDOR 2 Floating Rate Fund	\$ 360,896	\$ —
Short Term Bond Fund	66,022	—
Corporate Bond Fund	2,505,461	—
The Funding Program	1,860,926	281,576
Government Bond Fund	1,813,872	—

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

10. SECURITIES SUBJECT TO LENDING ARRANGEMENTS

The fair value of securities on loan at December 31 and percentage of securities on loan for the Funds was as follows:

Pooled Investment Portfolios	Fair Value of Securities on Loan		Percentage of securities on loan	
	2024	2023	2024	2023
CDOR 2 Floating Rate Fund	\$ 90,983	\$ 120,464	18.4 %	19.7 %
CDOR 4 Floating Rate Fund	666,894	49,010	42.1	6.2
CORRA 1 Floating Rate Fund	1,844,792	2,306,618	48.7	38.5
CORRA 3 Floating Rate Fund	2,709,693	1,226,437	52.5	25.5
Short Term Bond Fund	600,023	426,415	35.1	25.2
Corporate Bond Fund	3,626,173	2,436,159	21.8	19.7
Government Bond Fund	9,221,432	6,961,508	43.4	37.5

11. COMPARATIVE INFORMATION

Certain comparative information has been reclassified to conform to the current year's presentation.

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