2024 DETAILS AND APPENDIX

ANNUAL REPORT

RBA
RÉGIME DES BÉNÉFICES AUTOCHTONE
NATIVE BENEFITS PLAN

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INVESTMENT PERFORMANCE BY ASSET CLASS

A. FIXED INCOME SECURITIES

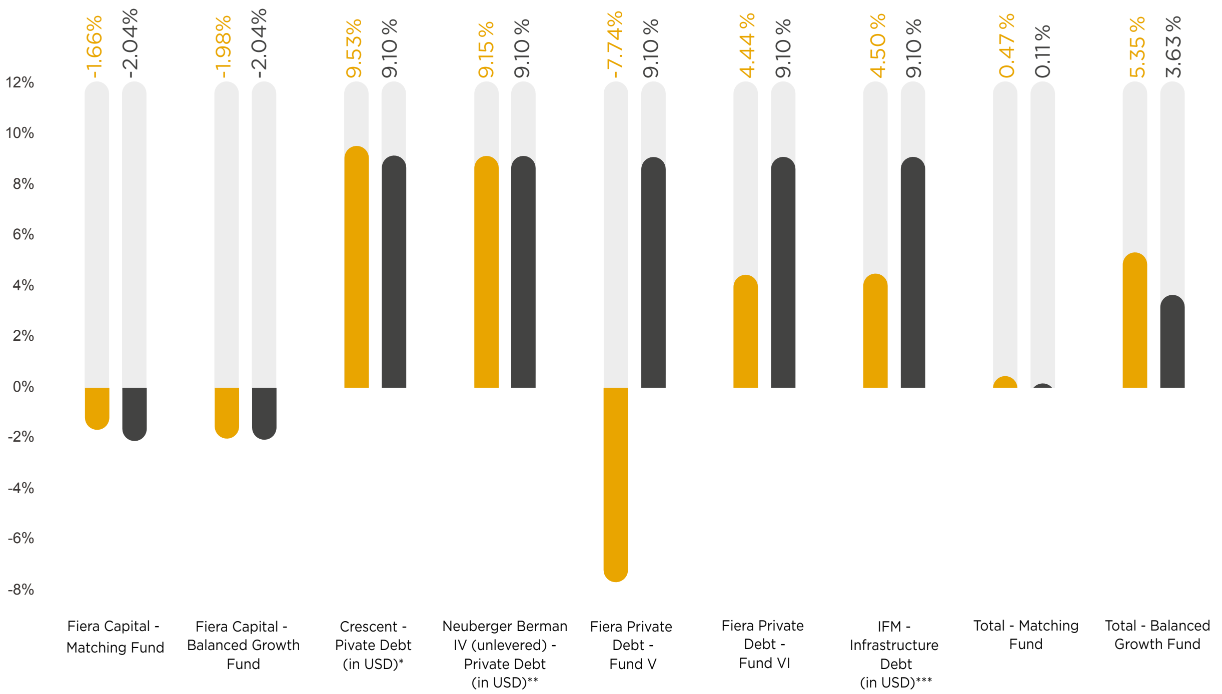
In 2024, the Canadian fixed income market was influenced by the Bank of Canada's policy rate reductions. The rate was lowered multiple times, starting at 5.0% at the beginning of the year and ending at 3.25% by year-end. These cuts, which had a greater impact on shorter-term bonds, enabled them to generate positive returns in 2024. In contrast, long-term bonds, whose rates are more sensitive to investor expectations as well as supply and demand forces, recorded more modest or even negative returns due to the increase in yields for this segment of the curve. These long-term bonds, which allow for better matching with the liabilities of the plans, thus promoting greater stability in their financial position, are held within the Master Trust. Meanwhile, the U.S. Federal Reserve reduced its target rate range from 5.25% to 5.50% at the beginning of the year to a range of 4.25% to 4.50% by year-end.

The Matching Fund's fixed income portfolio posted a return of 0.5%, with a 0.4% value added from the benchmark portfolio. The Growth Fund's fixed income portfolio returned 5.4%, with a 1.7% value added from the benchmark portfolio. These added values are primarily explained by the performance of private debt managers. The Canadian bond manager also contributed positively in 2024.

As at December 31, 2024, fixed income investments were managed by Fiera Capital, IFM, Crescent and Neuberger Berman. Mandates for private debt were introduced in 2015 to improve the return of the portfolio. Capital deployment for amounts committed in recent years continued in 2024.

With assets of $438.8M for the Master Trust, this asset class represents a target of 80% for the Matching Fund and 20% for the Balanced Growth Fund.

FIXED INCOME SECURITIES PERFORMANCE IN 2024



*Return of 19.5% in CAD for 2024.
**Return of 19.1% in CAD for 2024.
***Return of 13.9% in CAD for 2024.

B. STOCK MARKETS

Foreign developed equity markets returned approximately 30% in Canadian dollars. As for the Canadian market, it recorded returns around 22% in 2024.

As at December 31, 2024, equities accounted for a target of 50% of the Balanced Growth Fund's assets, including 10% in Canadian equities, 25% in global large capitalization equities, 7.5% in global small capitalization equities and 7.5% in emerging market equities. The market value of equity investments represented approximately 30% of the Plan's assets at the end of 2024.

1. Canadian equities performance in 2024

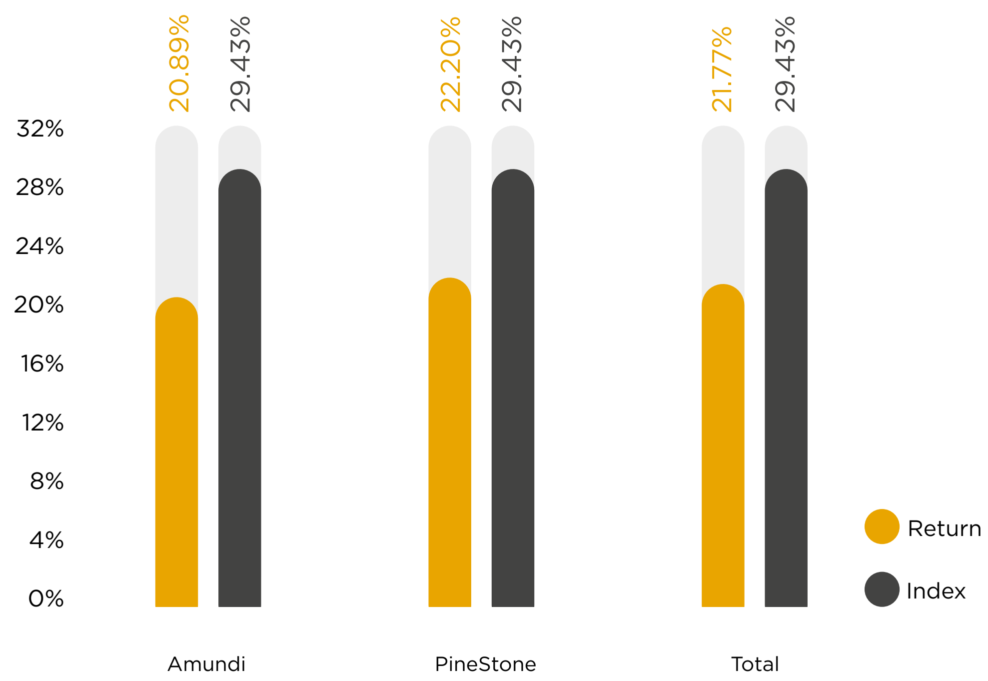
The S&P/TSX index returned 21.7% in 2024. For the Canadian market, returns varied by sector. The best performing sector was Information Technology (38.0%), mainly due to the performance of Shopify, which posted a return of approximately 50%. The Communication Services sector (-21.1%) was the lowest performing sector.

Canadian equities are managed by Fidelity. The Master Trust's Canadian equity portfolio posted an overall return of 17.9%, trailing the benchmark (S&P/TSX Composite) by 3.8%. The manager's underperformance was mainly due to their stock selection.

2. Global equities performance in 2024

The MSCI World net index in Canadian dollars posted a return of 29.4% over 2024. The best performing sectors were those linked to the «Magnificent Seven» stocks, namely Communication Services (35.3% in local currency) and Information Technology (33.9% in local currency). These seven stocks, all listed on U.S. exchanges, accounted for approximately 55% of the total return of the U.S. market in 2024.

The Master Trust's global equity portfolio, mainly composed of U.S., European and Asian equities, returned 21.8% in Canadian dollars, with a 7.7% subtracted value compared to the benchmark (MSCI World net in Canadian dollars). Global equities are managed by two managers, PineStone and Amundi. The market environment in 2024, dominated by the performance of a few key stocks, resulted in both managers underperforming the index. For instance, neither manager held Nvidia, which experienced an exceptionally strong return of nearly 180% in 2024 and alone accounted for more than 3% of the managers' subtracted values. It is important to note that 2024 was a particularly challenging year for active management, with the vast majority of active managers recording a subtracted value.



3. Global small capitalization equities performance in 2024

Global small capitalization equities are managed by Mawer. In 2024, the manager generated a return of -2.0%, with a subtracted value of 20.0% compared to its benchmark (MSCI World Small Cap net in Canadian dollars). This significant subtracted value is largely due to the portfolio's underexposure to the U.S. market. As a result, the manager is being closely monitored and was reviewed by the Investment Committee in 2025. The manager's relative performance improved in the first quarter of 2025.

4. Emerging market equities performance in 2024

Emerging market equities are managed by JP Morgan. Emerging markets equities generated a return of 10.4%, with a subtracted value of 6.9% compared to its benchmark (MSCI Emerging Markets net in Canadian dollars). JP Morgan is a conviction manager whose management approach means it can experience periods of higher subtracted value.

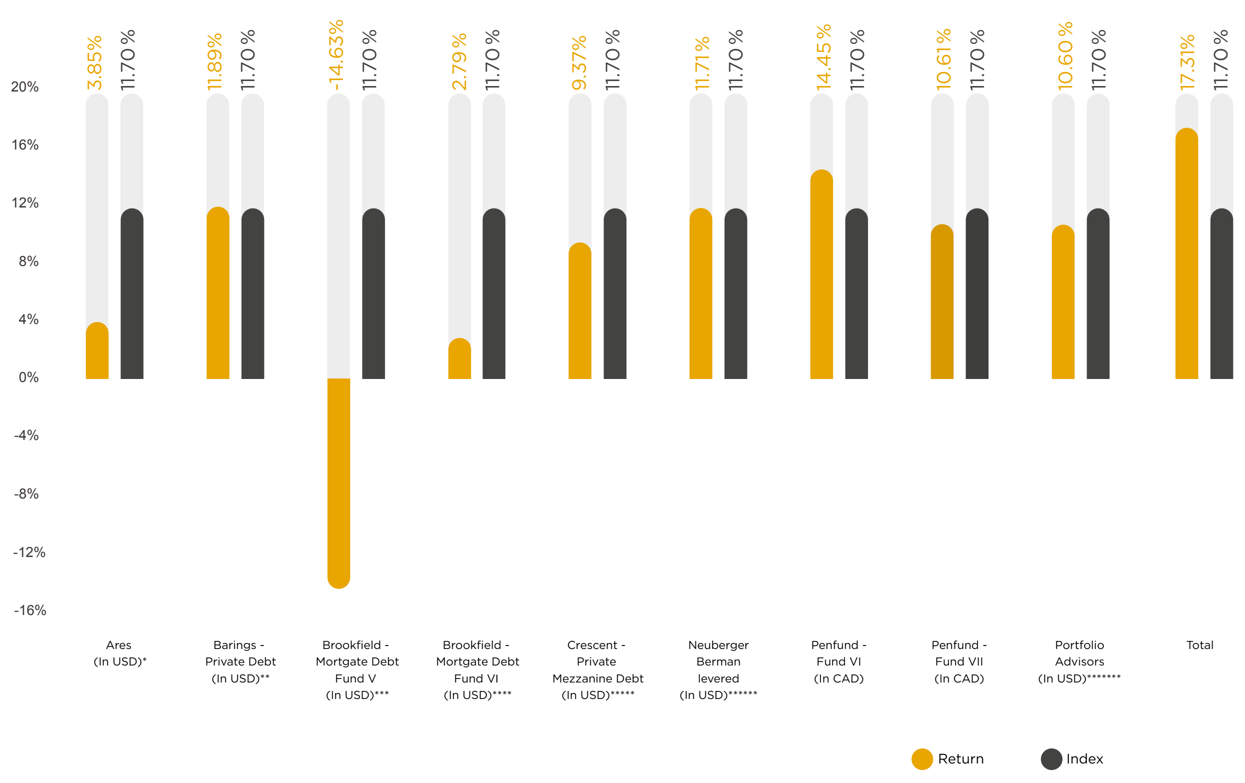
C. ALTERNATIVE INVESTMENTS IN ALTERNATIVE HIGH-YIELD DEBT, DIRECT REAL ESTATE, INFRASTRUCTURE AND PRIVATE EQUITY

Target allocations to high-yield alternative debt, real estate and infrastructure represent 6%, 7% and 7%, respectively, of Matching Fund assets as at December 31, 2024, for a total market value of $89.2M. For the Balanced Growth Fund, target allocations to high-yield alternative debt, real estate and infrastructure represent 10% each, for a total market value of $290.6M. A target allocation, temporarily set at 0%, has been added for private equity. The nature of this asset class means that the target will be gradually increased as capital calls occur.

1. Alternative high-yield debt investment performance in 2024

As at December 31, 2024, managers of high-yield alternative debt are Ares, Barings, Brookfield, Crescent, Neuberger Berman, Penfund and Portfolio Advisors.

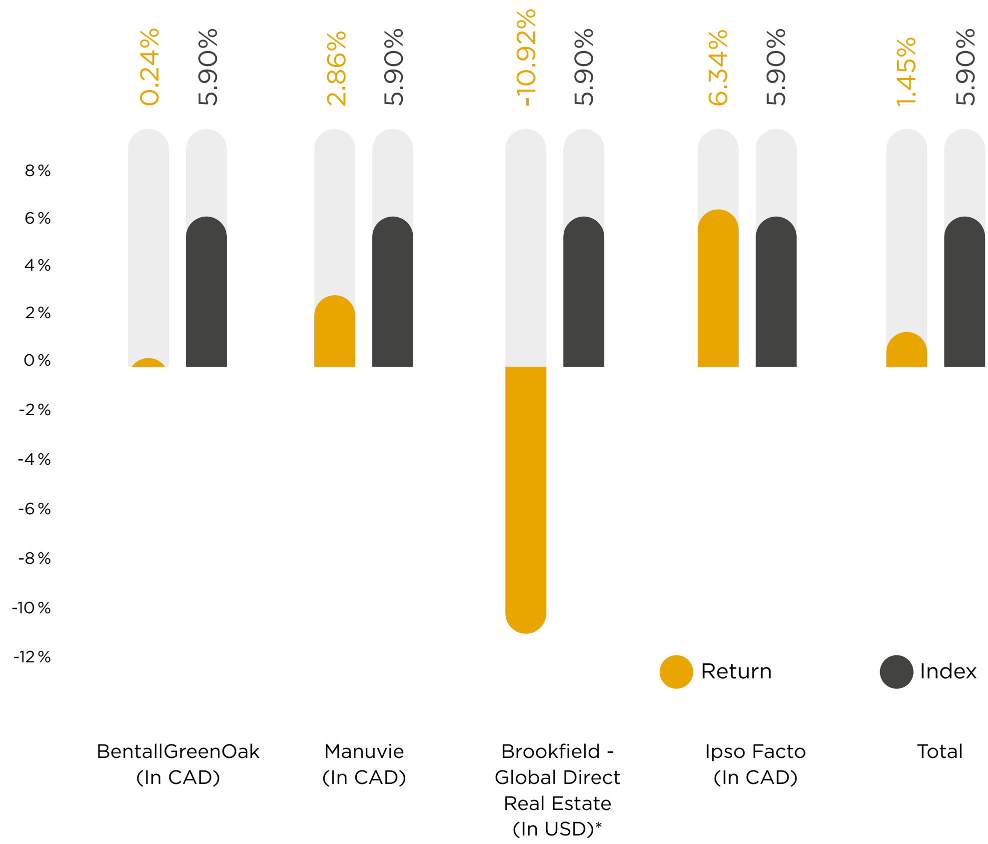
The performance of alternative high-yield debt investments in Canadian dollars was 17.3% for 2024, 5.6% above the benchmark. The following graph shows returns in local currency for the year 2024. The benchmark index is the Secured Overnight Financing Rate Index + 6%. Considering the significant impact of currency movements in 2024 (appreciation of foreign currencies against the Canadian dollar), the returns in the graph below are presented in the main currency of the fund. The returns in Canadian dollars are also provided in the notes.



*Return of 13.3% in CAD for 2024.
**Return of 22.2% in CAD for 2024.
***Return of -6.9% in CAD for 2024.
****Return of 12.1% in CAD for 2024.
*****Return of 19.3% in CAD for 2024.
******Return of 21.8% in CAD for 2024.

2. Real estate investment performance in 2024

As at December 31, 2024, the real estate managers were BentallGreenOak, Manulife, Brookfield and Ipso Facto, and they posted a Canadian dollar return of 1.5% for the year 2024, with a subtracted value of 4.5% compared to the benchmark. The benchmark index is the annual increase in the CPI + 4%. The absolute performance of real estate funds in 2024 is explained mainly by downward pressure on property valuations in a context of rising interest rates in recent years. As for the benchmark index, it does not reflect the shortterm market environment. The index is a better medium- and long-term comparison. Over longer periods, the returns of the Master Trust's real estate investments are more closely aligned with those of the benchmark.

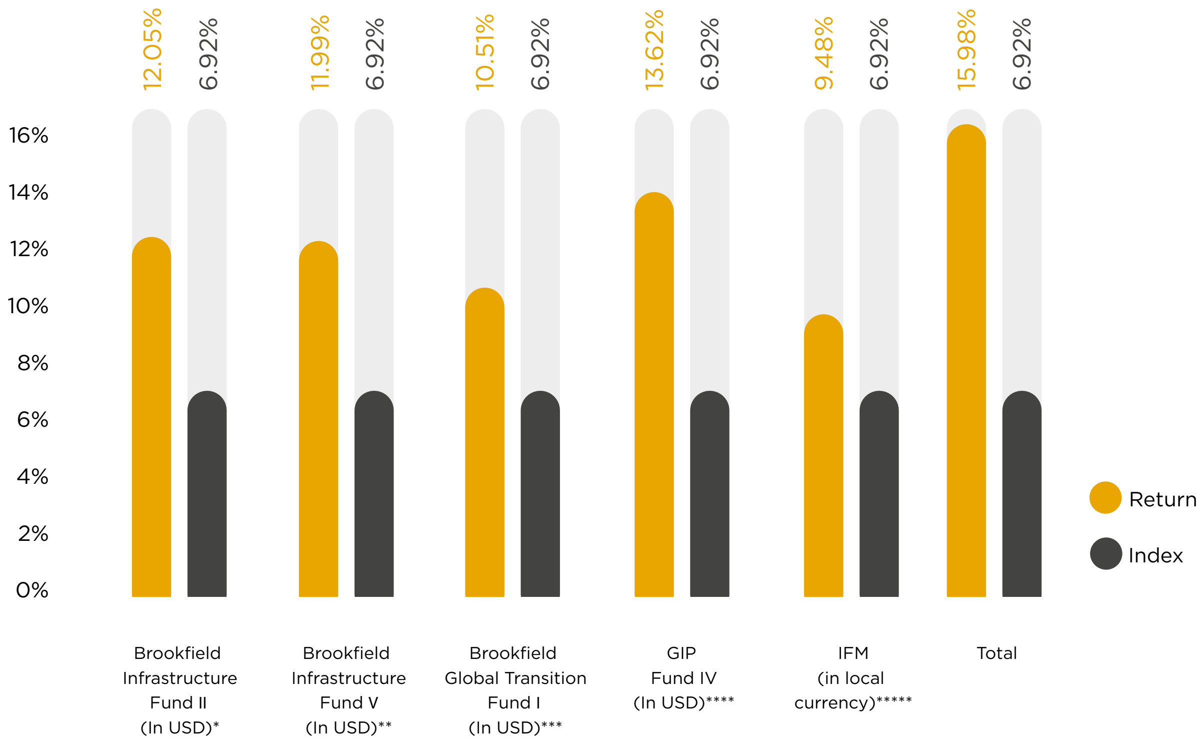


*Return of -2.8 % in CAD for 2024

3. Infrastructure investment performance in 2024

As at December 31, 2024, infrastructure investments are managed by Brookfield, IFM and GIP.

The performance of infrastructure investments in Canadian dollars was 16.0% in 2024, with a value added of 9.1% compared to the benchmark. The following graph shows returns in local currency for the year 2024. The benchmark is the annual increase in the CPI + 5%, and it should be noted that a comparison of managers' performance is more relevant over the medium and long term. It is also interesting to note that the Master Trust's infrastructure managers are outperforming their peers in the short, medium and long term.



*Return of 22.2% in CAD for 2024.
**Return of 22.1% in CAD for 2024.
***Return of 20.5% in CAD for 2024.
****Return of 23.9% in CAD for 2024.
*****Return of 8.4% in CAD for 2024.

4. Private equity investment performance in 2024

As mentioned above, this asset class was added to the long-term structure, and the initial capital calls occurred during the year. The performance over the short holding period is not relevant and therefore not presented.

D. IMPACT OF THE U.S. DOLLAR

The Master Trust is exposed to several currencies, including the U.S. dollar, which accounts for the largest exposure after the Canadian dollar. The total exposure used for hedging at the end of 2024 was US$321 million. To manage the risk associated with the variation in the exchange rate between the U.S. and Canadian dollars for the Master Trust, a hedging strategy for a portion of U.S. dollar exposure is in place.

Currency hedging level was maintained at 50% for 2024 and a dynamic hedging policy is maintained.

During the year 2024, the U.S. dollar appreciated against the Canadian dollar from $1.31 to $1.43. In this context of global appreciation of the U.S. dollar, investments exposed to the U.S. dollar generated better returns when converted into Canadian dollars. That said, in this context, the U.S. currency hedging strategy negatively impacted the overall performance.

Global equities include approximately 70% exposure to the U.S. dollar. Currency fluctuations improved the return of the global equity index from 21.0% in local currency to 29.4% when foreign currency exposure is considered.

Several investments in global infrastructure, alternative high-yield debt, private debt and global real estate are made in U.S. dollars and have been positively impacted by the exchange rate movements.

FINANCIAL STATEMENTS OF THE FUND

NATIVE BENEFITS PLAN
DECEMBER 31 2024

INDEPENDENT AUDITOR'S REPORT

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To the members of the Pension Committee of
Native Benefits Plan (Régime des Bénéfices Autochtone)

Opinion

We have audited the financial statements of the fund of Native Benefits Plan (Régime des Bénéfices Autochtone) (the "Plan"), which comprise the statement of net assets available for benefits as at December 31, 2024, and the statement of changes in net assets available for benefits for the year then ended, and notes to the financial statements of the fund, including a summary of significant accounting policies (collectively referred to as the "financial statements of the fund").

In our opinion, the accompanying financial statements of the fund present fairly, in all material respects, the net assets available for benefits of the Plan as at December 31, 2024, and the changes in its net assets available for benefits for the year then ended in accordance with the financial reporting provisions of Section 12 of the *Pension Benefits Standards Act, 1985* (Canada).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements of the Fund* section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements of the fund 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 2 to the financial statements of the fund, which describes the basis of accounting. The financial statements of the fund are prepared to assist the administrator of the Plan to meet the requirements of the Office of the Superintendent of Financial Institutions Canada. As a result, the financial statements of the fund may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements of the Fund

Management is responsible for the preparation and fair presentation of the financial statements of the fund in accordance with the financial reporting provisions of Section 12 of the *Pension Benefits Standards Act, 1985* (Canada), and for such internal control as management determines is necessary to enable the preparation of financial statements of the fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the fund, management is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements of the Fund

Our objectives are to obtain reasonable assurance about whether the financial statements of the fund 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 GAAS 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 these financial statements of the fund.

As part of an audit in accordance with Canadian GAAS, 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 of the fund, 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 Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of the fund 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 Plan to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the fund, including the disclosures, and whether the financial statements of the fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP[1]

June 4, 2025

[1] CPA auditor, public accountancy permit No. A130560

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS OF THE FUND

As at December 31, 2024

	Notes	2024	2023
		$	$
Assets			
Units held through the global trust and other investments	4	**1,140,715,207**	1,033,946,558
Accounts receivable			
Contributions receivable	5		
Employees		**2,279,805**	2,388,700
Employers		**4,479,864**	4,333,889
Accrued interest and dividends		**1,357,294**	1,312,102
Accounts receivable - Related parties	3	**36,859**	378,433
Sales taxes receivable		**424,720**	442,071
Other		**55,430**	9,411
Prepaid expenses		**42,596**	22,752
Fixed assets	8	**393,170**	370,624
Cash		**3,591,665**	4,048,944
		1,153,376,610	1,047,253,484
Liabilities			
Current liabilities			
Accounts payable			
Benefits and refunds payable		**113,119**	107,154
Accounts payable and accrued liabilities		**983,983**	1,045,466
First Nations Public Security Pension Plan		**30,640**	41,096
		1,127,742	1,193,716
Net assets available for benefits		**1,152,248,868**	1,046,059,768

The accompanying notes and schedule are an integral part of the financial statements of the fund.

On behalf of the Pension Committee

_______________________________________, member

_______________________________________, member

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS OF THE FUND

Year ended December 31, 2024

	Notes	2024	2023
		$	$
Increase in net assets			
Investment income from the units held through the global trust and other investments	4	**76,475,046**	77,379,267
Contributions	5		
Employees		**24,377,811**	20,438,618
Employers		**44,292,121**	37,109,854
Transfers from other plans and additional contributions		**5,379,942**	3,685,262
Income – Validation of employer data		**18,765**	11,448
Other income		**364,786**	306,219
		150,908,471	138,930,668
Decrease in net assets			
Operating expenses (Schedule)		**5,135,726**	4,140,017
Investment management fees	10	**2,328,412**	2,499,595
Benefits paid		**28,660,413**	26,577,708
Refunds and transfers			
Cash refund		**3,603,140**	2,743,765
Refund to financial institutions		**4,204,312**	4,027,023
Transfers to other plans		**787,368**	2,303,353
		44,719,371	42,291,461
Net increase (decrease) in net assets		**106,189,100**	96,639,207
Net assets available for benefits, beginning of year		**1,046,059,768**	949,420,561
Net assets available for benefits, end of year		**1,152,248,868**	1,046,059,768

The accompanying notes and schedule are an integral part of the financial statements of the fund.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1. Description of the plan

The following description of Native Benefits Plan (Régime des Bénéfices Autochtone) (the “Plan”) is a summary only. For more complete information, refer to the Plan Agreement.

General

The Plan offers to all participating employees a contributory defined benefit pension plan. The participants have the option to join one of the two types of plan offered, either Category 1 or Category 2. Each category provides two different rates depending on if the participant pays or not contributions to Retraite Québec or to Canada Pension Plan. Eligible employer is, generally, a native band or organization whose membership request has been accepted by the Pension Committee. In accordance with the Plan, contributions are paid by the employer or Indigenous Services Canada (“ISC”) and the participants. The Plan is registered under the *Pension Benefits Standards Act, 1985* (Canada), registration number 55865.

Funding policy

In accordance with the *Pension Benefits Standards Act, 1985* (Canada), the Plan sponsor must fund the benefits determined under the Plan. The determination of the value of these benefits is made on the basis of an annual actuarial valuation or according to the Pension Committee’s approval (Note 6).

Normal retirement age

The normal retirement age is 65.

Service pension

A service pension is available based on the number of years of service paid into the plan multiplied by 1⅞% or 2%, depending on the plan type chosen, of the best five years’ average salary. Only to the pension base of the first two plans, a temporary pension is paid up to 65 years old based on $275 by the number of recognized years of service as at December 31, 2000.

Disability exemption

A disability exemption is available at any age with a minimum of six-month credited service for the two plans. The exemption is granted from 65 days of illness.

Survivor pension

A survivor pension is paid to the spouse of a deceased participant. The spouse will receive a pension equal to 60% of the calculated pension, plus an increase for each child up to a maximum of 100%. If there is no spouse, the value of acquired pension is payable to beneficiaries.

Benefit for optional or early retirement

Any participant to the two plans can take an optional retirement without reduction if he or she respects certain conditions. Furthermore, it is also possible to take an early retirement with reduction 10 years from the normal date on which he or she could have taken a retirement without reduction.

1. Description of the plan (continued)

Benefit and reimbursement in case of departure

A member who ceases to be an employee is entitled to redeem the value of these vested pension benefits. However, if the member is eligible to receive a pension, he or she may not obtain a refund, unless the pension is less than 4% of the maximum pensionable earnings or if the assets are transferred to another registered pension plan (“RPP”).

Income taxes

The Plan is a registered pension trust as defined in the *Income Tax Act* and is not subject to income taxes.

Asset management entrusted to the global trust

Units are expressed as the number of units held in the matching fund and in the balanced growth fund through the global trust. Each unit allows its holder to participate in the net assets and returns in the matching fund and the balanced growth fund through the global trust. The global trust was created with Fiducie Desjardins as its custodian of values in order to administer other pension plans within a shared structure.

2. Accounting policies

Basis of presentation

These financial statements of the fund have been prepared in accordance with the significant accounting policies set out below to comply with the accounting requirements prescribed by Section 12 of the *Pension Benefits Standards Act, 1985* (Canada). The basis of accounting used in these financial statements materially differs from Canadian accounting standards for pension plans because it does not include information with respect to pension obligations and related disclosures. Consequently, these financial statements do not purport to show the adequacy of the Plan’s assets to meet its pension obligations.

The Plan has chosen to comply with Canadian accounting standards for private enterprises contained in Part II of the *CPA Canada Handbook* for accounting methods that do not concern its investment portfolio, as long as these standards do not conflict with the requirements of Section 4600.

Change in accounting policy

Effective January 1, 2024, the Plan has adopted the amendments to CPA Handbook – Accounting, Part IV, Section 4600, which provide additional guidance to:

- Clarify that a statement of changes in pension obligations is not required for defined contribution pension plans;
- Provide guidance on determining the split or amalgamation date for pension plans;
- Provide recognition, measurement and disclosure guidance on the accounting for guaranteed annuity contracts (commonly referred to as "buy-in" or "buy-out" annuity contracts);
- Clarify the presentation requirements for combination plans; and
- Enhance risk disclosure required for interests in master trusts.

The adoption of theses amendments did not impact the Plan's financial statements.

2. Accounting policies (continued)

Investments

Investments are accounted for at fair value. The variance between the fair value of investments and their carrying value at the beginning and at the end of the year is accounted for as *Investment income from the units held through the global trust and other investments.*

Other financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Plan becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost with the exception of investments and derivative financial instruments. The fair value quote received from the bank counterparty is used as a proxy for the fair value of derivative financial instruments.

Foreign currency translation

Monetary assets and liabilities in foreign currencies are translated in Canadian dollars at the exchange rate in effect at the end of the year. The elements of the changes in net assets available for benefits are translated at the exchange rate when the transactions occur.
The gains or losses from the fluctuation of the exchange rate are accounted for in the statement of changes in net assets available for benefits under the *Investment income from the units held through the global trust and other investments* account.

Fixed assets

Fixed assets are recorded at cost in the statement of net assets available for benefits. Depreciation is calculated on the following basis, rates and term:

Office furniture and equipment	Declining balance	20%
Computer equipment	Declining balance	30%
Rolling stock	Declining balance	30%
Leasehold improvements	Straight-line	4 years

Impairment of long-lived assets

Long-lived assets such as fixed assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value of a long-lived asset is not recoverable and exceeds the total undiscounted cash flows expected from the use and eventual disposition of the item. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value at the date of impairment.

Use of estimates

The preparation of financial statements of the fund requires management to make estimates that affect the amounts of assets and liabilities reported in the financial statements of the fund. Those estimates also affect the disclosure of contingencies at the date of the financial statements of the fund. The fair value of investments and the useful life of fixed assets are included among the major components of the financial statements of the fund requiring management to make estimates. Actual results could differ from those estimates.

3. Accounts receivable – Related parties

	2024	2023
	$	$
RBA Financial Group	**34,156**	285,481
RBA Foundation	**1,030**	92,952
15577764 Canada Inc.	**1,673**	—
	36,859	378,433

4. Units held through the global trust and other investments

The investment structure of the global trust was changed in 2018. The Plan's assets are now invested in two distinct funds created within the global trust: a matching fund and a balanced growth fund. Fiducie Desjardins has custody of the securities. Units held by the Plan in funds of the global trust are detailed as follows:

	2024	2023
	$	$
Matching fund (33,839,827.6584 units held representing 94.42%), (35,617,011.0988 units held in 2023 representing 94.51%)	**347,438,624**	367,585,366
Balanced growth fund (72,486,601.1873 units held representing 95.64%), (65,085,971.4811 units held in 2022 representing 95.68%)	**790,942,583**	664,027,192
	1,138,381,207	1,031,612,558

4. Units held through the global trust and other investments (continued)

The composition of the units held by the Plan via the units held in the matching fund and the balanced growth fund through the global trust is as follows:

	2024	2023
	$	$
Cash held for investments	**19,778,853**	17,249,718
Money market	**965,631**	435,894
Canadian bonds (yield between 1.55% and 6.15%)	**281,524,757**	311,987,576
Private debt	**127,570,367**	108,895,180
Canadian shares	**72,847,680**	57,397,020
International shares	**127,088,609**	100,351,652
Foreign investment funds		
Global large cap funds	**61,966,869**	49,277,680
Global small cap funds	**43,092,835**	47,733,681
Emerging market funds	**44,287,298**	38,419,028
Alternative investments		
Real estate funds	**95,236,268**	97,882,059
Infrastructure funds	**142,675,744**	105,843,649
Alternative high yield debt	**114,589,975**	93,760,199
Private investments	**9,251,459**	—
Foreign exchange contract (Note 12)	**(2,495,138)**	2,379,222
Global trust unit value	**1,138,381,207**	1,031,612,558
2,334 units of Investissement Premières Nations du Québec, limited partnership ("IPNQ"), representing 29.17% of outstanding units	**2,334,000**	2,334,000
	1,140,715,207	1,033,946,558

Revenue generated by the composition of investments held by the Plan is as follows:

	2024	2023
	$	$
Revenues on investments	**10, 734,585**	16,311,871
Gains and losses on sale of investments and changes in fair value of investments	**65,740,461**	60,744,063
	76,475,046	77,055,934
Change in fair value of investment in IPNQ	—	323,333
	76,475,046	77,379,267

5. Funding policy

Under the terms of the Plan, member participants' contributions for Category 1 are 4.60% or 6.25%, and 6.80% or 8.50% for Category 2. Employers must provide the necessary balance of funding based on actuarial valuations in order for benefits to be fully provided for upon the retirement of their member participants. When the salaries of member participants of certain employers are eligible for ISC contributions, the ISC contribution is paid directly to the Plan.

The employer's contribution has been maintained at 182.00% of the member participants' contributions. The most recent actuarial valuation of capitalization was carried out by Normandin Beaudry on January 1, 2024.

6. Capital management

The Plan's objective when managing capital is to guarantee the integral capitalization of the long-term benefits. The Plan manages its investments to generate a return making it possible to achieve this goal. The Pension Committee established an investment policy to guide the portfolio managers toward the realization of this objective.

An actuarial valuation must be filed with the authority of regulation at least every three years. If the Plan is overdrawn, an actuarial valuation including a plan of elimination of any deficit must be filed with the authority of regulation every year.

7. Related party transactions

The Plan charged resource utilization fees of $1,115,444 ($1,136,143 in 2023) to RBA Financial Group. He also billed a resource use fee to the Native Benefits Plan Foundation of $56,745 ($53,154 in 2023). These transactions are in the normal course of business and are measured at the exchange value.

Entities related to the Plan are RBA Financial Group, First Nations Public Security Pension Plan and RBA Foundation. All activities of these entities are made on the premises of the Plan by the employees hired by the Plan. A portion of the expenses of the Plan is charged to RBA Financial Group, to First Nations Public Security Pension Plan and RBA Foundation. Expenses distributed to RBA Financial Group include compensation and benefits, rent, office supplies, telecommunications, translation and costs related with IT consultants and, for First Nations Public Security Pension Plan, a portion of fees related to actuaries, the Investment Committee, and performance analysis and asset management. For the Native Benefit Plan Foundation, the charges distributed include remuneration and social charges as well as rent.

8. Fixed assets

	2024			2023
	Cost	**Accumulated depreciation**	**Net book value**	Net book value
	$	**$**	**$**	$
Office furniture and equipment	**367,135**	**261,945**	**105,190**	111,030
Computer equipment	**702,085**	**472,306**	**229,779**	202,909
Rolling stock	**56,500**	**22,883**	**33,617**	48,025
Leasehold improvements	**116,500**	**91,916**	**24,584**	8,660
	1,242,220	**849,050**	**393,170**	370,624

9. Commitments

Total commitment under an operating lease for premises is $164,584 ($159,035 in 2023). The new lease, signed for April 1, 2024, with a term of 5 years, provides that future minimum payments due annually under this contract will be increased to the CPI for subsequent years.

Under agreements with portfolio managers and a security custodian, the Plan has committed to pay management fees based on the fair value of the Plan's assets. Those agreements can be terminated upon a 30-day notice.

9. Commitments (continued)

The Pension Committee is engaged through the global trust to invest some amounts in private investments through a call for capital. As at December 31, 2024, the following amounts remain to be called:

- $4,300,000 in Partnership Ipso Facto VII;
- US$8,600,000 in Brookfield Global Transition Fund;
- US$600,000 in Brookfield Infrastructure Fund II;
- US$16,200,000 in Brookfield Infrastructure Fund V;
- US$10,800,000 in Crescent Fund – CDL III;
- US$7,800,000 in Crescent Fund – CCS VIII;
- US$4,800,000 in Brookfield Real Estate Finance Fund V;
- US$14,700,000 in Brookfield Real Estate Finance Fund VI;
- US$3,400,000 in Brookfield Strategic Real Estate Partners Fund II;
- US$30,000,000 in Brookfield Strategic Real Estate Partners Fund V;
- $100,000 in Fiera Private Debt Fund VI;
- US$20,000,000 in AEW Partners Real Estate Fund X;
- $6,900,000 in Penfund VI;
- $14,700,000 in Penfund VII;
- US$4,700,000 in GIP Infrastructure Fund IV;
- US$20,800,000 in Neuberger Berman Fund V (without financial leverage);
- US$6,900,000 in Neuberger Berman Fund IV (without financial leverage);
- US$1,300,000 in Neuberger Berman Fund IV (with financial leverage);
- US$7,400,000 in Portfolio Advisors PADCOF III;
- US$19,400,000 in Portfolio Advisors PASF V; and
- US$1,100,000 in Ares Fund IV.

These amounts represent total commitments to be deployed by the global trust through the matching fund and the balanced growth fund. The Plan holds 94.42% of the total number of units in the matching fund and 95.64% of the total number of units in the balanced growth fund.

10. Investment management fees

The investment management fees, shown in the statement of changes in net assets available for the service of pension fund benefits, represent the management fees paid directly by the Global Trust of the Native Benefits Plan. For certain investments in mutual funds and private investments (real estate, infrastructure, alternative high yield debt, private investments and private debt), the base and performance fees of the managers are taken from the fair value of the units held by the Global Trust in the current year in which they occur.

11. Financial instruments

The Plan has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. The following analysis provides a measurement of risk as at December 31, 2024.

The objective of risk management is to achieve a diversification of risks and returns in order to minimize the likelihood of an overall reduction in total Plan value and maximize the opportunity for gains over the entire portfolio. The trustees also manage the liquidity risk so that there is sufficient liquidity to meet current benefit payments and to give the Plan the ability to adjust the asset mix in response to the changes in the market conditions.

Policies

Through its Investment Committee, the Pension Committee has developed an investment policy addressing the manner in which the Plan shall be invested. Investments shall be selected and held in accordance with the criteria and limitations set forth in the policy and in accordance with the relevant legislation. The policy is reviewed at least annually.

The investment policy includes guidelines on asset mix and risk allocation. The document lists the investment constraints, for example, the maximum exposure permitted for a single issuer, the liquidity requirements, and currency management. The policy also identifies the authorized counterparties and includes the approval requirements and trading limits.

The Investment Committee meets regularly to assess the investment risk associated with the portfolio and determine action plans, if required.

The risk management strategy of the Plan has not changed during the year ended December 31, 2024.

Market risk

Market risk is the risk that the fair value or future cash flows of the Plan's financial instruments will fluctuate because of changes in market prices. Market risk is composed of currency risk, interest rate risk and other price risk. The Plan is exposed to certain of these risks, as described below.

a) Currency risk

Currency risk arises from the Plan's holdings of foreign currency-denominated investments through units held in the matching fund and the balanced growth fund through the global trust. As at December 31, 2024, the Plan's exposure to currency risk in Canadian dollars is $576,227,782 ($468,373,761 as at December 31, 2023). The U.S. dollar currency is covered for 29 % by foreign exchange contracts (Note 12). As at December 31, 2024, a 1% change in exchange rate between the Canadian dollar and any other currency would have a $5,705,226 ($4,637,364 as at December 31, 2023) impact on the Plan's foreign currency-denominated investments through units held in the global trust and net assets.

b) Interest rate risk

Interest rate risk refers to the effect on the fair value of the Plan's assets due to fluctuations in interest rates. The fair value of the Plan's assets is affected by short-term changes in interest rates.

A 1% increase or decrease in interest rates would result respectively in a decrease or an increase of $59,947,224 ($67,538,620 as at December 31, 2023) in the value of the units held in the matching fund and the balanced growth fund through the global trust in fixed income securities and net assets as at December 31, 2024.

11. Financial instruments (continued)

Market risk (continued)

c) Other price risk

The Plan manages the other price risk primarily through diversifying the investments held through the global trust across industry sectors and through investment strategies.

As at December 31, 2024, a 10% change in market prices of units held through the global trust would result in a $35,851,059 ($29,312,700 as at December 31, 2023) change in investments in shares and net assets of the Plan.

Credit risk

The concentration of credit risk exists when a significant part of the portfolio is invested in securities having similar characteristics or subject to similar variations linked to the economical or political conditions. The Plan established an investment policy to which portfolio managers must conform, which allows it to minimize the credit risk.

The Plan’s principal financial assets are cash, accounts receivable and investments held in the global trust and other investments, which are subject to credit risk directly and indirectly. The carrying amounts of financial assets on the statement of net assets available for benefits represent the Plan’s maximum credit exposure at the year-end date.

The Plan’s indirect credit risk is primarily attributable to its investments in bonds held through units in the matching fund and the balanced growth fund through the global trust.

The indirect credit risk associated with units held in the global trust and represented by bonds is limited, since the investment policy requires that bonds be issued or guaranteed by either the federal or provincial government, a city or a company (which can be issued in foreign currencies). Further, all bonds shall be made up of investments rated above a “DBRS” or “Standard & Poor’s” credit rating of BBB or equivalent.

As at December 31, 2024, the Plan has a significant concentration of indirect risk with provincial governments, cities and other companies. This concentration relates primarily to the holding, through units held in the matching fund and the balanced growth fund through the global trust, of $1,125,105 ($1,151,586 as at December 31, 2023) of securities issued by the federal government, $238,018,130 ($279,406,456 as at December 31, 2023) of securities issued by provincial governments and $42,381,522 ($31,429,534 as at December 31, 2023) of securities issued by cities and other companies.

Liquidity risk

Liquidity risk refers to the risk that the Plan does not have sufficient cash to meet its current payment liabilities, including benefit payments, and to acquire investments in a timely and cost-effective manner.

The liquidity position of the Plan is analyzed weekly to ensure the Plan maintains a sufficient percentage of its net assets in very liquid assets such as cash. The Plan maintains, through units held in the matching fund and the balanced growth fund in the global trust, a portfolio of highly marketable assets, specifically federal and provincial government bonds that can be sold or funded on a secured basis as protection against any unforeseen interruption to cash flows.

11. Financial instruments (continued)

Fair value

The fair value of cash, accounts receivable and accounts payable approximates their carrying value due to their short-term maturity.

Fair value hierarchy

Financial instruments recorded at fair value on the statement of net assets available for benefits are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);

Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following tables present the composition of units held by the Plan through units held in the matching fund and the balanced growth fund issued by the global trust. These units are recorded at fair value in the statement of net assets available for benefits:

				2024
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Units held in the global trust				
Cash held for investments	**19,778,853**	—	—	**19,778,853**
Money market	**965,631**	—	—	**965,631**
Canadian bonds	—	**281,524,757**	—	**281,524,757**
Private debt	—	—	**127,570,367**	**127,570,367**
Canadian shares	**72,847,680**	—	—	**72,847,680**
International shares	**127,088,609**	—	—	**127,088,609**
Global large cap funds	**61,966,869**	—	—	**61,966,869**
Global small cap funds	—	**43,092,835**	—	**43,092,835**
Emerging market funds	—	**44,287,298**	—	**44,287,298**
Real estate funds	—	—	**95,236,268**	**95,236,268**
Infrastructure funds	—	—	**142,675,744**	**142,675,744**
Private Investments	—	—	**9,251,459**	**9,251,459**
Alternative high yield debt	—	—	**114,935,504**	**114,589,975**
Foreign exchange contract	—	**(2,495,138)**	—	**(2,495,138)**
IPNQ	—	—	**2,334,000**	**2,334,000**
Total	**282,647,642**	**366,409,752**	**491,657,813**	**1,140,715,207**

11. Financial instruments (continued)

Fair value hierarchy (continued)

				2023
	Level 1	Level 2	Level 3	Total
	$	$	$	$
Units held in the global trust				
Cash held for investments	17,249,718	—	—	17,249,718
Money market	435,894	—	—	435,894
Canadian bonds	—	311,987,576	—	311,987,576
Private debt	—	—	108,895,180	108,895,180
Canadian shares	57,397,020	—	—	57,397,020
International shares	100,351,652	—	—	100,351,652
Global large cap funds	49,277,680	—	—	49,277,680
Global small cap funds	—	47,733,681	—	47,733,681
Emerging market funds	—	38,419,028	—	38,419,028
Real estate funds	—	—	97,882,059	97,882,059
Infrastructure funds	—	—	105,843,649	105,843,649
Alternative high yield debt	—	—	93,760,199	93,760,199
Foreign exchange contract	—	2,379,222	—	2,379,222
IPNQ	—	—	2,334,000	2,334,000
Total	224,711,964	400,519,507	408,715,087	1,033,946,558

During the year, there has been no significant transfer of amounts between Level 1 and Level 2.

11. Financial instruments (continued)

Fair value hierarchy (continued)

The following tables reconcile the fair value of financial instruments classified in Level 3 from the beginning balance to the ending balance:

						2024
	Private debt	**Real estate funds**	**Infrastructure funds**	**Alternative high yield debt**	**Private investments**	**IPNQ**
	$	**$**	**$**	**$**	**$**	**$**
Fair value, beginning of year	**108,895.180**	**97,882,059**	**105,843,649**	**93,760,199**	—	**2,334,000**
Changes in fair value	**(35,023,717)**	**(16,744,473)**	**19,585,376**	**5,136,060**	**1,544,437**	—
Purchases / sales / distributions / reinvested dividends	**53,698,904**	**14,098,682**	**17,246,719**	**15,693,716**	**7,707,022**	—
Fair value, end of year	**127,570,367**	**95,236,268**	**142,675,744**	**114,589,975**	**9,251,459**	**2,334,000**

						2023
	Private debt	Real estate funds	Infrastructure funds	Alternative high yield debt	Private investments	IPNQ
	$	$	$	$	$	$
Fair value, beginning of year	102,252,849	125,161,186	86,165,598	61,411,196	—	2,010,667
Changes in fair value	1,101,445	(13,335,157)	3,138,694	(3,193,890)	—	323,333
Purchases / sales / distributions / reinvested dividends	5,540,886	(13,943,970)	16,539,357	35,452,893	—	—
Fair value, end of year	108,895,180	97,882,059	105,843,649	93,760,199	—	2,334,000

12. Instruments financiers dérivés

Au 31 décembre 2024, le Régime détient, par l'intermédiaire de ses unités détenues dans le fonds d'appariement de la fiducie globale, un contrat de change sur devises (contrat vendeur en dollars américains), échéant le 19 mars 2025, d'un montant nominal de référence de 43 300 000 $ US. Ce montant représente la détention totale de la fiducie globale alors que le Régime détient environ 94,42 % du nombre total d'unités émises par le fonds d'appariement.

Au 31 décembre 2024, le Régime détient, par l'intermédiaire de ses unités détenues dans le fonds de croissance de la fiducie globale, un contrat de change sur devises (contrat vendeur en dollars américains), échéant le 19 mars 2025, d'un montant nominal de référence de 134 200 000 $ US. Ce montant représente la détention totale de la fiducie globale alors que le Régime détient environ 95,64 % du nombre total d'unités émises par le fonds de croissance.

Au 31 décembre 2023, le Régime détient, par l'intermédiaire de ses unités détenues dans le fonds d'appariement de la fiducie globale, un contrat de change sur devises (contrat vendeur en dollars américains), échéant le 16 mars 2024, d'un montant nominal de référence de 37 825 000 $ US. Ce montant représente la détention totale de la fiducie globale alors que le Régime détient environ 94,51 % du nombre total d'unités émises par le fonds d'appariement.

Au 31 décembre 2023, le Régime détient, par l'intermédiaire de ses unités détenues dans le fonds de croissance de la fiducie globale, un contrat de change sur devises (contrat vendeur en dollars américains), échéant le 16 mars 2024, d'un montant nominal de référence de 122 595 000 $ US. Ce montant représente la détention totale de la fiducie globale alors que le Régime détient environ 95,68 % du nombre total d'unités émises par le fonds de croissance.

Les gains ou les pertes résultant des fluctuations de la juste valeur des contrats de change sur devises sont reflétés à l'état de l'évolution de l'actif net disponible pour le service des prestations, dans le poste Revenus de placements provenant des unités détenues par l'entremise de la fiducie globale.

13. Reclassement des chiffres comparatifs

Certains soldes de l'exercice terminé le 31 décembre 2023 ont été reclassés afin de rendre la présentation des informations financières comparable à celle de l'exercice terminé le 31 décembre 2024.

SCHEDULE
OPERATING EXPENSES

Year ended December 31, 2024

	Budget 2024	Actual 2024	Actual 2023
	$	$	$
Operating expenses			
Administration fees	**481,880**	**426,367**	364,131
Depreciation of fixed assets	**90,000**	**126,541**	91,913
Office furniture	**75,225**	**44,941**	52,470
Liability insurance	**24,618**	**24,618**	23,176
Office of the Superintendent of Financial Institutions	**70,000**	**71,068**	67,925
Professional fees – actuaries	**230,965**	**216,324**	270,905
Professional fees	**431,234**	**504,653**	384,702
Professional fees – audit	**43,000**	**43,000**	43,000
Cost of general meeting	**49,500**	**14,158**	47,008
Committee meetings	**252,660**	**225,815**	217,166
Salaries and fringe benefits	**3,310,914**	**3,438,241**	2,577,621
	5,059,996	**5,135,726**	4,140,017

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