



BCi

INFRASTRUCTURE &
RENEWABLE RESOURCES

Pooled Fund Financial Statements

DECEMBER 2021

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION

**INFRASTRUCTURE & RENEWAL RESOURCES -
POOLED INVESTMENT PORTFOLIOS**

GROUP OF FUNDS

Bolsena Fund (formerly Strategic Inv 100 Foreign PP
Fund)

Bolsena (Australia) Fund

Bolsena (Public) Fund (formerly 2020 Infrastructure
Offering Fund)

Renewable Resources Investment Fund

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

British Columbia Investment Management Corporation (BCI) manages Pooled Investment Portfolios (the "Funds") on behalf of governing fiduciaries such as pension fund trustees and other public sector clients. This report contains the financial statements for the following Funds for the year ended December 31, 2021:

Bolsena Fund (formerly Strategic Inv 100 Foreign PP Fund) Renewable Resources Investment Fund

Bolsena (Australia) Fund

Bolsena (Public) Fund (formerly 2020 Infrastructure Offering Fund)

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

BCI's Board has established an Audit Committee. The Audit Committee's mandate includes making recommendations on the appointment of the external auditor for the Funds, reviewing the external audit plan; reviewing BCI's System and Organization Controls Report for the Investment System of British Columbia Investment Management Corporation, and reviewing the annual audited financial statements of the Funds. The Committee reviews the recommendations of the internal and external auditors with respect to internal controls and the responses of management to those recommendations, and also meets with management and the internal and external auditors to review annual audit plans.

BCI maintains systems of internal control and supporting processes to provide reasonable assurance that assets are safeguarded; that transactions are appropriately authorized and recorded; and that there are no material misstatements in the financial statements. BCI's internal control framework includes: a strong corporate governance structure; a code of conduct that includes conflict of interest guidelines; an organizational structure that provides for appropriate segregation of duties and accountability for performance; an enterprise-wide risk management framework that identifies, monitors and reports on key risks; and Board-approved Fund Policies and client-approved investment mandates. BCI's system of internal control is supported by external auditors who review and evaluate internal controls and report directly to the Audit Committee.

BCI's external auditors, KPMG LLP, have full and unrestricted access to the Audit Committee and BCI management. KPMG LLP discusses with management and the Audit Committee the results of their audit of the Funds' financial statements and related findings with respect to such audits. Each of the Fund financial statements is audited by KPMG LLP in accordance with Canadian generally accepted auditing standards. KPMG LLP has performed such tests and other procedures as they considered necessary to express an opinion on the Fund financial statements.

[S] Gordon J. Fyfe

Gordon J. Fyfe

Chief Executive Officer / Chief Investment Officer

[S] Umar Malik

Umar Malik

Senior Vice President, Finance & CFO

Victoria, British Columbia
July 12, 2022



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INDEPENDENT AUDITORS' REPORT

To the unitholders of the following Infrastructure & Renewable Resources Pooled Investment Portfolios managed by British Columbia Investment Management Corporation:

Bolsena Fund (formerly Strategic Inv 100 Foreign PP Fund)
Bolsena (Australia) Fund
Bolsena (Public) Fund (formerly 2020 Infrastructure Offering Fund)
Renewable Resources Investment Fund
(collectively, the "Funds")

Opinion

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

- the statements of financial position as at December 31, 2021
- the statements of comprehensive income (loss) for the year then ended
- the statements of changes in net assets attributable to holders of redeemable units for the year then ended
- the statements of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies.

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Funds as at December 31, 2021, and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Funds in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Manager and Those Charged with Governance for the Financial Statements

The Manager is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Manager's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' abilities to continue as going concerns. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Funds to cease to continue as going concerns.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.



Chartered Professional Accountants

Vancouver, Canada
July 12, 2022

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**Statement of Financial Position**

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

As at December 31, 2021, with comparative information for 2020

Assets	NOTES	2021	2020
Investments	4	\$ 11,805,981	\$ 5,952,296
Total assets		11,805,981	5,952,296
Liabilities			
BCI cost recoveries payable	4	921	7,110
Other accounts payable		1,366	55
		2,287	7,165
Net assets attributable to holders of redeemable units		\$ 11,803,694	\$ 5,945,131
Number of redeemable units outstanding	5	10,955.010	3,109.311
Net assets attributable to holders of redeemable units per unit		\$ 1,077	\$ 1,912
<i>Unfunded committed capital</i>	6		
<i>Uncertainties related to COVID-19</i>	11		
<i>Subsequent events</i>	12		

[S] Gordon J. Fyfe

Gordon J. Fyfe

Chief Executive Officer

Chief Investment Officer

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**Statement of Comprehensive Income (Loss)**

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

Revenue	NOTES	2021	2020
Interest income		\$ —	\$ 23
Dividend income		1,084,282	415,319
Other income	10	9,758	—
Foreign exchange loss		(19)	(100)
Change in fair value of investments:			
Net realized gain		190,998	290
Net change in unrealized appreciation		218,647	138,010
Total revenue		1,503,666	553,542
Expenses			
BCI cost recoveries	4	28,029	11,670
Administrative fees		919	391
Pursuit costs		3,751	273
Total operating expenses		32,699	12,334
 Increase in net assets attributable to holders of redeemable units before distributions		 1,470,967	 541,208
 Distributions to holders of redeemable units		 (1,699,766)	 (404,692)
Increase (decrease) in net assets attributable to holders of redeemable units		\$ (228,799)	\$ 136,516

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

	NOTES	2021	2020
Balance, beginning of year		\$ 5,945,131	\$ 5,803,147
Increase (decrease) in net assets attributable to holders of redeemable units		(228,799)	136,516
Return of capital distributions to holders of redeemable units		—	(15,397)
Redeemable unit transactions:			
Proceeds from units issued		246,613	20,870
Units issued for payments-in-kind	4	5,231,654	—
Reinvestment of distributions		609,095	—
Amounts paid for units redeemed		—	(5)
Net increase from redeemable unit transactions		6,087,362	20,865
Balance, end of year		\$ 11,803,694	\$ 5,945,131

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**Statement of Cash Flows**

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

Operating activities	NOTES	2021	2020
Increase (decrease) in net assets attributable to holders of redeemable units		\$ (228,799)	\$ 136,516
Adjustments for:			
Foreign exchange loss		19	100
Net realized gain from investments		(190,998)	(290)
Net change in unrealized appreciation of investments		(218,647)	(138,010)
Non cash distributions		609,095	—
Cash distributions		1,090,671	404,692
BCI cost recoveries payable		(6,189)	(142)
Other accounts payable		1,311	4
Net purchase of investments	4	(212,386)	(3,546)
		844,077	399,324
Financing activities			
Proceeds from issuance of redeemable units		246,613	20,870
Distributions paid to holders of redeemable units		(1,090,671)	(420,089)
Payments on redemption of redeemable units		—	(5)
		(844,058)	(399,224)
Net increase in cash		19	100
Effect of exchange rate changes on cash		(19)	(100)
Cash, beginning and end of year		\$ —	\$ —

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**Schedule of Investments**

(Expressed in thousands of dollars)

As at December 31, 2021, with comparative information for 2020

	2021		2020	
	Fair Value	Cost	Fair Value	Cost
Private Equity Investments ¹	\$ 11,805,963	\$ 10,491,575	\$ 5,952,286	\$ 4,856,545
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Fund ST1	10	10	2	2
Fund ST3	8	7	8	7
	18	17	10	9
Total Investments	\$ 11,805,981	\$ 10,491,592	\$ 5,952,296	\$ 4,856,554

¹ The private equity investments are held through private corporations, limited partnerships, and directly held by the Fund.

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The investment objectives, eligible investments and general information on the financial risks related to the Infrastructure & Renewable Resources Program are described in note 7 of the financial statements. The information contained in this Financial Risk Management Discussion pertains specifically to the Bolsena Fund (formerly Strategic Inv 100 Foreign PP Fund).

The Fund holds its private equity investments through private corporations, limited partnerships, and directly held by the Fund. The Fund and its investments in private corporations, limited partnerships, and directly held by the Fund hold the following net assets:

	2021		2020	
	Total	% of Total	Total	% of Total
Cash and cash equivalents	\$ 2,491	— %	\$ —	— %
Net investment-related receivables	8,226	0.1	23,848	0.4
Direct private debt investments	1,779,297	15.1	608,951	10.2
Unlisted private equity investee funds	2,091,919	17.7	1,320,737	22.2
Direct private equity investments	8,076,139	68.4	4,289,269	72.1
BCI money market funds	1,348	—	1,082	—
Public equity investments	25,664	0.2	38,055	0.6
Debt issued	(179,121)	(1.5)	(329,656)	(5.5)
Total	\$ 11,805,963	100.0 %	\$ 5,952,286	100.0 %

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

Credit Risk

The Fund's private debt investments are in closely held private companies. Due to the private nature of the debt, it is not subject to rating by a rating agency. The Fund's debt investments are not subject to credit risk as any decrease in fair value would result in an offsetting change in value of the related equity investment.

Liquidity Risk

The Fund's financial assets include unlisted private equity investee funds, direct private equity and debt investments, which are generally illiquid.

As a result, the Fund may not be able to liquidate some of its investments in these instruments in due time to meet its obligations when they become due. However, the CIO may obtain funding from unitholders of the Fund through additional unit issuances to meet the Fund's ongoing liquidity requirements.

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

Interest Rate Risk

The value of the combined debt and equity investments is calculated based on enterprise values of the private companies and the value is then allocated to the debt and equity investments. Any change in market value of the debt investments due to fluctuations in interest rates would result in an offsetting change in value of the related equity investment. Accordingly, sensitivity analysis that would measure the impact of changes in interest rates would not be meaningful and has not been provided.

As at December 31, 2021 and 2020, the Fund had no other assets or liabilities which change in value as a result of changes in interest rates.

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**Currency Risk**

At December 31, 2021, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows.

CURRENCY	2021		2020	
	Net Investments and Investment-Related Receivables/ (Payables)	% of Total Net Assets	Net Investments and Investment-Related Receivables/ (Payables)	% of Total Net Assets
Australian Dollar	\$ 25,664	0.2 %	\$ 537,715	9.0 %
British Pound Sterling	602,821	5.1	567,325	9.5
Czech Koruna	582,106	4.9	—	—
Euro	1,208,583	10.2	980,385	16.5
Indian Rupee	123,662	1.0	—	—
United States Dollar	8,538,806	72.3	3,392,112	57.1
Net foreign currency exposure	\$ 11,081,642	93.7 %	\$ 5,477,537	92.1 %

The table above identifies currency exposure based on the currency in which the Fund's investments are denominated. In addition to the currency exposures set out above, the Fund may have additional indirect exposure to currency risk through its investments in underlying unlisted private equity investee funds. Such exposure may include currencies not listed in the table above as these investments may be operating in jurisdictions that utilize other currencies.

As at December 31, 2021, if the Canadian dollar had strengthened/weakened by 1% in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased, by \$110,816 (2020 - \$54,775), representing 0.9% of the Fund's net assets (2020 - 0.9%). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY	2021		2020	
Euro	\$ 22,441	\$ 13,737		
United States Dollar	1,177,560	127,816		
Net foreign currency exposure through unfunded capital commitments	\$ 1,200,001	\$ 141,553		

As at December 31, 2021, if the Canadian dollar had strengthened/weakened by 1% in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased, by \$12,000 (2020 - \$1,416). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Total unfunded committed capital related to the Fund is described in note 6 of the financial statements.

Other Price Risk

The Fund's underlying investments include shares and other securities of investees. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, and geographic regions of the underlying investees.

The Fund's direct private equity investments, direct private debt investments, public equity investments, and unlisted private equity investee funds are concentrated in the following industries:

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)

INDUSTRY SECTOR	2021		2020	
	Total	% of Total	Total	% of Total
Direct Private Equity and Debt Investments				
Transportation Infrastructure	\$ 746,943	6.2 %	\$ 614,035	9.8 %
Multi-Utilities	226,211	1.9	669,588	10.7
Electric Utilities	4,160,737	34.8	2,173,618	34.7
Food Products	798,186	6.7	—	—
Gas Utilities	1,665,591	13.9	794,952	12.7
Independent Power and Renewable Electricity Producers	870,898	7.3	—	—
Road & Rail	82,045	0.7	78,702	1.3
Water Utilities	602,821	5.0	567,325	9.1
Paper & Forest Products	193,967	1.6	—	—
Diversified Telecommunication Services	506,666	4.2	—	—
Oil, Gas & Consumable Fuels	1,371	—	—	—
	9,855,436	82.3	4,898,220	78.3
Public Equity Investments				
Industrials	25,664	0.2	38,055	0.6
	25,664	0.2	38,055	0.6
Total Unlisted Private Equity Investee Funds in diversified industries	2,091,919	17.5	1,320,737	21.1
Total	\$ 11,973,019	100.0 %	\$ 6,257,012	100.0 %

The Fund's direct private equity investments, direct private debt investments, public equity investments, and unlisted private equity investee funds are concentrated in the following geographic regions:

GEOGRAPHIC REGION	2021		2020	
	Total	% of Total	Total	% of Total
Direct Private Equity and Debt Investments				
Australia	\$ —	— %	\$ 499,660	8.0 %
Brazil	408,183	3.4	114,375	1.8
Canada	1,759,002	14.7	281,258	4.5
Chile	1,076,632	9.0	931,413	14.9
Colombia	870,898	7.3	—	—
Czech Republic	580,947	4.9	—	—
Germany	772,215	6.4	794,952	12.7
India	506,666	4.2	—	—
United Kingdom	602,821	5.0	567,325	9.1
United States	3,084,105	25.8	1,709,237	27.3
Uruguay	193,967	1.6	—	—
	9,855,436	82.3	4,898,220	78.3
Public Equity Investments				
Australia	25,664	0.2	38,055	0.6
	25,664	0.2	38,055	0.6
Total Unlisted Private Equity Investee Funds diversified globally	2,091,919	17.5	1,320,737	21.1
Total	\$ 11,973,019	100.0 %	\$ 6,257,012	100.0 %

The fair value of these investments fluctuates in response to specific investee developments, rather than from changes in the general level of market prices. Accordingly, sensitivity analysis that would measure the impact to changes in the general level of market prices has not been provided as BCI does not believe this information would be meaningful.

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)

As at December 31, 2021, had the fair value of the investments increased or decreased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased by approximately \$1,180,598 (2020 - \$595,230), representing 10.0% of the Fund's net assets attributable to holders of redeemable units (2020 -10.0%).

In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**Fair Value Measurement Discussion**

(Expressed in thousands of dollars)

Fair Value Hierarchy

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

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

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

	2021				2020			
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total
Cash and cash equivalents	\$ —	\$ 2,491	\$ —	\$ 2,491	\$ —	\$ —	\$ —	\$ —
Net investment-related receivables	—	8,226	—	8,226	—	23,848	—	23,848
Public equity investments	25,664	—	—	25,664	38,055	—	—	38,055
Direct private debt investments	—	—	1,779,297	1,779,297	—	—	608,951	608,951
Unlisted private equity investee funds	—	—	2,091,919	2,091,919	—	—	1,320,737	1,320,737
Direct private equity investments	—	—	8,076,139	8,076,139	—	—	4,289,269	4,289,269
BCI money market funds	1,366	—	—	1,366	1,092	—	—	1,092
Debt Issued	—	(179,121)	—	(179,121)	—	(329,656)	—	(329,656)
Total	\$ 27,030	\$ (168,404)	\$ 11,947,355	\$ 11,805,981	\$ 39,147	\$ (305,808)	\$ 6,218,957	\$ 5,952,296

During 2021 and 2020, there were no significant transfers between Level 1 and Level 2.

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

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

2021					
	Direct Private Equity Investments	Direct Private Debt Investments	Unlisted Private Equity Investee Funds		Total
Opening balance, beginning of year	\$ 4,289,269	\$ 608,951	\$ 1,320,737	\$	6,218,957
Total gains (losses) recognized in profit or loss	651,801	6,714	(149,515)		509,000
Purchases	6,319,783	2,032,295	1,988,903		10,340,981
Sales	(3,184,714)	(868,663)	(1,068,206)		(5,121,583)
Closing balance, end of year	\$ 8,076,139	\$ 1,779,297	\$ 2,091,919	\$	11,947,355
Total unrealized gains for the year included in profit or loss related to level 3 investments held at the reporting date	\$ 282,813	\$ 14,048	\$ 73,149	\$	370,010
2020					
	Direct Private Equity Investments	Direct Private Debt Investments	Unlisted Private Equity Investee Funds		Total
Opening balance, beginning of year	\$ 4,363,608	\$ 320,532	\$ 1,101,919	\$	5,786,059
Total gains recognized in profit or loss	382,332	19,018	174,124		575,474
Purchases	6,929	—	329,036		335,965
Transfers	(293,249)	293,249	—		—
Sales	(170,351)	(23,848)	(284,342)		(478,541)
Closing balance, end of year	\$ 4,289,269	\$ 608,951	\$ 1,320,737	\$	6,218,957
Total unrealized gains for the year included in profit or loss related to level 3 investments held at the reporting date	\$ 371,122	\$ 144,498	\$ 19,018	\$	534,638

During 2021 and 2020, there were no significant transfers into or out of Level 3.

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**Significant Unobservable Inputs Used in Measuring Fair Value**

The following table sets out information about significant unobservable inputs used at year-end in measuring the fair value of investments categorized as Level 3 in the fair value hierarchy as at December 31:

2021						
	Fair Value	Valuation Technique	Unobservable Input	Amount/ Range	Weighted Average	Sensitivity to Change in Significant Unobservable Input
Direct Private Equity Investments	\$ 1,612	Net Asset Value	Net Asset Value	\$ 1,612	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).
Direct Private Equity Investments	\$ 1,837,638	Transaction Price	N/A	N/A	N/A	N/A
Direct Private Equity Investments	\$ 6,236,889	Discounted Cash Flows	Discount rate	6.7% - 15.9%	9.6%	The estimated fair value would increase (decrease) if the discount rate was lower (higher).
Unlisted Private Equity Investee Funds	\$ 931,280	Net Asset Value	Net Asset Value	\$ 931,280	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).
Unlisted Private Equity Investee Funds	\$ 1,160,639	Adjusted Net Asset Value	Adjusted Net Asset Value	\$ 1,160,638	N/A	The estimated fair value would increase (decrease) if: - the net asset value was higher (lower); - the fair value adjustment was lower (higher).
Direct Private Debt Investments	\$ 340,426	Transaction Price	N/A	N/A	N/A	N/A
Direct Private Debt Investments	\$ 1,438,871	Discounted Cash Flows	Discount rate	6.7% - 15.9%	11.8%	The estimated fair value would increase (decrease) if the discount rate was lower (higher).

2020						
	Fair Value	Valuation Technique	Unobservable Input	Amount/ Range	Weighted Average	Sensitivity to Change in Significant Unobservable Input
Direct Private Equity Investments	\$ 202,555	Net Asset Value	Net Asset Value	\$ 202,555	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).
Direct Private Equity Investments	\$ 4,086,714	Discounted Cash Flows	Discount Rate	5.4% - 14.1%	8.4%	The estimated fair value would increase (decrease) if the discount rate was lower (higher).
Unlisted Private Equity Investee Funds	\$ 503,234	Net Asset Value	Net Asset Value	\$ 503,234	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).
Unlisted Private Equity Investee Funds	\$ 817,503	Adjusted Net Asset Value	Adjusted Net Asset Value	\$ 817,503	N/A	The estimated fair value would increase (decrease) if: - the net asset value was higher (lower); - the fair value adjustment was lower (higher).
Direct Private Debt Investments	\$ 608,951	Discounted Cash Flows	Discount Rate	5.4% - 8.6%	6.4%	The estimated fair value would increase (decrease) if the discount rate was lower (higher).

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)

Significant unobservable inputs are developed as follows:

Discount Rate:

Represents the discount rate applied to the projected future cash flows of each investment. Discount rates and projected cash flows are based on various investment-specific and macroeconomic inputs and assumptions. Discount rates are adjusted to reflect the risk inherent in the projected cash flows.

Net Asset Value:

Represents the net asset value of direct private equity investments and unlisted private equity investee funds. BCI management values these investments primarily based on the latest available financial information provided by their general partners.

The unlisted private equity investee funds are subject to redemption restrictions and accordingly the Fund is unable to dispose of the investee until the maturity or wind up and liquidation of the respective investee. In such cases, it is the Fund's policy to categorize the investee as Level 3 within the fair value hierarchy.

Adjusted Net Asset Value:

Represents the adjusted net asset value of the unlisted private equity investee funds. BCI management values these funds primarily based on the latest available financial information provided by their general partners, adjusted based on judgment, on an investee by investee basis, through review of information received from underlying investees and other sources.

Transaction Price

When fair value is determined based on recent transaction information, this value is the most representative indication of fair value. Consequently, no sensitivity analysis has been performed.

Effects of Unobservable Input on Fair Value Measurement

For certain direct private equity and direct private debt investments, BCI management engages third party independent valuers to estimate the fair market value. The valuers produce comprehensive reports for each applicable investment. The fair value of these investments fluctuates in response to changes in specific assumptions for the key unobservable inputs.

The unlisted private equity investee funds are valued based on information received from external managers. The fair value of these investments fluctuates in response to changes in specific assumptions for that particular investee as determined by the external manager.

Although the Fund believes that its estimates of fair value in Level 3 are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value and net assets attributable to the holders of redeemable units.

The following table shows how net assets attributable to holders of redeemable units would change if:

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

	2021		2020	
Favourable	\$	803,395	\$	699,054
Unfavourable		(758,859)		(650,620)

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**Involvement with Structured Entities**

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

The Fund holds interests in structured entities, both directly and indirectly (i.e. through intermediary holding corporations or limited partnerships, or both). Structured entities are entities that have been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. Structured entities have been set up to manage legal, tax and other risks that may arise in the course of administering the underlying investments.

Structured entities are comprised of investee funds administered by BCI which are organized as unit trusts; and investee funds administered by third party managers which are organized as limited partnerships. All of these investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issuance of units to investors or capital contributions made by the investors. Accordingly, the Fund's interest in these entities is reflected through the holding of trust units, partnership units or a partnership interest. The tables below set out the direct and indirect interests held by the Fund in structured entities:

Entity	2021			2020		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	2	\$ 5,303,907	\$ 1,366	2	\$ 2,904,346	\$ 1,092
Unlisted private equity investee funds administered by third party managers	21	73,020,618	2,091,919	16	35,983,670	1,320,737

The carrying amount of the investments held in these underlying funds represents the Fund's maximum exposure to loss. During 2021 and 2020, the Fund did not provide financial support to these structured entities and has no intention of providing financial or other support.

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)

Involvement with Subsidiaries and Associates

The Fund also holds, through intermediary holding corporations, the following investments in which it has a controlling position or a position where it could otherwise exert significant influence on the operations of the investee. The Fund measures these investments at fair value through profit or loss. The tables below set out interests held by the Fund in these unconsolidated subsidiaries and associates as at December 31:

2021							
Entity	Nature and Purpose of Entity	Interests Held	Relationship	Principal Place of Business	County of Incorporation / Registration	Ownership Interest	Voting Rights
Arteris	Highways & Railtracks	Common quotas	Associate	Brazil	Brazil	5.5 %	5.5 %
Cleco Corporation	Electric Utilities	Limited partnership interest	Associate	U.S.	USA	31.8 %	31.8 %
ETC Holdings Ltd.	Electric Utilities	Common shares	Associate	Chile	Chile	22.4 %	22.4 %
GCT Global Container Terminals Inc	Marine Ports & Services	Ordinary shares, Class A and Class B shares, and revolving debt	Associate	U.S. and Canada	Canada	21.5 %	21.5 %
iGH (Czech Gas Networks)	Gas Utilities	Shares and unsecured subordinated loan notes	Associate	Czech Republic	Czech Republic	22.6 %	22.6 %
InTransit BC Limited Partnership	Railroads	Limited partnership interest	Associate	Canada	Canada	28.7 %	28.7 %
Isagen SA	Independent Power Producers & Energy Traders	Limited partnership units and promissory note	Associate	Colombia	Colombia	15.1 %	15.1 %
Nova Transportadora do Sudeste	Gas Utilities	Ordinary shares	Associate	Brazil	Brazil	7.3 %	7.3 %
Open Grid Europe GmbH.	Gas Utilities	Common shares	Associate	Germany	Germany	27.7 %	27.7 %
Ormond Investments S.L.	Forest Products	Limited partnership interest	Associate	Uruguay	Uruguay	28.7 %	28.7 %
Puget Sound Energy	Electric Utilities	Common shares	Associate	U.S.	USA	18.0 %	18.0 %
Summit Digitel	Integrated Telecommunication Services	Common shares	Associate	India	India	10.8 %	10.8 %
Thames Water	Water Utilities	Ordinary shares	Associate	UK	UK	7.5 %	7.5 %
Viterra Limited	Agricultural Products	Ordinary shares	Associate	Global	Netherlands	8.6 %	8.6 %

BOLSENA FUND (FORMERLY STRATEGIC INV 100 FOREIGN PP FUND)**2020**

Entity	Nature and Purpose of Entity	Interests Held	Relationship	Principal Place of Business	County of Incorporation / Registration	Ownership Interest	Voting Rights
Arteris	Highways & Railtracks	Common quotas	Associate	Brazil	Brazil	5.4 %	5.4 %
Cleco Corporation	Electric Utilities	Limited partnership interest	Associate	U.S.	USA	31.3 %	31.3 %
Corix Infrastructure Inc.	Multi-Utilities	Common shares and shareholder loan	Subsidiary	U.S. and Canada	Canada	24.1 %	24.1 %
ETC Holdings Ltd.	Electric Utilities	Common shares	Associate	Chile	Chile	22.1 %	22.1 %
InTransit BC Limited Partnership	Highways & Railtracks	Limited partnership interest	Associate	Canada	Canada	28.3 %	28.3 %
LINX Cargo Care	Marine Ports & Services	Common equity, shareholder loan	Associate	Australia	Australia	9.5 %	9.5 %
Open Grid Europe GmbH.	Gas Utilities	Common shares	Associate	Germany	Germany	27.4 %	27.4 %
Pacific National Rail	Highways & Railtracks	Shareholder loan	Associate	Australia	Australia	10.4 %	10.4 %
Patrick Terminals	Marine Ports & Services	Shareholder loan	Associate	Australia	Australia	4.8 %	4.8 %
Thames Water	Water Utilities	Ordinary shares	Associate	UK	UK	7.4 %	7.4 %

During 2021 and 2020, the Fund did not provide financial support to subsidiaries or associates and has no intention of providing financial or other support. Furthermore, the subsidiaries and associates listed in the table above are not subject to any significant restrictions on their ability to transfer funds to the Fund.

BOLSENA (AUSTRALIA) FUND**Statement of Financial Position**

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

As at December 31, 2021, with comparative information for 2020

Assets	NOTES	2021	2020
Interest receivable		\$ —	\$ 2,726
Investments	4	1,369,963	430,105
Total assets		1,369,963	432,831
Liabilities			
BCI cost recoveries payable	4	121	3,128
Other accounts payable		591	23
		712	3,151
Net assets attributable to holders of redeemable units		\$ 1,369,251	\$ 429,680
Number of redeemable units outstanding	5	1,469.820	412.582
Net assets attributable to holders of redeemable units per unit		\$ 932	\$ 1,041
<i>Uncertainties related to COVID-19</i>	11		
<i>Subsequent events</i>	12		

[S] Gordon J. Fyfe

Gordon J. Fyfe

Chief Executive Officer

Chief Investment Officer

BOLSENA (AUSTRALIA) FUND**Statement of Comprehensive Income (Loss)**

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

Revenue	NOTES	2021	2020
Interest income	4	\$ 27,968	\$ 20,115
Dividend income		23,810	151,277
Other income	10	5,225	194
Foreign exchange loss		(21,946)	(5)
Change in fair value of investments:			
Net realized gain		182,234	455,250
Net change in unrealized appreciation		(86,496)	(301,583)
Total revenue		130,795	325,248
Expenses			
BCI cost recoveries	4	4,011	4,907
Administrative fees		555	102
Pursuit costs		2	—
Withholding taxes		4,743	—
Total operating expenses		9,311	5,009
 Increase in net assets attributable to holders of redeemable units before distributions		 121,484	 320,239
 Distributions to holders of redeemable units		 (178,321)	 (15,295)
Increase (decrease) in net assets attributable to holders of redeemable units		\$ (56,837)	\$ 304,944

BOLSENA (AUSTRALIA) FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

	NOTES	2021	2020
Balance, beginning of year		\$ 429,680	\$ 2,656,904
Increase (decrease) in net assets attributable to holders of redeemable units		(56,837)	304,944
Return of capital distributions to holders of redeemable units		(96,689)	(148,345)
Redeemable unit transactions:			
Proceeds from units issued		1,132,784	41,203
Units redeemed for payment in-kind	4	—	(2,425,026)
Units issued for payments-in-kind	4	42,558	—
Amounts paid for units redeemed		(82,245)	—
Net increase (decrease) from redeemable unit transactions		1,093,097	(2,383,823)
Balance, end of year		\$ 1,369,251	\$ 429,680

BOLSENA (AUSTRALIA) FUND

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

Operating activities	NOTES	2021	2020
Increase (decrease) in net assets attributable to holders of redeemable units		\$ (56,837)	\$ 304,944
Adjustments for:			
Foreign exchange loss		21,946	5
Interest income		(27,968)	(20,115)
Net realized gain from investments		(182,234)	(455,250)
Net change in unrealized appreciation of investments		86,496	301,583
Cash distributions		178,321	15,295
BCI cost recoveries payable		(3,007)	(160)
Other accounts payable		568	2
Interest received		30,694	17,415
Net sale (purchase) of investments	4	(801,562)	(41,475)
		(753,583)	122,244
Financing activities			
Proceeds from issuance of redeemable units		1,132,784	41,203
Distributions paid to holders of redeemable units		(275,010)	(163,640)
Payments on redemption of redeemable units		(82,245)	—
		775,529	(122,437)
Net increase (decrease) in cash		21,946	(193)
Effect of exchange rate changes on cash		(21,946)	(5)
Cash, beginning of year		—	198
Cash, end of year		\$ —	\$ —

BOLSENA (AUSTRALIA) FUND**Schedule of Investments**

(Expressed in thousands of dollars)

As at December 31, 2021, with comparative information for 2020

	2021		2020	
	Fair Value	Cost	Fair Value	Cost
Private Equity Investments ¹	\$ 855,176	\$ 939,062	\$ 213,610	\$ 218,900
Private Debt Investments ¹	202,424	219,919	216,486	222,029
Investment-Related Assets				
Prepaid investment	306,881	302,779	—	—
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Fund ST2	178	178	9	9
Fund ST3	5,304	5,354	—	—
	5,482	5,532	9	9
Total Investments	\$ 1,369,963	\$ 1,467,292	\$ 430,105	\$ 440,938

¹ The private equity and debt investments are held through a private corporation or limited partnerships.

BOLSENA (AUSTRALIA) FUND

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The investment objectives, eligible investments and general information on the financial risks related to the Infrastructure & Renewable Resources Program are described in note 7 of the financial statements. The information contained in this Financial Risk Management Discussion pertains specifically to the Bolseña (Australia) Fund.

The Fund holds its private equity and private debt investments through limited partnerships and directly by the Fund. The Fund and its investments in limited partnerships hold the following net assets:

	2021		2020	
	Total	% of Total	Total	% of Total
Net investment-related receivables	\$ 3,001	0.3 %	\$ —	— %
Direct private debt investments	202,424	19.1	216,486	50.3
Direct private equity investments	848,796	80.3	213,609	49.7
BCI money market funds	3,379	0.3	1	—
Total	\$ 1,057,600	100.0 %	\$ 430,096	100.0 %

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

Credit Risk

The Fund's private debt investments are in closely held private companies. Due to the private nature of the debt, it is not subject to rating by a rating agency. The Fund's debt investments are not subject to credit risk as any decrease in fair value would result in an offsetting change in value of the related equity investment.

Liquidity Risk

The Fund's financial assets include direct private equity and debt investments, which are generally illiquid.

As a result, the Fund may not be able to liquidate some of its investments in these instruments in due time to meet its obligations when they become due. However, the CIO may obtain funding from unitholders of the Fund through additional unit issuances to meet the Fund's ongoing liquidity requirements.

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

Interest Rate Risk

The value of the combined debt and equity investments is calculated based on enterprise values of the private companies and the value is then allocated to the debt and equity investments. Any change in market value of the debt investments due to fluctuations in interest rates would result in an offsetting change in value of the related equity investment. Accordingly, sensitivity analysis that would measure the impact of changes in interest rates would not be meaningful and has not been provided.

As at December 31, 2021 and 2020, the Fund had no other assets or liabilities which change in value as a result of changes in interest rates.

Currency Risk

At December 31, 2021, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows.

BOLSENA (AUSTRALIA) FUND

	2021		2020	
CURRENCY	Net Investments and Investment- Related Receivables/ (Payables)	% of Total Net Assets	Net Investments and Investment- Related Receivables/ (Payables)	% of Total Net Assets
Australian Dollar	\$ 1,361,356	99.4 %	\$ 432,821	100.7 %
United States Dollar	8,027	0.6	—	—
Net foreign currency exposure	\$ 1,369,383	100.0 %	\$ 432,821	100.7 %

As at December 31, 2021, if the Canadian dollar had strengthened/weakened by 1% in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased, by \$13,694 (2020 - \$4,328), representing 1.0% of the Fund's net assets (2020 - 1.0%). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

BOLSENA (AUSTRALIA) FUND

Other Price Risk

The Fund's underlying investments include shares and other securities of investees. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, and geographic regions of the underlying investees.

The Fund's direct private equity and direct private debt investments are concentrated in the following industries:

INDUSTRY SECTOR	2021		2020	
	Total	% of Total	Total	% of Total
Direct Private Equity, Direct Private Debt, and Prepaid Investment				
Transportation Infrastructure	\$ 869,927	64.1 %	\$ —	— %
Electric Utilities	488,174	35.9	430,095	100.0
Total	\$ 1,358,101	100.0 %	\$ 430,095	100.0 %

The Fund's direct private equity and direct private debt investments are concentrated in the following geographic regions:

GEOGRAPHIC REGION	2021		2020	
	Total	% of Total	Total	% of Total
Direct Private Equity, Direct Private Debt, and Prepaid Investment				
Australia	\$ 1,358,101	100.0 %	\$ 430,095	100.0 %
Total	\$ 1,358,101	100.0 %	\$ 430,095	100.0 %

The fair value of these investments fluctuates in response to specific investee developments, rather than from changes in the general level of market prices. Accordingly, sensitivity analysis that would measure the impact to changes in the general level of market prices has not been provided as BCI does not believe this information would be meaningful.

As at December 31, 2021, had the fair value of the investments increased or decreased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased by approximately \$136,996 (2020 - \$43,011), representing 10.0% of the Fund's net assets attributable to holders of redeemable units (2020 - 10.0%).

In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

BOLSENA (AUSTRALIA) FUND

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

Fair Value Hierarchy

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

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

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

	2021				2020			
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total
Net investment-related receivables	\$ —	\$ 3,001	\$ —	\$ 3,001	\$ —	\$ —	\$ —	\$ —
Prepaid investment	—	—	306,881	306,881	—	—	—	—
Direct private debt investments	—	—	202,424	202,424	—	—	216,486	216,486
Direct private equity investments	—	—	848,796	848,796	—	—	213,609	213,609
BCI money market funds	8,861	—	—	8,861	10	—	—	10
Total	\$ 8,861	\$ 3,001	\$ 1,358,101	\$ 1,369,963	\$ 10	\$ —	\$ 430,095	\$ 430,105

During 2021 and 2020, there were no significant transfers between Level 1 and Level 2.

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

BOLSENA (AUSTRALIA) FUND

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

2021						
	Prepaid Investment	Direct Private Equity Investments	Direct Private Debt Investments	Unlisted Private Equity Investee Funds	Total	
Opening balance, beginning of year	\$ —	\$ 213,609	\$ 216,486	\$ —	\$ 430,095	
Total gains (losses) recognized in profit or loss	4,102	(194,548)	(23,748)	1,181	(213,013)	
Purchases	302,779	1,227,702	13,342	210,518	1,754,341	
Sales	—	(397,967)	(3,656)	(211,699)	(613,322)	
Closing balance, end of year	\$ 306,881	\$ 848,796	\$ 202,424	\$ —	\$ 1,358,101	
Total unrealized gains (losses) for the year included in profit or loss related to level 3 investments held at the reporting date	\$ 4,102	\$ 101,287	\$ (12,797)	\$ —	\$ 92,592	

2020					
	Direct Private Equity Investments	Direct Private Debt Investments	Unlisted Private Equity Investee Funds	Total	
Opening balance, beginning of year	\$ 1,480,708	\$ 694,596	\$ 482,234	\$	2,657,538
Total gains recognized in profit or loss	244,604	10,465	47,970		303,039
Purchases	6,216	—	77,590		83,806
Sales	(1,517,919)	(488,575)	(607,794)		(2,614,288)
Closing balance, end of year	\$ 213,609	\$ 216,486	\$ —	\$	430,095
Total unrealized gains for the year included in profit or loss related to level 3 investments held at the reporting date	\$ 18,422	\$ 18,698	\$ —	\$	37,120

During 2021 and 2020, there were no significant transfers into or out of Level 3.

BOLSENA (AUSTRALIA) FUND

Significant Unobservable Inputs Used in Measuring Fair Value

The following table sets out information about significant unobservable inputs used at year-end in measuring the fair value of investments categorized as Level 3 in the fair value hierarchy as at December 31:

2021						
	Fair Value	Valuation Technique	Unobservable Input	Amount/Range	Weighted Average	Sensitivity to Change in Significant Unobservable Input
Direct Private Equity Investments	\$ 848,796	Discounted Cash Flows	Discount rate	7.8% - 17.0%	10.5%	The estimated fair value would increase (decrease) if the discount rate was lower (higher).
Direct Private Debt Investments	\$ 202,424	Discounted Cash Flows	Discount rate	7.8% - 17.0%	7.9%	The estimated fair value would increase (decrease) if the discount rate was lower (higher).
Prepaid Investment	\$ 306,881	Discounted Cash Flows	Discount rate	11.3% - 17.0%	11.7 %	The estimated fair value would increase (decrease) if the discount rate was lower (higher).

2020						
	Fair Value	Valuation Technique	Unobservable Input	Amount/Range	Weighted Average	Sensitivity to Change in Significant Unobservable Input
Direct Private Equity Investments	\$ 213,609	Discounted Cash Flows	Discount Rate	7.8%	N/A	The estimated fair value would increase (decrease) if the discount rate was lower (higher).
Direct Private Debt Investments	\$ 216,486	Discounted Cash Flows	Discount Rate	7.8%	N/A	The estimated fair value would increase (decrease) if the discount rate was lower (higher).

Significant unobservable inputs are developed as follows:

Discount Rate:

Represents the discount rate applied to the projected future cash flows of each investment. Discount rates and projected cash flows are based on various investment-specific and macroeconomic inputs and assumptions. Discount rates are adjusted to reflect the risk inherent in the projected cash flows.

Effects of Unobservable Input on Fair Value Measurement

For certain direct private equity and direct private debt investments, BCI management engages third party independent valuers to estimate the fair market value. The valuers produce comprehensive reports for each applicable investment. The fair value of these investments fluctuates in response to changes in specific assumptions for the key unobservable inputs.

Although the Fund believes that its estimates of fair value in Level 3 are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value and net assets attributable to the holders of redeemable units.

The following table shows how net assets attributable to holders of redeemable units would change if:

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

	2021	2020
Favourable	\$ 108,969	\$ 40,201
Unfavourable	(102,092)	(33,967)

BOLSENA (AUSTRALIA) FUND

Involvement with Structured Entities

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

The Fund holds interests in structured entities, both directly and indirectly (i.e. through intermediary holding corporations or limited partnerships, or both). Structured entities are entities that have been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. Structured entities have been set up to manage legal, tax and other risks that may arise in the course of administering the underlying investments.

Structured entities are comprised of investee funds administered by BCI which are organized as unit trusts; and investee funds administered by third party managers which are organized as limited partnerships. All of these investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issuance of units to investors or capital contributions made by the investors. Accordingly, the Fund's interest in these entities is reflected through the holding of trust units, partnership units or a partnership interest. The tables below set out the direct and indirect interests held by the Fund in structured entities:

Entity	2021			2020		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	3	\$ 9,497,081	\$ 8,861	2	\$ 5,713,421	\$ 10

The carrying amount of the investments held in these underlying funds represents the Fund's maximum exposure to loss. During 2021 and 2020, the Fund did not provide financial support to these structured entities and has no intention of providing financial or other support.

BOLSENA (AUSTRALIA) FUND

Involvement with Subsidiaries and Associates

The Fund also holds, through intermediary holding corporations, the following investments in which it has a controlling position or a position where it could otherwise exert significant influence on the operations of the investee. The Fund measures these investments at fair value through profit or loss. The tables below set out interests held by the Fund in these unconsolidated subsidiaries and associates as at December 31:

2021							
Entity	Nature and Purpose of Entity	Interests Held	Relationship	Principal Place of Business	County of Incorporation / Registration	Ownership Interest	Voting Rights
Endeavour Energy	Electric Utilities	Common shares, ordinary shares, and shareholder loan	Associate	Australia	Australia	11.2 %	11.2 %
LINX Cargo Care	Marine Ports & Services	Common equity, shareholder loan	Associate	Australia	Australia	9.8 %	9.8 %
Pacific National Rail	Highways & Railtracks	Shareholder loan	Associate	Australia	Australia	10.7 %	10.7 %
Patrick Terminals	Marine Ports & Services	Shareholder loan	Associate	Australia	Australia	4.9 %	4.9 %
2020							
Entity	Nature and Purpose of Entity	Interests Held	Relationship	Principal Place of Business	County of Incorporation / Registration	Ownership Interest	Voting Rights
Endeavour Energy	Electric Utilities	Common shares, ordinary shares, and shareholder loan	Associate	Australia	Australia	11.2 %	11.2 %

During 2021 and 2020, the Fund did not provide financial support to subsidiaries or associates and has no intention of providing financial or other support. Furthermore, the subsidiaries and associates listed in the table above are not subject to any significant restrictions on their ability to transfer funds to the Fund.

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Statement of Financial Position**

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

As at December 31, 2021, with comparative information for 2020

Assets	NOTES	2021	2020
Cash		\$ 5,886	\$ —
Investments		512,145	330,627
Total assets		518,031	330,627
Liabilities			
Payable for purchase of investments		957	—
BCI cost recoveries payable	4	46	57
Interest payable		128	—
Other accounts payable		100	2
Derivative liabilities			
Forwards		49	—
Payable to BCI pooled investment portfolio	4	199,944	—
		201,224	59
Net assets attributable to holders of redeemable units		\$ 316,807	\$ 330,568
Number of redeemable units outstanding	5	255.156	228.918
Net assets attributable to holders of redeemable units per unit		\$ 1,242	\$ 1,444
<i>Unfunded committed capital</i>	6		
<i>Uncertainties related to COVID-19</i>	11		
<i>Subsequent events</i>	12		

[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Statement of Comprehensive Income**

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for the period ended December 31, 2020

Revenue	NOTES	2021	2020
Interest income		\$ —	\$ 2
Dividend income		773	—
Securities lending income		179	538
Other income	10	43	—
Foreign exchange gain		1,263	706
Change in fair value of investments and derivatives:			
Net realized gain		44,358	991
Net change in unrealized appreciation		2,021	85,357
Total revenue		48,637	87,594
Expenses			
BCI cost recoveries	4	973	400
Administrative fees		74	94
Interest expense		293	—
Commissions and stock exchange fees		61	135
Pursuit costs		528	748
Withholding taxes		271	—
Total operating expenses		2,200	1,377
 Increase in net assets attributable to holders of redeemable units before distributions		 46,437	 86,217
 Distributions to holders of redeemable units		 (44,408)	 (995)
Increase in net assets attributable to holders of redeemable units		\$ 2,029	\$ 85,222

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for the period ended December 31, 2020

	2021	2020
Balance, beginning of period	\$ 330,568	\$ —
Increase in net assets attributable to holders of redeemable units	2,029	85,222
Return of capital distributions to holders of redeemable units	(57,065)	—
Redeemable unit transactions:		
Proceeds from units issued	66,096	311,899
Reinvestment of distributions	—	995
Amounts paid for units redeemed	(24,821)	(67,548)
Net increase from redeemable unit transactions	41,275	245,346
Balance, end of period	\$ 316,807	\$ 330,568

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Statement of Cash Flows**

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for the period ended December 31, 2020

Operating activities	NOTES	2021	2020
Increase in net assets attributable to holders of redeemable units		\$ 2,029	\$ 85,222
Adjustments for:			
Foreign exchange gain		(1,263)	(706)
Interest income		—	(2)
Net realized gain from investments and derivatives		(44,358)	(991)
Net change in unrealized appreciation of investments and derivatives		(2,021)	(85,357)
Non cash distributions		—	995
Cash distributions		44,408	—
BCI cost recoveries payable		(11)	57
Other accounts payable		98	2
Interest received		—	2
Interest paid		(165)	—
Interest expense		293	—
Net purchase of investments		(134,133)	(244,279)
		(135,123)	(245,057)
Financing activities			
Proceeds from issuance of redeemable units		66,096	311,899
Proceeds from payable to BCI pooled investment portfolio	4	199,944	—
Distributions paid to holders of redeemable units		(101,473)	—
Payments on redemption of redeemable units		(24,821)	(67,548)
		139,746	244,351
Net increase (decrease) in cash		4,623	(706)
Effect of exchange rate changes on cash		1,263	706
Cash, end of year		\$ 5,886	\$ —

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Schedule of Investments**

(Expressed in thousands of dollars)

As at December 31, 2021, with comparative information for 2020

	2021		2020	
	Fair Value	Cost	Fair Value	Cost
Public Equity Investments	\$ 312,443	\$ 226,141	\$ 330,617	\$ 245,260
Private Equity Investments	190,845	189,720	—	—
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Fund ST1	8,844	8,844	10	10
Fund ST3	13	13	—	—
	8,857	8,857	10	10
Total Investments	\$ 512,145	\$ 424,718	\$ 330,627	\$ 245,270

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Derivative Assets and Liabilities**

(Expressed in thousands of dollars)

As at December 31, 2021, with comparative information for 2020

	2021			2020		
	Notional Value ^(a)	Fair Value		Notional Value ^(a)	Fair Value	
		Derivative Assets ^(b)	Derivative Liabilities		Derivative Assets ^(b)	Derivative Liabilities
Currency derivatives						
OTC						
Forwards	\$ 1,500,000	\$ —	\$ (49)	\$ —	\$ —	\$ —
Total	\$ 1,500,000	\$ —	\$ (49)	\$ —	\$ —	\$ —

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

	2021	2020
Less than 1 year	\$ 1,500,000	\$ —
Total	\$ 1,500,000	\$ —

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

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

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The investment objectives, eligible investments and general information on the financial risks related to the Infrastructure & Renewable Resources Program are described in note 7 of the financial statements. The information contained in this Financial Risk Management Discussion pertains specifically to the Bolsena (Public) Fund (formerly 2020 Infrastructure Offering Fund).

The Fund holds its public equity and private equity investment directly.

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

Credit Risk

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

DERIVATIVES BY CREDIT RATING	2021			2020		
	Fair Value			Fair Value		
	Notional Value	Derivative Assets	Derivative Liabilities	Notional Value	Derivative Assets	Derivative Liabilities
AAA/AA	\$ 1,500,000	\$ —	\$ (49)	\$ —	\$ —	\$ —
Total Derivatives	\$ 1,500,000	\$ —	\$ (49)	\$ —	\$ —	\$ —

Liquidity Risk

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

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

	2021				
	Carrying value	Less than 1 year	1 to 2 years	Over 2 year	Total
Derivative assets	\$ —	\$ —	\$ —	\$ —	\$ —
Derivative liabilities	(49)	(49)	—	—	(49)
	\$ (49)	\$ (49)	\$ —	\$ —	\$ (49)

Interest Rate Risk

As at December 31, 2021 and 2020, the Fund had no other assets or liabilities which change in value as a result of changes in interest rates.

Currency Risk

At December 31, 2021, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows.

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)

CURRENCY	2021		2020	
	Net Investments and Investment-Related Receivables/ (Payables)	% of Total Net Assets	Net Investments and Investment-Related Receivables/ (Payables)	% of Total Net Assets
Chilean Peso	\$ 40,158	12.7 %	\$ —	— %
Euro	279,439	88.2	330,617	100.0
United States Dollar	191,028	60.3	—	—
Net foreign currency exposure	\$ 510,625	161.2 %	\$ 330,617	100.0 %

The table above identifies currency exposure based on the currency in which the Fund's investments are denominated. In addition to the currency exposures set out above, the Fund may have additional indirect exposure to currency risk through its investments in underlying unlisted private equity investee funds. Such exposure may include currencies not listed in the table above as these investments may be operating in jurisdictions that utilize other currencies.

As at December 31, 2021, if the Canadian dollar had strengthened/weakened by 1% in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased, by \$5,106, (2020 - \$3,306) representing 1.6% of the Fund's net assets (2020 - 1.0%). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY	2021	2020
Chilean Peso	\$ 367,212	\$ —
Euro	—	401,172
United States Dollar	70,608	—
Net foreign currency exposure through unfunded capital commitments	\$ 437,820	\$ 401,172

As at December 31, 2021, if the Canadian dollar had strengthened/weakened by 1% in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased, by \$4,378 (2020 - \$4,012). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Total unfunded committed capital related to the Fund is described in note 6 of the financial statements.

Other Price Risk

The Fund's underlying investments include shares and other securities of investees. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, and geographic regions of the underlying investees.

The Fund's direct private equity and public equity investments are concentrated in the following industries:

INDUSTRY SECTOR	2021		2020	
	Total	% of Total	Total	% of Total
Direct Private Equity and Public Equity Investments				
Transportation Infrastructure	\$ 273,949	54.4 %	\$ 330,617	100.0 %
Water Utilities	38,495	7.6	—	—
Paper & Forest Products	190,844	38.0	—	—
Total	\$ 503,288	100.0 %	\$ 330,617	100.0 %

The Fund's direct private equity and public equity investments are concentrated in the following geographic regions:

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)

GEOGRAPHIC REGION	2021		2020	
	Total	% of Total	Total	% of Total
Direct Private Equity and Public Equity Investments				
Chile	\$ 229,340	45.6 %	\$ —	— %
Germany	273,948	54.4	330,617	100.0
Total	\$ 503,288	100.0 %	\$ 330,617	100.0 %

The fair value of these investments fluctuates in response to specific investee developments, rather than from changes in the general level of market prices. Accordingly, sensitivity analysis that would measure the impact to changes in the general level of market prices has not been provided as BCI does not believe this information would be meaningful.

As at December 31, 2021, had the fair value of the investments increased or decreased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased by approximately \$51,215 (2020 - \$33,063), representing 16.2% of the Fund's net assets attributable to holders of redeemable units (2020 - 10.0%).

In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Fair Value Measurement Discussion**

(Expressed in thousands of dollars)

Fair Value Hierarchy

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

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

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

	2021				2020			
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total
Public equity investments	\$ 312,443	\$ —	\$ —	\$ 312,443	330,617	—	—	330,617
Direct private equity investments	—	—	190,845	190,845	—	—	—	—
BCI money market funds	8,857	—	—	8,857	10	—	—	10
Payable to BCI pooled investment portfolio	—	(199,944)	—	(199,944)	—	—	—	—
Total	\$ 321,300	\$ (199,944)	\$ 190,845	\$ 312,201	\$ 330,627	\$ —	\$ —	\$ 330,627

During 2021 and 2020, there were no significant transfers between Level 1 and Level 2.

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

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

	2021
	Direct Private Equity Investments
Opening balance, beginning of year	\$ —
Total gains recognized in profit or loss	1,125
Purchases	189,720
Sales	—
Closing balance, end of year	\$ 190,845
Total unrealized gains for the year included in profit or loss related to level 3 investments held at the reporting date	\$ 1,125

During 2021, there were no significant transfers into or out of Level 3.

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Significant Unobservable Inputs Used in Measuring Fair Value**

The following table sets out information about significant unobservable inputs used at year-end in measuring the fair value of investments categorized as Level 3 in the fair value hierarchy as at December 31:

2021						
	Fair Value	Valuation Technique	Unobservable Input	Amount/Range	Weighted Average	Sensitivity to Change in Significant Unobservable Input
Direct Private Equity Investments	\$ 190,845	Transaction Price	N/A	N/A	N/A	N/A

Transaction Price

When fair value is determined based on recent transaction information, this value is the most representative indication of fair value. Consequently, no sensitivity analysis has been performed.

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Involvement with Structured Entities**

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

The Fund holds interests in structured entities, both directly and indirectly (i.e. through intermediary holding corporations or limited partnerships, or both). Structured entities are entities that have been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. Structured entities have been set up to manage legal, tax and other risks that may arise in the course of administering the underlying investments.

Structured entities are comprised of investee funds administered by BCI which are organized as unit trusts; and investee funds administered by third party managers which are organized as limited partnerships. All of these investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issuance of units to investors or capital contributions made by the investors. Accordingly, the Fund's interest in these entities is reflected through the holding of trust units, partnership units or a partnership interest. The tables below set out the direct and indirect interests held by the Fund in structured entities:

Entity	2021			2020		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	3	\$ 9,497,081	\$ 8,861	2	\$ 5,713,421	\$ 10

The carrying amount of the investments held in these underlying funds represents the Fund's maximum exposure to loss. During 2021 and 2020, the Fund did not provide financial support to these structured entities and has no intention of providing financial or other support.

BOLSENA (PUBLIC) FUND (FORMERLY 2020 INFRASTRUCTURE OFFERING FUND)**Involvement with Subsidiaries and Associates**

The Fund also holds, through intermediary holding corporations, the following investments in which it has a controlling position or a position where it could otherwise exert significant influence on the operations of the investee. The Fund measures these investments at fair value through profit or loss. The tables below set out interests held by the Fund in these unconsolidated subsidiaries and associates as at December 31:

2021							
Entity	Nature and Purpose of Entity	Interests Held	Relationship	Principal Place of Business	County of Incorporation / Registration	Ownership Interest	Voting Rights
Vista Hermosa Inversiones Forestales	Forest Products	Common shares	Associate	Chile	Chile	40.0 %	40.0 %

During 2021, the Fund did not provide financial support to subsidiaries or associates and has no intention of providing financial or other support. Furthermore, the subsidiaries and associates listed in the table above are not subject to any significant restrictions on their ability to transfer funds to the Fund.

RENEWABLE RESOURCES INVESTMENT FUND

Statement of Financial Position

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

As at December 31, 2021, with comparative information for 2020

Assets	NOTES	2021	2020
Investments		\$ 813	\$ 5,533
Total assets		813	5,533
Liabilities			
BCI cost recoveries payable	4	—	408
Other accounts payable		24	—
		24	408
Net assets attributable to holders of redeemable units		\$ 789	\$ 5,125
Number of redeemable units outstanding	5	20,625	15,982
Net assets attributable to holders of redeemable units per unit		\$ 38	\$ 321
<i>Unfunded committed capital</i>	6		
<i>Uncertainties related to COVID-19</i>	11		
<i>Subsequent events</i>	12		

[S] Gordon J. Fyfe

Gordon J. Fyfe
Chief Executive Officer
Chief Investment Officer

RENEWABLE RESOURCES INVESTMENT FUND

Statement of Comprehensive Loss

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

Revenue	NOTES	2021	2020
Interest income		\$ 1	\$ 4
Dividend income		3,706	—
Other income	10	408	1
Change in fair value of investments:			
Net change in unrealized appreciation		(5,866)	(7,080)
Total revenue		(1,751)	(7,075)
Expenses			
BCI cost recoveries	4	25	118
Administrative fees		58	14
Total operating expenses		83	132
Decrease in net assets attributable to holders of redeemable units before distributions		(1,834)	(7,207)
Distributions to holders of redeemable units		(611)	—
Decrease in net assets attributable to holders of redeemable units		\$ (2,445)	\$ (7,207)

RENEWABLE RESOURCES INVESTMENT FUND**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Balance, beginning of year	\$ 5,125	\$ 12,332
Decrease in net assets attributable to holders of redeemable units	(2,445)	(7,207)
Return of capital distributions to holders of redeemable units	(3,096)	—
Redeemable unit transactions:		
Proceeds from units issued	1,205	—
Net increase from redeemable unit transactions	1,205	—
Balance, end of year	\$ 789	\$ 5,125

RENEWABLE RESOURCES INVESTMENT FUND

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

Operating activities	2021	2020
Decrease in net assets attributable to holders of redeemable units	\$ (2,445)	\$ (7,207)
Adjustments for:		
Net change in unrealized appreciation of investments	5,866	7,080
Cash distributions	611	—
BCI cost recoveries payable	(408)	12
Other accounts payable	24	(21)
Net sale (purchase) of investments	(1,146)	136
	2,502	—
Financing activities		
Proceeds from issuance of redeemable units	1,205	—
Distributions paid to holders of redeemable units	(3,707)	—
	(2,502)	—
Net change in cash	—	—
Cash, beginning and end of year	\$ —	\$ —

RENEWABLE RESOURCES INVESTMENT FUND

Schedule of Investments

(Expressed in thousands of dollars)

As at December 31, 2021, with comparative information for 2020

	2021		2020	
	Fair Value	Cost	Fair Value	Cost
Private Equity Investments ¹	\$ 533	\$ 36,422	\$ 5,195	\$ 35,217
Money Market Investments				
Units in BCI Pooled Investment Portfolio				
Fund ST2	280	280	338	339
	280	280	338	339
Total Investments	\$ 813	\$ 36,702	\$ 5,533	\$ 35,556

¹ The private equity investments are held through private corporations.

RENEWABLE RESOURCES INVESTMENT FUND

Financial Risk Management Discussion

(Expressed in thousands of dollars)

The investment objectives, eligible investments and general information on the financial risks related to the Infrastructure & Renewable Resources Program are described in note 7 of the financial statements. The information contained in this Financial Risk Management Discussion pertains specifically to the Renewable Resources Investment Fund.

The Fund holds its private equity investments through private corporations. The corporations hold the following net assets:

	2021		2020	
	Total	% of Total	Total	% of Total
Unlisted private equity investee funds	\$ 499	93.6 %	\$ 5,170	99.5 %
BCI money market funds	34	6.4	25	0.5
Total	\$ 533	100.0 %	\$ 5,195	100.0 %

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

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to significant credit risk.

Liquidity Risk

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

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

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing or have a short term to maturity. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

RENEWABLE RESOURCES INVESTMENT FUND

Currency Risk

The Fund holds net financial assets denominated in U.S. currency, totalling \$519 CAD which represents 65.8% of the net asset value of the Fund (2020 - \$5,179 CAD which represented 101.1% of the net asset value of the Fund).

In addition to the currency exposures set out above, the Fund may have additional indirect exposure to currency risk through its investments in underlying unlisted private equity investee funds. Such exposure may include currencies not set out above as these investments may be operating in jurisdictions that utilize other currencies.

As at December 31, 2021, if the Canadian dollar had strengthened/weakened by 1% in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased, by \$5 (2020 - \$52), representing 0.6% of the Fund's net assets (2020 - 1.0%). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, 2021, the Fund had additional exposure to currency risk through its future unfunded commitments in U.S. currency totalling \$8 (2020 - \$8). As at December 31, 2021, if the Canadian dollar had strengthened/weakened by 1% in relation to the foreign currency, holding all other variables constant, future unfunded commitments would have decreased/increased, respectively, by \$nil (2020 - \$nil). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Total unfunded committed capital related to the Fund is described in note 6 of the financial statements.

Other Price Risk

The net assets include real estate investments and other related receivables and payables. The real estate investments are primarily in timberlands and concentrated in Brazil.

The fair value of these investments fluctuates in response to specific property characteristics rather than from changes in the general level of market prices. Accordingly, sensitivity analysis that would measure the impact to changes in the general level of market prices has not been provided as BCI does not believe this information would be meaningful.

As at December 31, 2021, had the fair value of the investments increased or decreased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased by approximately \$81 (2020 - \$553), representing 10.3% of the Fund's net assets attributable to holders of redeemable units (2020 - 10.8%).

In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

RENEWABLE RESOURCES INVESTMENT FUND

Fair Value Measurement Discussion

(Expressed in thousands of dollars)

Fair Value Hierarchy

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

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

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

	2021				2020			
	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total	Level 1 (Quoted Price in Active Market)	Level 2 (Significant Observable Inputs)	Level 3 (Significant Unobservable Inputs)	Total
Unlisted private equity investee funds	\$ —	\$ —	\$ 499	\$ 499	\$ —	\$ —	\$ 5,170	\$ 5,170
BCI money market funds	314	—	—	314	363	—	—	363
Total	\$ 314	\$ —	\$ 499	\$ 813	\$ 363	\$ —	\$ 5,170	\$ 5,533

During 2021 and 2020, there were no significant transfers between Level 1 and Level 2.

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

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

	2021	2020
	Unlisted Private Equity Investee Funds	Unlisted Private Equity Investee Funds
Opening balance, beginning of year	\$ 5,170	\$ 12,246
Total losses recognized in profit or loss	(5,866)	(7,076)
Purchases	1,195	—
Closing balance, end of year	\$ 499	\$ 5,170
Total unrealized losses for the year included in profit or loss related to level 3 investments held at the reporting date	\$ (5,866)	\$ (7,076)

During 2021 and 2020, there were no significant transfers into or out of Level 3.

RENEWABLE RESOURCES INVESTMENT FUND

Significant Unobservable Inputs Used in Measuring Fair Value

The following table sets out information about significant unobservable inputs used at year-end in measuring the fair value of investments categorized as Level 3 in the fair value hierarchy as at December 31:

2021						
	Fair Value	Valuation Technique	Unobservable Input	Amount/Range	Weighted Average	Sensitivity to Change in Significant Unobservable Input
Unlisted Private Equity Investee Funds	\$ 499	Net Asset Value	Net Asset Value	\$ 500	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).

2020						
	Fair Value	Valuation Technique	Unobservable Input	Amount/Range	Weighted Average	Sensitivity to Change in Significant Unobservable Input
Unlisted Private Equity Investee Funds	\$ 5,170	Net Asset Value	Net Asset Value	\$ 5,170	N/A	The estimated fair value would increase (decrease) if the net asset value was higher (lower).

Significant unobservable inputs are developed as follows:

Net Asset Value:

Represents the net asset value of unlisted private equity investee funds. BCI management values these funds primarily based on the latest available financial information provided by their general partners.

The unlisted private equity investee funds are subject to redemption restrictions and accordingly the Fund is unable to dispose of the investee until the maturity or wind up and liquidation of the respective investee. In such cases, it is the Fund's policy to categorize the investee as Level 3 within the fair value hierarchy.

RENEWABLE RESOURCES INVESTMENT FUND

Effects of Unobservable Input on Fair Value Measurement

The unlisted private equity investee funds are valued based on information received from external managers. The fair value of these investments fluctuates in response to changes in specific assumptions for that particular investee as determined by the external manager.

Although the Fund believes that its estimates of fair value in Level 3 are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value and net assets attributable to the holders of redeemable units.

The following table shows how net assets attributable to holders of redeemable units would change if the fair value of underlying investments was adjusted by 10%.

	2021		2020	
Favourable	\$	50	\$	517
Unfavourable		(50)		(517)

RENEWABLE RESOURCES INVESTMENT FUND

Involvement with Structured Entities

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

The Fund holds interests in structured entities, both directly and indirectly (i.e. through intermediary holding corporations or limited partnerships, or both). Structured entities are entities that have been designed so that voting or other similar rights are not the dominant factor in determining who controls the entity. Structured entities have been set up to manage legal, tax and other risks that may arise in the course of administering the underlying investments.

Structured entities are comprised of investee funds administered by BCI which are organized as unit trusts; and investee funds administered by third party managers which are organized as limited partnerships. All of these investee funds have been constituted to manage assets on behalf of third party investors and are financed through the issuance of units to investors or capital contributions made by the investors. Accordingly, the Fund's interest in these entities is reflected through the holding of trust units, partnership units or a partnership interest. The tables below set out the direct and indirect interests held by the Fund in structured entities:

Entity	2021			2020		
	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position	Number of Investee Funds	Total Net Assets of Investee Funds	Carrying amount included in Investments in the Statement of Financial Position
Investee money market funds administered by BCI	2	\$ 7,900,133	\$ 314	2	\$ 4,797,769	\$ 363
Unlisted private equity investee funds administered by third party managers	1	16,807	499	1	\$ 34,238	\$ 5,170

The carrying amount of the investments held in these underlying funds represents the Fund's maximum exposure to loss. During 2021 and 2020, the Fund did not provide financial support to these structured entities and has no intention of providing financial or other support.

1. THE PORTFOLIOS

British Columbia Investment Management Corporation ("BCI") was established under the *Public Sector Pension Plans Act* as a trust company authorized to carry on trust business and investment management services. The address of BCI's registered office is at 750 Pandora Avenue, Victoria, British Columbia, Canada. These financial statements have been prepared by BCI and are the responsibility of BCI management.

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

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

Pooled Investment Portfolios	Dates Established
Bolsena Fund (formerly Strategic Inv 100 Foreign PP Fund)	December 23, 2004
Bolsena (Australia) Fund	December 24, 2015
Bolsena (Public) Fund (formerly 2020 Infrastructure Offering Fund)	March 17, 2020
Renewable Resources Investment Fund	May 19, 2005

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"). These financial statements were authorized for issue by the Chief Executive Officer / Chief Investment Officer on July 12, 2022.

(a) Accounting for investments

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

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

(b) Basis of measurement

These financial statements have been prepared on a historical cost basis except for investments, derivative financial instruments, and payable to BCI pooled investment portfolio which are measured at fair value.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars which is the Funds' functional currency.

(d) Use of estimates and judgment

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. In determining the fair value of some of its investments, BCI reviews and assesses external managers' and/or external appraisers' estimates and assumptions regarding investment industry performance and prospects, as well as general business and economic conditions that prevail or are expected to prevail. By nature, these asset valuations are subjective and do not necessarily result in precise determinations. Financial results as determined by actual events could differ from those estimates and assumptions, and the difference could be material.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future period affected. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next fiscal year is included in note 8. This information relates to the determination of fair value of investments with significant unobservable inputs.

3. MATERIAL ACCOUNTING POLICIES

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

(a) Financial instruments

(i) Recognition and measurement

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

Financial assets and financial liabilities are recognized initially on the trade date, which is the date on which the Funds become a party to the contractual provisions of the instrument. The Funds derecognize a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position only when the Funds have a legal right to offset the amounts and intend either to settle on a net basis or to realize the asset and settle the liability simultaneously.

A financial asset is measured at amortized cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows and sell financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition the Funds may irrevocably elect to measure financial assets that otherwise meet the requirements to be measured at amortized cost or at FVOCI as at FVTPL when doing so results in more relevant information.

Financial assets are not reclassified subsequent to their initial recognition, unless the Funds change their business models for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Funds have not classified any of its financial assets as FVOCI.

A financial liability is generally measured at amortized cost, with exceptions that may allow for classification as FVTPL. These exceptions include financial liabilities that are mandatorily measured at fair value through profit or loss, such as derivative financial liabilities. On initial recognition the Funds irrevocably designate a financial liability as measured at FVTPL when doing so results in more relevant information.

(ii) Fair value through profit or loss

Financial instruments classified as FVTPL are subsequently measured at fair value at each reporting period with changes in fair value recognized in the Statement of Comprehensive Income in the period in which they occur. The Funds' investments, derivative financial instruments, payable to BCI pooled investment portfolio and redeemable units are classified as FVTPL.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Funds' policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

The fair value of financial assets and liabilities that are not traded in an active market, including non-publicly traded derivative financial instruments, is determined using valuation techniques. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and others commonly used by market participants and which make the maximum use of observable inputs. Should the value of the financial asset or liability, in the opinion of BCI, be inaccurate, unreliable or not readily available, the fair value is estimated on the basis of the most recently reported information of a similar financial asset or liability.

(iii) Amortized cost

Financial assets and liabilities classified as amortized cost are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement is at amortized cost using the effective interest method, less any impairment losses. The Funds classify cash, interest payable, payable for purchase of investments, other accounts payable, and BCI cost recoveries payable, as amortized cost.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(b) Redeemable Units

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

(c) Issues and redemption of units

Participation in each Fund is expressed in units. The initial value of a unit on inception is \$1 million. For each subsequent unit issuance and redemption, the unit value is determined by dividing the fair value of the net assets of the portfolio by the total number of units outstanding. Where one Fund invests in another Fund, the unit issuances and redemptions are transacted on the same basis as client transactions. All unit transactions are recorded on a trade date basis. All of the Funds were fixed participation throughout the year where proportionate interest is determined when a Fund is first established, and, as a general rule, there is no ability for participating unitholders to increase or reduce their share of ownership.

(d) Foreign exchange

These financial statements are denominated in Canadian dollars. Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign currency gains and losses are recognized in the Statement of Comprehensive Income.

(e) Revenue recognition

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

(f) Fees and commission expense

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

(g) Securities lending

Securities lending contracts are entered into for the temporary delivery of securities to a borrower in exchange for different securities having a higher market value (collateral), with an obligation for the borrower to redeliver the same quantity of the original securities lent at a future date. The lender receives a fee from the borrower, and retains the rights to receive equivalent interest payments or dividends from the loaned securities. The Funds continue to recognize the securities in their entirety in the statement of financial position as the Funds retain all of the risks and rewards of ownership. Securities lending income is recognized over the term of the arrangement. The credit risk related to securities lending transactions is limited by the fact that the value of securities held as collateral by the Funds is at least 105% of the market value of the securities loaned.

(h) Income taxes

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

(i) Changes in material accounting policies

Effective January 1, 2021, BCI adopted *Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16)* (the "Phase 2 amendments"). The Phase 2 amendments were issued in response to the market transition away from interbank offered rates ("IBORs") to alternative benchmark rates ("ABRs") as part of the IBOR reform ("the Reform").

The transition from IBORs to ABRs impacted financial instruments referencing London Interbank Offered Rates ("LIBOR"). The Reform presents a number of risks, including updating systems and processes, amending contracts or existing fallback clauses, and communicating with counterparties on the Reform. Note 7 provides information on BCI's risk management framework adopted to address the risks that arise from the transition. There is no significant impact of this new standard on the financial statements of the Funds.

Effective January 1, 2021, BCI early adopted *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)*. There is no significant impact of the new standards on the financial statements of the Funds.

(j) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations as listed below are not yet effective for the year ended December 31, 2021, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Funds.

Effective on January 1, 2022:

- Annual improvements to IFRS standards 2018–2020
- Property, plant and equipment — proceeds before intended use (amendments to IAS 16)
- Reference to the Conceptual Framework (amendments to IFRS 3)

Effective on January 1, 2023:

- IFRS 17 - Insurance contracts
- Classification of liabilities as current or non-current (amendments to IAS 1)
- Definition of accounting estimates (amendments to IAS 8)

4. RELATED PARTY TRANSACTIONS

The Funds' related parties include BCI; QuadReal Property Group Limited Partnership, BCI's wholly-owned real estate and real estate debt asset management platform company ("QuadReal"), or its affiliates; the Province of British Columbia and related entities; investments where the Fund has a controlling interest or significant influence; entities with common ownership; and other related entities for which the Fund provides investment management services. The Funds had the following transactions with related parties during the year.

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

BCI cost recoveries

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

Program restructure

On January 4, 2021, the Infrastructure & Renewable Resources Program (the "Program") through a series of transactions was restructured from a fixed participation program to an 'evergreen' open participation program for most existing and all future investments to provide a more diversified Program investment mix for unitholders. As part of this restructuring, the following related party transactions occurred.

a. Bolsena (Australia) Fund

On December 28, 2020, Bolsena (Australia) Fund transferred an investment with a carrying value of \$2.4 billion, which approximated fair value, to Bolsena (Australia B) Fund. No consideration was provided by Bolsena (Australia B) Fund to Bolsena (Australia) Fund for the asset transfer. In substance,

the unitholders of Bolsena (Australia) Fund redeemed units for payment in-kind, and then contributed the same assets to Bolsena (Australia B) Fund for units issued.

On January 1, 2021, Bolsena (Australia) Fund purchased interests in trusts holding direct private debt, direct private equity, and unlisted private equity investee funds from entities managed by BCI for aggregate consideration of \$542 million. A trust holding investments with a carrying value of \$42 million, which approximated fair value, was transferred from client segregated accounts managed by BCI to Bolsena (Australia) Fund in exchange for consideration of units issued in the trust.

Bolsena (Australia) Fund entered into an interest assignment agreement and option grant for the period from January 1, 2021 to June 30, 2026, related to private debt investments held in client segregated accounts, whereby Bolsena (Australia) Fund is assigned interest income received into the client segregated accounts in respect of the debt interests as well as an option agreement to acquire the private debt investments in exchange for \$337 million, which approximated fair value. The fair value of the investment of \$307 million has been recorded on the Statement of Financial Position within investments and interest income of \$16 million was assigned in relation to the private debt investments.

On January 5, 2021, as part of the initial rebalancing of participation in the program, a private corporation transferred a portion of its legal and beneficial interest in a trust to Bolsena (Australia) Fund for proceeds of \$2 million.

b. Bolsena Fund

On January 1, 2021, the following Funds (the “closed Funds”) and entities managed by BCI, were combined into Strategic Inv 100 Foreign PP Fund (the “surviving Fund”), which was subsequently renamed Bolsena Fund:

- Bolsena (Australia B) Fund
- Strategic Infrastructure Investment Fund 3
- 2016 Renewable Resources Fund
- Renewable Resource Investment 2 Fund
- Hydro Pool 2
- Hydro Pension RRIF2 Investment Trust
- Renewable Resources Agricultural Fund

The units held by each of the closed Funds were declared units of Bolsena Fund on a fair value basis, with the initial unit value being \$1 million per unit as per paragraph 5(2)(a) of the Regulation resulting in units issued for payments-in-kind of \$5,232 million.

On January 4, 2021, Bolsena Fund transferred its interests in a limited partnership holding direct private equity investments formerly held in the 2016 Renewable Resources Fund for consideration of units of a limited partnership for \$437 million, which approximated fair value, to a limited partnership held directly by client-segregated accounts and managed by BCI.

On January 4, 2021, Bolsena Fund transferred its interest in a private corporation holding private equity fund investments including interests in Corix Infrastructure Inc., a subsidiary of the Fund, for consideration of units of a limited partnership for \$120 million, which approximated fair value, to a limited partnership held by a trust managed by BCI, Bolsena Investment Trust.

Payable to BCI pooled investment portfolio

During the year ended December 31, 2021, Bolsena (Public) Fund received fixed term financing of up to \$500 million from CDOR 2 Floating Rate Fund. As both entities are managed by BCI, this has been classified as a related party transaction. As at December 31, 2021, the amount outstanding was \$200 million. The Facility earns a floating rate return that is linked to the Canadian Dollar Offered Rate plus 0.2%. On January 4, 2022, the amount outstanding was repaid in full.

5. REDEEMABLE UNITS

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

	BOLSENA FUND		BOLSENA (AUSTRALIA) FUND	
	2021	2020	2021	2020
Outstanding, beginning of period	3,109.311	3,097.707	412.582	2,521.487
Issued for cash	11,835.944	11.607	1,136.790	40.974
Issued on reinvestment of distributions	407.552	—	—	—
Consolidation of units	(407.552)	—	—	—
Redeemed	(3,990.245)	(0.003)	(79.552)	(2,149.879)
Outstanding, end of period	10,955.010	3,109.311	1,469.820	412.582

	BOLSENA (PUBLIC) FUND		RENEWABLE RESOURCES INVESTMENT FUND	
	2021	2020	2021	2020
Outstanding, beginning of period	228.918	—	15.982	15.982
Issued for cash	43.426	281.918	4.644	—
Issued on reinvestment of distributions	—	0.689	—	—
Consolidation of units	—	(0.689)	—	—
Redeemed	(17.188)	(53.000)	(0.001)	—
Outstanding, end of period	255.156	228.918	20.625	15.982

6. UNFUNDED COMMITTED CAPITAL

Unfunded capital commitments represent total commitments minus net contributions outstanding as of the reporting date. Net contributions equals contributions less any recallable capital distributions. Recallable capital are distributions or previously contributed capital that has been returned, that may be recalled at some future date. Thus, due to changes in recallable capital, unfunded commitments may change at different reporting dates.

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

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

Pooled Investment Portfolios	December 31, 2021	December 31, 2020
Bolsena Fund (formerly Strategic Inv 100 Foreign PP Fund)	\$ 1,200,001	\$ 141,553
Bolsena (Public) Fund (formerly 2020 Infrastructure Offering Fund)	437,820	401,172
Renewable Resources Investment Fund	8	8

7. FINANCIAL RISK MANAGEMENT

(a) Risk management framework

The Infrastructure & Renewable Resources Program seeks to invest in tangible long-life assets with potential for strong cash flows and favourable risk-return characteristics. Investments in the Funds are global in scope. Each Fund has its own investment objectives. The Funds' overall risk management program seeks to minimize the potentially adverse effect of risk on the Funds' financial performance in a manner consistent with the Funds' investment objectives. The mandates and investment policies are described below. The performance objective of each Fund is to exceed the benchmark, the nominal cost of capital of 6.3%, by 61 basis points ("bps") per annum, net of all investment expenses incurred.

Infrastructure and Renewable Resources Program

The Infrastructure Program was established in 2005 to offer clients the ability to gain long-term exposure to global infrastructure assets. In 2013, BCI created the Renewable Resource Investment Fund to focus on investing in forestry, agriculture, and other renewable assets. In 2020, the two investment portfolios were consolidated under one Program to achieve the benefits of efficiency and streamlined reporting as they share similar attributes as noted above. In 2021, the Program was restructured to provide an Open Participation rather than Fixed Participation Pool structure for most existing and all future investments ensuring a more diversified Program investment mix is available for unitholders.

The Program primarily invests directly in privately held companies, but also invests selectively through private limited partnerships managed by external fund managers.

Infrastructure and related investments typically include large-scale physical assets that provide essential services to societies. These services are key in allowing for operational efficiencies and achieving economic growth and development. Typical investment areas include:

- Utilities providing water, electricity, gas, and wastewater treatment services;
- Energy, including pipeline transmission and storage;
- Transportation, including roads, railways, bridges, airports, and port terminals; and
- Communications, including telecom towers, data centres, and fibre optic cables.

Renewable resources and related investments typically include physical assets that are used in the production, storage, and distribution of food, wood-based, and other agricultural products. These are critical assets that support global demand driven by population growth and increased economic mobility.

Renewable resources assets targeted by the Program are primarily focused on timberlands and farmlands. The Program may also target other renewable resources assets, such as those used in the generation of hydroelectric, wind, biomass, and solar energies and related investments.

The Funds may hold the following securities:

- privately negotiated investment securities, including, but not limited to trust units, partnership interests, debt instruments, convertible securities, rights, warrants, and units in externally managed pooled investment portfolios;
- publicly traded fixed income securities, common stock or common stock equivalents including preferred shares, instalment receipts, convertible securities, as well as rights and warrants received via corporate actions;
- derivative instruments, for the purposes of synthetic indexing, risk control, lowering transaction costs, and/or liquidity management, with CIO approval;
- money market securities rated "A-1 (Low)" or better; and
- units of BCI's short term money market funds and/or the Floating Rate Funds;

The following restriction applies to the Funds' investing activities:

- the Funds may not sell short, borrow securities, or purchase securities using a margin account;
- no investment in an externally managed fund or direct investment will be made without extensive due diligence being completed by the Fund;
- in meeting its fiduciary duty to all Participating Unitholders, no private equity investments will be sold solely to meet a cash withdrawal request; and
- at inception, counterparties to all derivative contracts are restricted to financial institutions that are rated A- or higher by Standard & Poor's or have an equivalent credit rating from another credit rating agency.

Financial Risks

In the normal course of business, each Fund is exposed to financial risks including credit risk, liquidity risk, and market risk (including interest rate, currency and other price risks). The level of risk varies depending on the investment objective of the Fund and type of investments it holds.

(b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds, resulting in a financial loss to the Funds. It arises principally from debt securities held and cash due to the Funds. The carrying value of these financial instruments as recorded in the Statements of Financial Position reflects the Funds' maximum exposure to credit risk.

To avoid undue credit risk, the Funds have established specific investment criteria, such as minimum credit ratings for investees and counterparties. Counterparty risk represents the credit risk from current and potential future exposure related to transactions involving derivative contracts and securities lending. In order to minimize counterparty risk, counterparties are required to provide adequate collateral and meet minimum credit rating requirements. BCI management frequently monitors the credit rating of its counterparties as determined by recognized credit rating agencies.

The Funds' activities may also give rise to settlement risk. Settlement risk is the risk of loss due to failure of an entity to honour its obligations to deliver cash, securities, or other assets prior to the settlement of the transaction as contractually agreed. All investment transactions are settled or paid upon delivery with approved brokers. The risk of default is mitigated since the delivery of securities sold is made simultaneously with the broker receiving payment. Payment is made on a purchase once the securities have been received by the broker. The trade fails if either party fails to meet its obligations.

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

(c) Liquidity risk

Liquidity risk is the risk that the Funds will encounter difficulty in meeting the obligations associated with their financial liabilities that are settled by delivering cash or another financial asset. BCI's approach to managing liquidity risk is to ensure, as far as possible, that each Fund has sufficient liquidity to meet its liabilities when due. Each Fund is exposed to the liquidity risk associated with the requirement to redeem units. Units of a Fund may only be acquired by eligible clients or client groups in accordance with the respective Fund's purchasing limits that may be established by the CIO. In order to protect the interest of all clients, the CIO may also establish redemption limits for each Fund. The purchase and redemption limits may vary depending on market circumstances, client demand, and the liquidity of the underlying investments.

The Funds' cash position is monitored on a daily basis. In general, investments in cash and BCI Money Market Funds are expected to be highly liquid. BCI management utilizes appropriate measures and controls to monitor liquidity risk in order to ensure that there is sufficient liquidity to meet financial obligations as they come due. The Funds' liquidity position is monitored daily by taking into consideration future forecasted cash flows. This helps to ensure that sufficient cash reserves are available to meet forecasted cash outflows.

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

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Funds' income or the fair value of its holdings of financial instruments. Each Fund's strategy for the management of market risk is driven by the Fund's investment objective. Investment objectives for the Funds are outlined in the notes specific to each Fund.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market interest rates.

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

Interest rate benchmark reform

A fundamental reform of major interest rate benchmarks has been taking place globally. The reform aimed to replace some interbank offered rates ("IBORs") with Risk-Free Rates ("RFRs") for certain products (referred to as "IBOR reform"). The Funds' exposure to IBOR reform is through its investments in funds that are being replaced or reformed as part of this market-wide initiative.

The main risks to which the Fund has been exposed as a result of IBOR reform are operational resulting from, for example, communicating with counterparties, amending contracts or existing fallback clauses, updating systems and processes that use IBOR curves and the revision of operational controls related to the reform. Financial risk is predominantly limited to interest rate risk.

BCI established a working group which includes stakeholders from key impacted departments to monitor and manage the Funds' transition to RFRs. The working group evaluates the extent to which operational systems are impacted by the IBOR reform, updates and guidance on the transition to relevant stakeholders, and promoting awareness of changes to relevant stakeholders.

As at December 31, 2021, the IBOR reform in respect of interest rates to which the Funds have exposure to has been completed. The Funds were not significantly impacted by the IBOR reform.

In May 2022, the benchmark administrator of CDOR, Refinitiv Benchmark Services (UK) Limited ("RBSL"), published a CDOR cessation notice stating that the calculation and publication of all tenors of CDOR will permanently cease in 2024. In anticipation of the CDOR cessation notice, BCI began impact and

transition planning and BCI will continue to adhere to guidance from the administrator, the Canadian Alternative Reference Rate Working Group, and market developments throughout the transition.

(ii) Currency risk

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

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

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

(iii) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market.

All financial instruments are subject to other price risk and a potential loss of capital. The maximum risk is determined by the market value of the financial instruments. The Funds may not sell short, borrow securities, or purchase securities on margin, which limits the potential loss of capital. There are established investment criteria for each Fund related to diversification of investments and investment mandates for external managers to avoid undue market risk.

Other market price risk arises from the Funds' investments in public equity investments, direct private equity, direct private debt, and unlisted private equity investee funds, whose valuation is based on the valuation of the underlying companies of those investee funds. The Funds invests in such financial assets in order to take advantage of their long-term growth opportunity. All investments present a risk of loss of capital. BCI management moderates this risk through careful selection of the investee funds within specified limits. All of the investee funds and their underlying investments are subject to the risks inherent in their industries. Moreover, established markets do not exist for these holdings, and they are therefore considered illiquid.

The Funds makes commitments to a diversified portfolio of private equity funds managed by managers with a strong track record. The Funds diversify their portfolio of investee funds across managers, underlying industries, countries and investment stages.

BCI management follows a rigorous investment due diligence process prior to making an investment decision. BCI management considers both qualitative and quantitative criteria in the areas of financial performance, business strategy, tax and legal compliance, such as financial information obtained through the underlying manager of the investee funds through on-site visits, interviews and questionnaires together with information gathered from external sources. Prior to entering into an investment agreement, gathered information is confirmed through reference checks or through BCI's standing data and experience.

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

As a result of the COVID-19 pandemic, there continues to be significant volatility and uncertainty in securities markets. The duration and impact of the COVID-19 pandemic remains uncertain at this time, and accordingly the pandemic may continue to affect the Funds' investment portfolio.

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Fair value hierarchy

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Funds determine fair values using other valuation techniques.

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

The Funds measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1 inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2 inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 inputs that are unobservable.

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

(b) Valuation models

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

The Funds use widely recognized valuation methods for determining the fair value of common and more simple financial instruments such as foreign currency contracts and money market instruments that use only observable market data which requires little management judgment and estimation. Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exists and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other factors used in estimating discount rates, money market prices, and foreign currency exchange rates in estimating valuations of foreign currency contracts.

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

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

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

(c) Valuation framework

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

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

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

(d) Financial instruments not measured at fair value

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

9. TAXES

Net capital losses are available to be carried forward indefinitely and applied against future net realized capital gains. Non-capital losses may be carried forward up to 20 years to reduce future taxable income. As at December 31, 2021 and 2020, there are no Funds that have any net capital losses available to be carried forward, nor any non-capital losses.

10. RECIPROCAL TAX AGREEMENT ("RTA") RECOVERY

On March 10, 2021, the BC Ministry of Finance and the Department of Finance Canada agreed to amend Schedule A of the RTA to more explicitly acknowledge the Funds' entitlement to a rebate of the amounts paid in lieu of the goods and services tax ("GST") under the RTA between the B.C. and federal governments. Furthermore, Finance Canada has confirmed that prior year GST assessments will be vacated by the Canada Revenue Agency and no further GST assessments will be issued against BCI for past filing periods in respect of costs recovered from the Funds.

Therefore, the RTA accrued liability, which represented a liability for the years ended December 31, 2017 to the date of decision, with no offsetting receivable in respect of a rebate, was reversed and the resulting recovery was recorded in Other income. This recovery represents non-recurring income for the year ended December 31, 2021.

The RTA recovery for each Fund is as follows:

Pooled Investment Portfolios	RTA recovery
Bolsena Fund	\$ 9,753
Bolsena (Australia) Fund	3,375
Bolsena (Public) Fund	59
Renewable Resources Investment Fund	408

11. UNCERTAINTIES RELATED TO COVID-19

On March 11, 2020, the outbreak of the novel strain of the coronavirus ("COVID-19") outbreak was declared a pandemic by the World Health Organization ("WHO") prompting many national, regional, and local governments to implement preventative or protective measures. As a result, COVID-19 and the related restrictive measures have had a significant financial and market impact including significant volatility in equity prices, interest rates, bond yields, and foreign exchange rates. BCI continues to monitor its operations, liquidity and capital resources and is actively working to minimize the current and future impact of COVID-19. The valuation of private equity and private debt investments incorporates significant estimates and assumptions that have been impacted by COVID-19.

12. SUBSEQUENT EVENTS

In February 2022, events concerning Russia and Ukraine have resulted in sanctions being levied against Russian interests by numerous countries. As a result of this ongoing situation, BCI has identified three investments held within Bolsena Fund with direct or indirect exposure to Russia and/or Ukraine. Subsequent to December 31, the fair values of these investments have been updated to reflect the changes in unobservable inputs as a result of this event, resulting in a decrease in fair value of \$94,456.



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