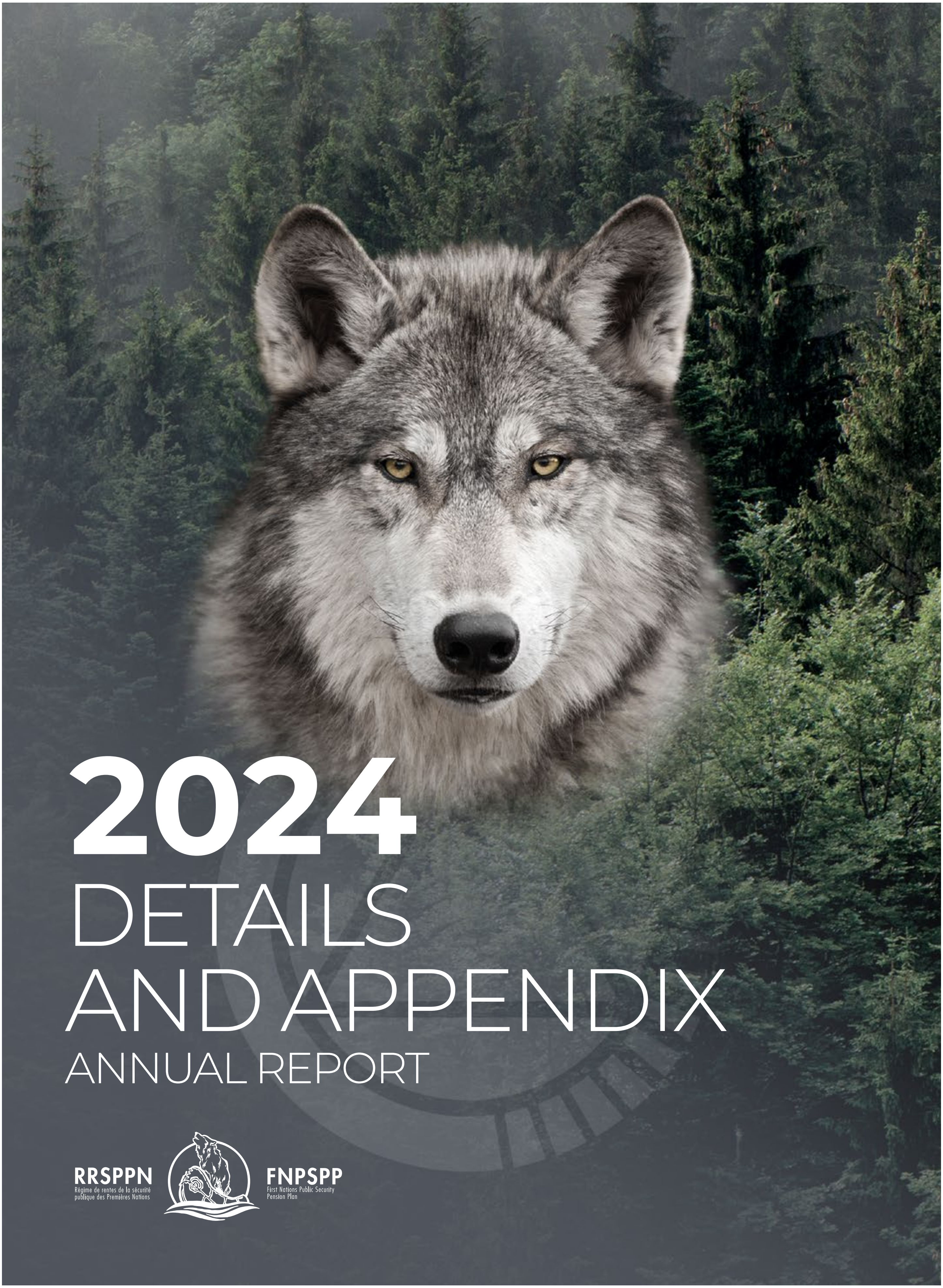

2024 DETAILS AND APPENDIX

ANNUAL REPORT

RRSPPN
Régime de rentes de la sécurité publique des Premières Nations

FNPSPP
First Nations Public Security Pension Plan

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INVESTMENT PERFORMANCE BY ASSET CLASS

A. FIXED INCOME SECURITIES

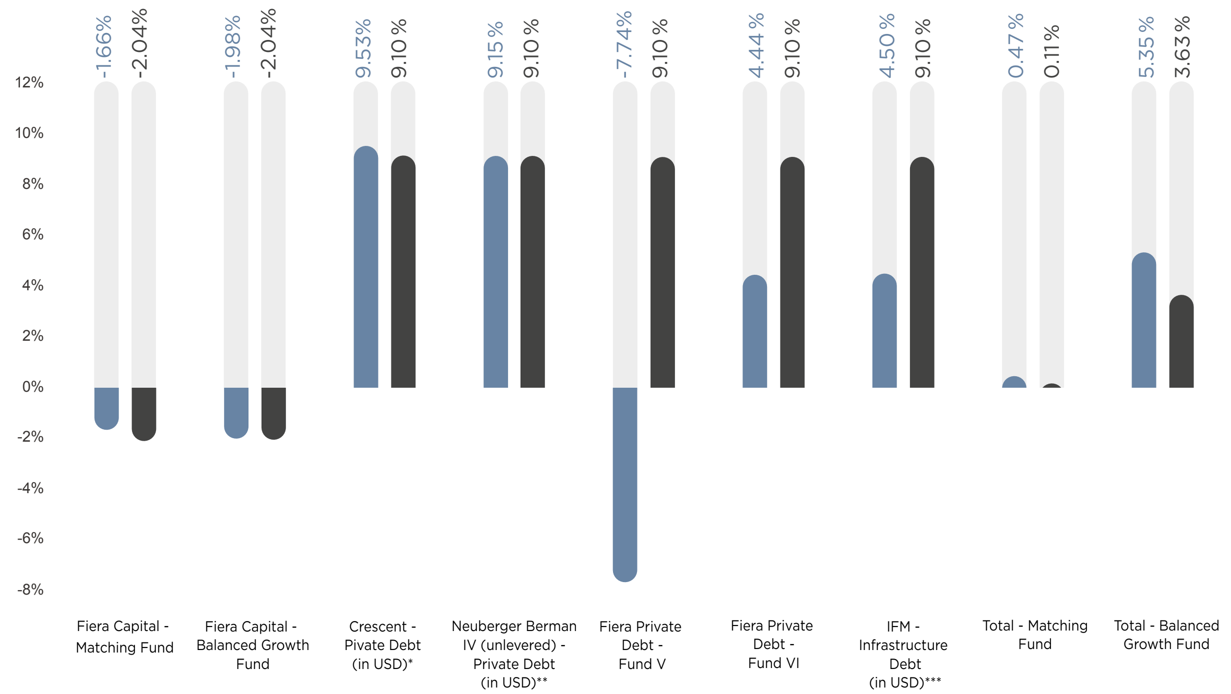
In 2024, the Canadian fixed income market was influenced by the Bank of Canada's policy rate reductions. The rate was lowered multiple times, starting at 5.0% at the beginning of the year and ending at 3.25% by year-end. These cuts, which had a greater impact on shorter-term bonds, enabled them to generate 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

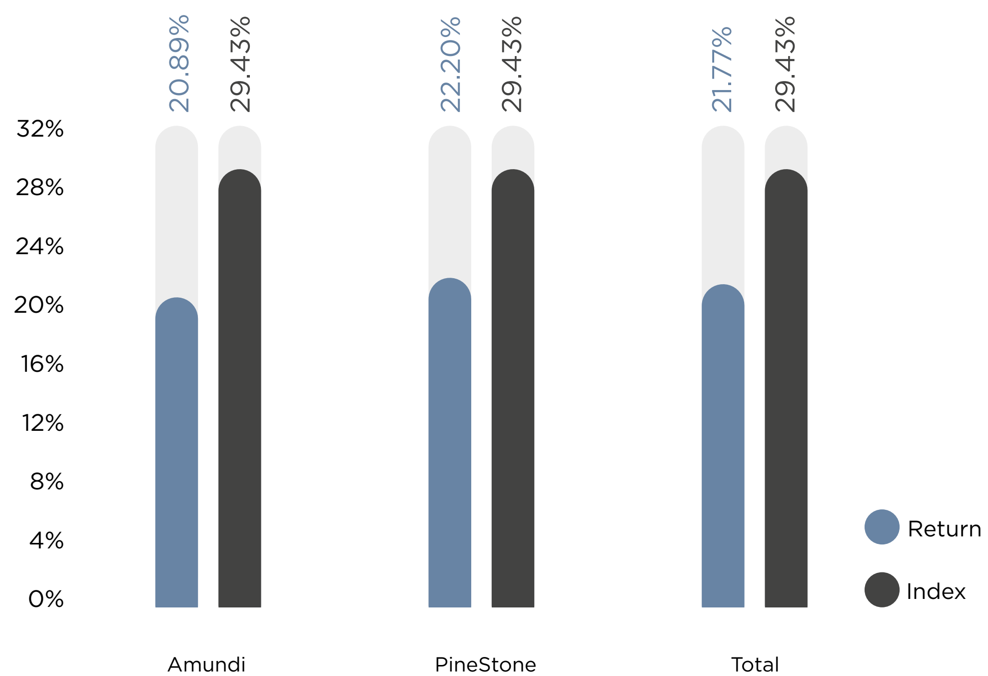
The S&P/TSX index returned 21.7% in 2024. For the Canadian market, returns varied by sector. The best performing sector was Information Technology (38.0%), mainly due to the performance of Shopify, which posted a return of approximately 50%. The Communication Services sector (-21.1%) was the lowest performing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

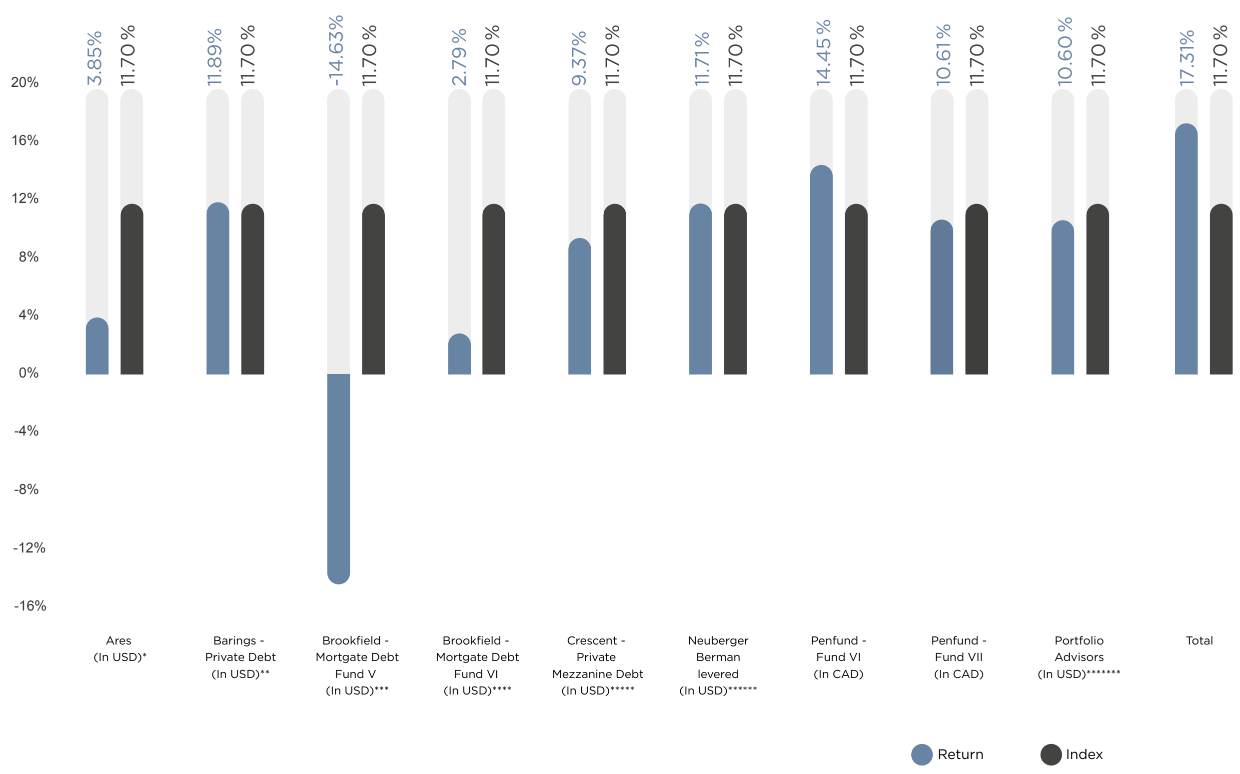
C. ALTERNATIVE INVESTMENTS IN ALTERNATIVE HIGH-YIELD DEBT, DIRECT REAL ESTATE, INFRASTRUCTURE AND PRIVATE EQUITY

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.

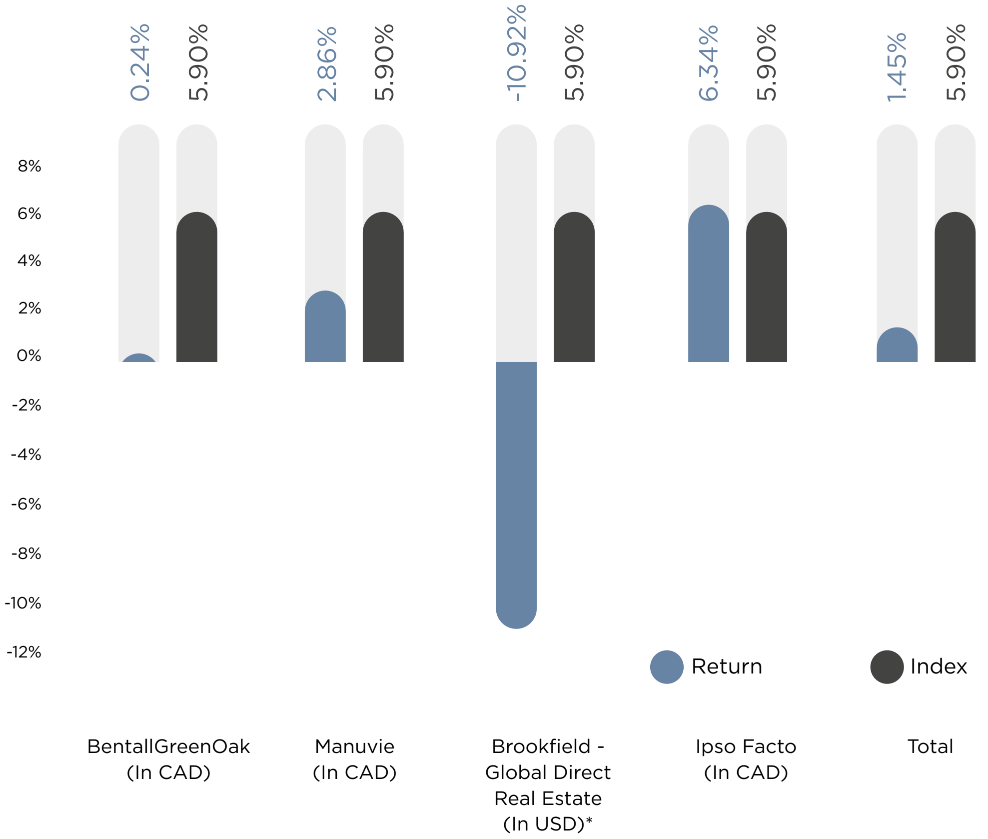
The performance of alternative high-yield debt investments in Canadian dollars was 17.3% for 2024, 5.6% above the benchmark. The following graph shows returns in local currency for the year 2024. The benchmark index is the Secured Overnight Financing Rate Index + 6%. Considering the significant impact 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.

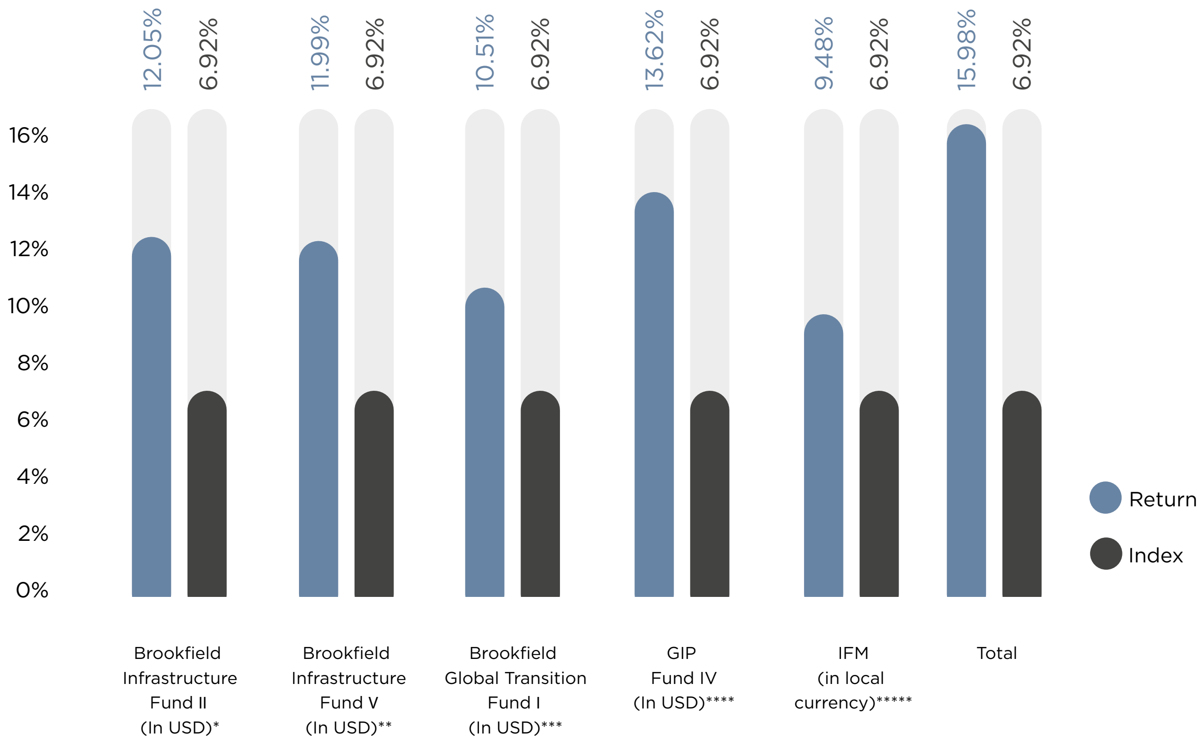


*Return of -2.8 % in CAD for 2024

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

FIRST NATIONS
PUBLIC SECURITY PENSION PLAN
DECEMBER 31 2024

INDEPENDENT AUDITOR'S REPORT

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To the members of the Pension Committee of
First Nations Public Security Pension Plan
(Régime de rentes de la sécurité publique des Premières Nations)

Opinion

We have audited the financial statements of the fund of First Nations Public Security Pension Plan (Régime de rentes de la sécurité publique des Premières Nations) (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

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	3	**56,552,213**	51,356,135
Accounts receivable			
Contributions receivable	4		
Employees		**153,604**	146,410
Employers		**307,208**	292,820
Employers - Special contributions	11	**8,000,000**	—
Accrued interest and dividends		**70,729**	14,829
Sales taxes receivable		**34,250**	33,937
Related party – Native Benefits Plan		**30,640**	41,096
Prepaid expenses		**2,977**	2,853
Cash		**206,500**	484,535
		65,358,121	52,372,615
Liabilities			
Current liabilities			
Accounts payable			
Benefits and refunds payable		**—**	1,190
Accounts payable and accrued liabilities		**57,597**	32,564
Related party – RBA Financial Group		**—**	17,725
		57,597	51,479
Net assets available for benefits		**65,300,524**	52,321,136

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

On behalf of the Pension Committee

Floyd McBride (Jun 19, 2025 11:46 EDT), member

Eric Cloutier
Eric Cloutier (Jun 23, 2025 15:02 EDT), 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	3	**3,593,956**	3,749,928
Other revenues		**3,835**	27,634
Contributions	4		
Employees		**1,246,080**	1,081,445
Employers		**2,488,163**	2,162,409
Employers - Special contributions	11	**8,000,000**	—
Redemption of past services		**72,881**	5,848
Transfers from other plans		**—**	605,492
		15,404,915	7,632,756
Decrease in net assets			
Administration expenses			
Management expenses	7	**200,000**	185,000
Management fees on investments	8	**115,888**	123,082
Professional fees – actuaries		**216,417**	68,846
Professional fees – audit		**20,000**	20,000
Professional fees – other		**—**	2,048
Cost of meeting and committee meetings		**96,624**	96,538
Office of the Superintendent of Financial Institutions		**3,355**	2,981
Marketing and development		**7,760**	8,585
		660,044	507,080
Benefits paid		**1,395,572**	1,188,898
Refunds and transfers			
Cash refunds		**86,450**	49,032
Refunds to financial institutions		**91,991**	122,650
Other transfers		**191,470**	221,423
		2,425,527	2,089,083
Net increase in net assets		**12,979,388**	5,543,673
Net assets available for benefits, beginning of year		**52,321,136**	46,777,463
Net assets available for benefits, end of year		**65,300,524**	52,321,136

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1. Description of the plan

The following description of First Nations Public Security Pension Plan (Régime de rentes de la sécurité publique des Premières Nations) (the "Plan") is a summary only. For more complete information, refer to the Plan Agreement.

General

The Plan offers to all policemen, firemen and special constables a contributory defined benefit pension plan. In accordance with the Plan, the contributions are paid by the employers and the participants. Eligible employer is, generally, a native band or organization whose membership request has been accepted by the Pension Committee. The Plan is registered under the*l Pension Benefits Standards Act, 1985* (Canada), registration number 55864.

Funding policy

In accordance with the *Pension Benefits Standards Act, 1985* (Canada), participating employers in the Plan 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 date of retirement

The normal date of retirement is the year when participants reach the age of 65.

Service pension

A service pension is available based on the number of years of service multiplied by 2.00% of the best three years' average salary for all years of participation. In addition to the pension base, a temporary pension is paid up to 65 years old based on 0.25% of the best three years' average salary multiplied by the number of recognized years of contribution as at December 31, 2001.

Survivor pension

The spouse will receive a pension equal to 66⅔% of the calculated pension, plus an increase of 33⅓% for each child up to 100%. If there is no spouse, the value of acquired pension is payable to beneficiaries.

Benefit for early retirement

Any participant can take an early retirement without actuarial 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 of retirement without reduction.

Benefit and reimbursement in case of departure

A participant who ceases to be an employee is entitled to the value of his or her assets. However, if eligible to receive a pension, he or she cannot obtain a refund, unless the pension is less than 4% of the maximum pensionable earnings.

1. Description of the plan (continued)

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 the balanced growth fund through the matching fund and the balanced growth fund through the global trust. Each unit allows its holder to participate in the net assets and returns in the funds held. 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 of the fund 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 of the fund 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.

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.*

2. Accounting policies (continued)

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* account.

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 is 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. Units held through the global trust

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 the global trust's funds are detailed as follows:

	2024	2023
	$	$
Matching fund (2,001,371.6702 units held representing 5.58 %), (2,069,558.7243 units held in 2023 representing 5.49%)	**20,548,386**	21,358,885
Balanced growth fund (3,304,424.0780 units held representing 4.36%), (2,940,240.6627 units held in 2023 representing 4.32%)	**36,003,827**	29,997,250
	56,552,213	51,356,135

3. Units held through the global trust (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	**978,770**	858,259
Money market	**53,501**	25,328
Canadian bonds (yield between 1.55% and 6.15%)	**15,728,220**	17,227,866
Private debt	**6,411,913**	5,462,576
Canadian shares	**3,320,885**	2,592,894
International shares	**5,793,549**	4,533,358
Foreign investment funds		
Global large cap funds	**2,772,239**	2,223,754
Global small cap funds	**1,964,460**	2,156,356
Emerging market funds	**2,018,911**	1,735,569
Alternative investments		
Real estate funds	**4,641,768**	4,746,438
Infrastructure funds	**6,953,944**	5,132,507
Alternative high yield debt	**5,585,058**	4,546,563
Private investments	**450,911**	—
Foreign exchange contract (Note 10)	**(121,916)**	114,667
	56,552,213	51,356,135

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

	2024	2023
	$	$
Revenues on investments	**501,977**	844,912
Gains and losses on sale of investments and changes in fair value of investments	**3,091,979**	2,905,016
	3,593,956	3,749,928

4. Funding policy

Under the terms of the Plan, member participants' contributions are 9.5% for employees who do not contribute to Retraite Québec and 8.0% for employees contributing to Retraite Québec. Employers must provide the balance of funding needed, as determined by actuarial valuations, so that benefits are fully formed at the time of retirement of members.

Until the next actuarial valuation, the employer's contribution is set to 200.0% of the member participants' contributions. The most recent actuarial valuation of capitalization was carried out by Normandin Beaudry on January 1, 2024.

5. Commitments

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.

The Pension Committee committed, via the global trust, to investing 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 the total commitments to be deployed by the global trust through the matching fund and the balanced growth fund. The Plan holds some 5.58% of the total number of units in the matching fund and 4.36% of the total number of units in the balanced growth fund.

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 in order to generate a return making it possible to achieve this goal. The Pension Committee established an investment policy in order 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

In 2024, the Plan paid management fees of $200,000 ($185,000 in 2023) to RBA Financial Group. Related party transactions also took place between the Plan and Native Benefits Plan. These transactions took place in the normal course of business and were measured at the exchange amount.

8. 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.

9. 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.

9. Financial instruments (continued)

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 $27,204,954 ($21,922,441 as at December 31, 2023). The U.S. dollar currency is covered for 30% by a foreign exchange contract (Note 10). As at December 31, 2024, a 1% change in exchange rate between the Canadian dollar and any other currency would have a $269,356 ($217,054 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 $3,350,179 ($3,728,904 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.

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 $1,634,331 ($1,324,193 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, 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.

9. Financial instruments (continued)

Credit risk (continued)

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 $66,541 ($66,914 as at December 31, 2023) of securities issued by the federal government, $13,314,502 ($15,491,801 as at December 31, 2023) of securities issued by provincial governments and $2,347,177 ($1,669,151 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.

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.

9. Financial instruments (continued)

Fair value hierarchy (continued)

The following tables present the composition of units held by the Plan through units 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	**978,770**	—	—	**978,770**
Money market	**53,501**	—	—	**53,501**
Canadian bonds	—	**15,728,220**	—	**15,728,220**
Private debt	—	—	**6,411,913**	**6,411,913**
Canadian shares	**3,320,885**	—	—	**3,320,885**
International shares	**5,793,549**	—	—	**5,793,549**
Global large cap funds	**2,772,239**	—	—	**2,772,239**
Global small cap funds	—	**1,964,460**	—	**1,964,460**
Emerging market funds	—	**2,018,911**	—	**2,018,911**
Real estate funds	—	—	**4,641,768**	**4,641,768**
Infrastructure funds	—	—	**6,953,944**	**6,653,944**
Alternative high yield debt	—	—	**5,585,058**	**5,585,058**
Private investments	—	—	**450,911**	**450,911**
Foreign exchange contract	—	**(121,916)**	—	**(121,916)**
Total	**12,918,944**	**19,589,675**	**24,043,594**	**56,552,913**

9. 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	858,259	—	—	858,259
Money market	25,328	—	—	25,328
Canadian bonds	—	17,227,866	—	17,227,866
Private debt	—	—	5,462,576	5,462,576
Canadian shares	2,592,894	—	—	2,592,894
International shares	4,533,358	—	—	4,533,358
Global large cap funds	2,223,754	—	—	2,223,754
Global small cap funds	—	2,156,356	—	2,156,356
Emerging market funds	—	1,735,569	—	1,735,569
Real estate funds	—	—	4,746,438	4,746,438
Infrastructure funds	—	—	5,132,507	5,132,507
Alternative high yield debt	—	—	4,546,563	4,546,563
Foreign exchange contract	—	114,667	—	114,667
Total	10,233,593	21,234,458	19,888,084	51,356,135

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

9. 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**	**Private investments**	**Alternative high yield debt**
	$	**$**	**$**	**$**	**$**
Fair value, beginning of year	**5,462,576**	**4,746,438**	**5,132,507**	**—**	**4,546,563**
Changes in fair value	**(1,760,354)**	**(816,117)**	**954,581**	**77,626**	**250,329**
Purchases / sales / distributions / reinvested dividends	**2,709,691**	**711,447**	**866,856**	**373,285**	**788,166**
Fair value, end of year	**6,411,913**	**4,641,768**	**6,953,944**	**450,911**	**5,585,058**

				2023
	Private Debt	Real estate funds	Infrastructure funds	Alternative high yield debt
	$	$	$	$
Fair value, beginning of year	5,233,952	6,237,078	3,626,252	3,058,439
Changes in fair value	55,252	(646,641)	152,199	(150,511)
Purchases / sales / distributions / reinvested dividends	173,372	(843,999)	1,354,056	1,638,635
Fair value, end of year	5,462,576	4,746,438	5,132,507	4,546,563

10. Derivative financial instruments

As at December 31, 2024, the Plan, through units held in the matching fund through the global trust, held a foreign exchange contract (U.S. dollar currency sale contract), ended March 19, 2025, for a notional amount of US$43,300,000. This amount represents the total detention of the global trust while the Plan holds approximately 5.58% of the total units issued by the matching fund.

As at December 31, 2024, the Plan, through units held in the balanced growth fund through the global trust, held a foreign exchange contract (U.S. dollar currency sale contract), ended March 19, 2025, for a notional amount of US$134,200,000. This amount represents the total detention of the global trust while the Plan holds approximately 4.36% of the total units issued by the balanced growth fund.

As at December 31, 2023, the Plan, through units held in the matching fund through the global trust, held a foreign exchange contract (U.S. dollar currency sale contract), ended March 20, 2024, for a notional amount of US$37,825,000. This amount represents the total detention of the global trust while the Plan holds approximately 5.49% of the total units issued by the matching fund.

As at December 31, 2023, the Plan, through units held in the balanced growth fund through the global trust, held a foreign exchange contract (U.S. dollar currency sale contract), ended March 20, 2024, for a notional amount of US$122,595,000. This amount represents the total detention of the global trust while the Plan holds approximately 4.32% of the total units issued by the balanced growth fund.

The gains or losses from the fluctuation of the fair value of these contracts 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.

11. Special contributions

Discussions took place with the pension committee in 2024 regarding the impact of past and future salary increases on the Plan. Various scenarios were analyzed by the pension committee to restore the financial situation of the Plan. In July 2024, communications with employers took place regarding the solution proposed by the pension committee, which involved the implementation of a special contribution from both employers and employees. In December 2024, the pension committee decided to proceed with the proposed solution, and a special contribution from employers was recorded during the current year. The employees' part will be deducted through regular contributions over a period of 4 years, from April 2025 to March 2029.

12. Comparative figures

Certain comparative figures have been reclassified to conform to the current year’s presentation.

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