La Caisse

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## JUNE 30, 2026 and 2025

**CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC**

# INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

*(in millions of Canadian dollars) (unaudited)*

| | Note | **June 30, 2026** | December 31, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| Cash | | **818** | 988 |
| Amounts receivable from transactions being settled | | **3,373** | 2,445 |
| Advances to depositors | | **158** | 673 |
| Investment income, accrued and receivable | | **2,248** | 1,972 |
| Other assets | | **2,262** | 1,652 |
| Investments | 3 | **674,776** | 616,839 |
| **Total assets** | | **683,635** | 624,569 |
| **LIABILITIES** | | | |
| Amounts payable on transactions being settled | | **6,568** | 3,951 |
| Other liabilities | | **2,836** | 2,602 |
| Investment liabilities | 3 | **122,673** | 100,760 |
| **Total liabilities excluding net assets attributable to depositors** | | **132,077** | 107,313 |
| **NET ASSETS ATTRIBUTABLE TO DEPOSITORS** | | **551,558** | 517,256 |

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

CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC

# INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the six-month periods ended June 30

*(in millions of Canadian dollars) (unaudited)*

| | Note | **2026** | 2025 |
|---|---|---|---|
| Investment income | | **11,494** | 6,503 |
| Investment expense | | **(1,874)** | (1,958) |
| Net investment income | 6 | **9,620** | 4,545 |
| Operating expenses | | **(538)** | (566) |
| **Net income** | | **9,082** | 3,979 |
| **Net gains on financial instruments at fair value** | 6 | **16,982** | 17,155 |
| **Investment result before distributions to depositors** | 6 | **26,064** | 21,134 |
| Distributions to depositors | | **(15,470)** | (10,135) |
| **Net income and comprehensive income attributable to depositors** | | **10,594** | 10,999 |

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

# INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO DEPOSITORS

For the six-month periods ended June 30

*(in millions of Canadian dollars) (unaudited)*

| | **Demand deposits** | **Term deposits** | **Distributions payable to depositors** | **Participation deposits** | **Net assets attributable to depositors** |
|---|---|---|---|---|---|
| Balance as at December 31, 2025 | **434** | **6** | **898** | **515,918** | **517,256** |
| **Attributions and distributions** | | | | | |
| Net income and comprehensive income attributable to depositors | **-** | **-** | **-** | **10,594** | **10,594** |
| Distributions to depositors | **11,297** | **-** | **4,173** | **-** | **15,470** |
| **Participation deposits** | | | | | |
| Issuance of participation deposit units | **(17,613)** | **-** | **-** | **17,613** | **-** |
| Cancellation of participation deposit units | **4,936** | **-** | **-** | **(4,936)** | **-** |
| **Deposits** | | | | | |
| Net contributions | **8,238** | **-** | **-** | **-** | **8,238** |
| **BALANCE AS AT JUNE 30, 2026** | **7,292** | **6** | **5,071** | **539,189** | **551,558** |

| | Demand deposits | Term deposits | Distributions payable to depositors | Participation deposits | Net assets attributable to depositors |
|---|---|---|---|---|---|
| Balance as at December 31, 2024 | 2,247 | 6 | 391 | 470,643 | 473,287 |
| **Attributions and distributions** | | | | | |
| Net income and comprehensive income attributable to depositors | - | - | - | 10,999 | 10,999 |
| Distributions to depositors | 7,062 | - | 3,073 | - | 10,135 |
| **Participation deposits** | | | | | |
| Issuance of participation deposit units | (10,801) | - | - | 10,801 | - |
| Cancellation of participation deposit units | 1,818 | - | - | (1,818) | - |
| **Deposits** | | | | | |
| Net contributions | 1,612 | - | - | - | 1,612 |
| BALANCE AS AT JUNE 30, 2025 | 1,938 | 6 | 3,464 | 490,625 | 496,033 |

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

# INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six-month periods ended June 30

*(in millions of Canadian dollars) (unaudited)*

| | Note | **2026** | 2025 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net income and comprehensive income attributable to depositors | | **10,594** | 10,999 |
| **Adjustments for:** | | | |
| Unrealized net (gains) losses on liabilities related to financing activities | | **(112)** | 386 |
| Net foreign exchange (gains) losses on liabilities related to financing activities | | **1,116** | (985) |
| Distributions to depositors | | **15,470** | 10,135 |
| **Net changes in operating assets and liabilities** | | | |
| Amounts receivable from transactions being settled | | **(928)** | 2,664 |
| Advances to depositors | | **515** | 357 |
| Investment income, accrued and receivable | | **(276)** | (342) |
| Other assets | | **(610)** | (1,402) |
| Investments | | **(57,519)** | (27,396) |
| Amounts payable on transactions being settled | | **2,617** | 4,690 |
| Other liabilities | | **234** | 461 |
| Investment liabilities | | **17,073** | (6,057) |
| | | **(11,826)** | (6,490) |
| **Cash flows from financing activities** | | | |
| Net change in short-term promissory notes payable | | **1,788** | 1,528 |
| Issuance of short-term promissory notes payable | | **6,781** | 5,677 |
| Repayment of short-term promissory notes payable | | **(6,442)** | (4,772) |
| Net change in loans payable | | **(1,511)** | 1,986 |
| Net change in secured loans payable | | **490** | - |
| Issuance of secured loans payable | | **1,876** | - |
| Issuance of term notes payable | | **4,961** | 6,613 |
| Repayment of term notes payable | | **(4,107)** | (5,575) |
| Net contributions | | **8,238** | 1,612 |
| | | **12,074** | 7,069 |
| **Net increase in cash and cash equivalents** | | **248** | 579 |
| Cash and cash equivalents at the beginning of the period | | **1,988** | 1,155 |
| **Cash and cash equivalents at the end of the period** | | **2,236** | 1,734 |
| **Cash and cash equivalents comprise:** | | | |
| Cash | | **818** | 1,434 |
| Cash equivalents | 3 | **1,418** | 300 |
| | | **2,236** | 1,734 |
| **Supplemental information on cash flows from operating activities** | | | |
| Interest and dividends received | | **10,951** | 5,970 |
| Interest and dividends paid | | **(1,875)** | (1,896) |

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

# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

*(Tabular amounts are presented in millions of Canadian dollars, unless otherwise indicated) (unaudited)*

## 1. CONSTITUTION AND NATURE OF OPERATIONS

La Caisse de dépôt et placement du Québec (La Caisse), a legal person established in the public interest within the meaning of the *Civil Code of Québec*, is governed by the *Act respecting the Caisse de dépôt et placement du Québec* (CQLR, chapter C-2) (the Act).

La Caisse is domiciled in Québec, Canada. Its head office is located at 65 Sainte-Anne St., Québec City, Canada, and its main office is located at 1000 Place Jean-Paul-Riopelle, Montréal, Canada.

La Caisse's mission is to receive moneys on deposit as provided by the Act and to manage them with a view to achieving an optimal return on depositors' capital within the framework of the depositor investment policies while also contributing to Québec's economic development.

The Board of Directors approved La Caisse's interim consolidated financial statements and the publication thereof on August 6, 2026.

### Interim consolidated financial statements

These interim consolidated financial statements have been prepared for the purposes of presenting La Caisse's financial position, financial performance, and cash flows. La Caisse's interim consolidated financial statements include the accounts of the General Fund, the individual funds, and the specialized portfolios as well as the accounts of its subsidiaries that exclusively offer services related to financing, administrative, and management activities. In preparing the interim consolidated financial statements, all intercompany transactions and balances have been eliminated.

**General Fund**

The General Fund comprises cash and cash equivalent activities for La Caisse's operational purposes and management of demand deposits, term deposits, and financing activities.

**Specialized portfolios**

The specialized portfolios consist of common funds in which the individual funds may invest in the form of participation deposits. La Caisse's specialized portfolios are as follows:

- Short Term Investments (740);
- Rates (765);
- Credit (766);
- Infrastructure (782);
- Real Estate (710);
- Equity Markets (737);
- Private Equity (780);
- Asset Allocation (771).

## 2. MATERIAL ACCOUNTING POLICIES

### Statement of compliance

La Caisse's interim consolidated financial statements for the six-month periods ended June 30, 2026 and 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting,* as issued by the International Accounting Standards Board (IASB). The interim consolidated financial statements do not include all of the information and disclosures required in annual financial statements and should be read in conjunction with La Caisse's annual consolidated financial statements for the years ended December 31, 2025 and 2024.

### Presentation and measurement basis

La Caisse measures all of its financial instruments, including investments in unconsolidated subsidiaries, joint arrangements, associates, and structured entities, at fair value through profit or loss (FVTPL). Subsidiaries that solely provide services related to financing, administrative, and management activities are consolidated in accordance with the guidance set out in IFRS 10 *Consolidated Financial Statements.*

The interim consolidated statements of financial position are presented based on liquidity.

La Caisse's interim consolidated financial statements have been prepared using the same accounting policies as those used to prepare its annual consolidated financial statements for the years ended December 31, 2025 and 2024, with the exception of the changes described below.

### New IFRS accounting standard adopted during the period

In May 2024, the IASB issued amendments to the classification and measurement of financial instruments, which amend IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures.* These amendments aim, among other things, to clarify the derecognition requirements of financial liabilities and to introduce an accounting policy choice for liabilities settled through an electronic payment system. The amendments are effective for fiscal years beginning on or after January 1, 2026 and are to be applied retrospectively. The amendments did not have a material impact on La Caisse's consolidated financial statements.

# MATERIAL ACCOUNTING POLICIES (CONTINUED)

## New IFRS accounting standard not yet applied

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in the Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*. IFRS 18 establishes a defined structure for the consolidated statement of comprehensive income, including specific totals and subtotals. It also requires revenues and expenses to be presented in three separate categories – operating, investing and financing – while strengthening the requirements to disaggregate information in financial statements and accompanying notes. The standard also requires disclosure of specific information about management-defined performance measures. The new standard will take effect for fiscal years beginning on or after January 1, 2027 and is to be applied retrospectively. La Caisse is currently assessing the impact of this new standard and expects that presentation changes will be made to the information in the consolidated statement of comprehensive income and the consolidated statement of cash flows and that additional information will be required.

## Context of economic uncertainty

The financial markets are a source of uncertainty, notably due to geopolitical tensions, tariffs, stock market volatility, inflation, and interest rates that are continuing to disrupt global economic activity.

The key estimates and assumptions as well as the analysis and management of risks take into account the uncertainties and factors known to date. The key estimates and assumptions include those related to the unobservable inputs used to measure the fair value of financial instruments that are not traded in active markets. The reported results reflect La Caisse’s best estimates.

# 3. INVESTMENTS AND INVESTMENT LIABILITIES

## a) Investments

The following table shows the fair values of the investments:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| **Investments** | | |
| **Cash equivalents** | | |
| Short-term investments | **1,418** | 1,000 |
| **Total cash equivalents** | **1,418** | 1,000 |
| **Fixed-income securities** | | |
| Short-term investments | **683** | 1,194 |
| Securities purchased under reverse repurchase agreements | **469** | 1,097 |
| Corporate debt | **1,942** | 1,770 |
| Bonds | | |
| Governments | **139,400** | 117,727 |
| Government corporations and other public administrations | **5,612** | 5,503 |
| Corporate sector | **16,311** | 15,138 |
| Fixed-income securities funds | **2,635** | 2,700 |
| **Total fixed-income securities** | **167,052** | 145,129 |
| **Variable-income securities** | | |
| Equities | | |
| Listed | **182,342** | 159,595 |
| Unlisted | **13,177** | 14,933 |
| **Total variable-income securities** | **195,519** | 174,528 |
| **Interests in unconsolidated subsidiaries** | | |
| Investments in real estate | **58,623** | 55,931 |
| Private equity investments | **65,068** | 66,381 |
| Infrastructure investments | **77,516** | 73,442 |
| Investments in fixed-income securities[1] | **81,318** | 74,837 |
| Investments in hedge funds | **17,970** | 15,322 |
| Stock market investments | **6,978** | 6,637 |
| **Total interests in unconsolidated subsidiaries** | **307,473** | 292,550 |
| **Derivative financial instruments (Note 4)** | **3,314** | 3,632 |
| **Total investments** | **674,776** | 616,839 |

[1] Investments in real estate finance have been grouped with investments in fixed-income securities ($20,942 million and $53,895 million, respectively, as at December 31, 2025). The comparative figures have been adjusted to conform to the new presentation.

## b) Investment liabilities

The following table shows the fair values of investment liabilities:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| **Investment liabilities** | | |
| **Non-derivative financial liabilities** | | |
| Securities sold under repurchase agreements[1] | **47,408** | 40,621 |
| Secured loans payable | **2,433** | - |
| Securities sold short | | |
| Equities | **14,061** | 8,734 |
| Bonds | **284** | - |
| Short-term promissory notes payable | **13,718** | 11,201 |
| Loans payable | **1,147** | 2,652 |
| Term notes payable | **37,472** | 36,077 |
| **Total non-derivative financial liabilities** | **116,523** | 99,285 |
| **Derivative financial instruments (Note 4)** | **6,150** | 1,475 |
| **Total investment liabilities** | **122,673** | 100,760 |

[1] The underlying assets of securities sold under repurchase agreements consist mainly of bonds issued or guaranteed by the governments of the United States and Canada.

## 4. DERIVATIVE FINANCIAL INSTRUMENTS

The following table shows the fair values and the notional amounts of the derivative financial instruments held by La Caisse:

| | **June 30, 2026** | | | December 31, 2025 | | |
|---|---|---|---|---|---|---|
| | **Fair value** | | **Notional** | Fair value | | Notional |
| | **Assets** | **Liabilities** | **amount** | Assets | Liabilities | amount |
| **Exchange markets** | | | | | | |
| **Interest rate derivatives** | | | | | | |
| Futures contracts | **-** | **-** | **154,341** | - | - | 141,545 |
| Options | **21** | **10** | **9,801** | 3 | 3 | 21,385 |
| **Equity derivatives** | | | | | | |
| Futures contracts | **-** | **-** | **20,801** | - | - | 11,081 |
| Options | **-** | **53** | **2,610** | 7 | 7 | 441 |
| Warrants | **1** | **-** | **1** | - | - | - |
| **Commodity derivatives** | | | | | | |
| Futures contracts | **-** | **-** | **168** | - | - | - |
| Options | **7** | **10** | **520** | - | - | - |
| **Total exchange markets** | **29** | **73** | **188,242** | 10 | 10 | 174,452 |
| **Over-the-counter markets** | | | | | | |
| **Interest rate derivatives** | | | | | | |
| Swaps | **1** | **56** | **5,755** | 14 | 29 | 6,055 |
| Swaps settled through a clearing house | **-** | **-** | **171,160** | - | - | 161,188 |
| Forward contracts | **27** | **49** | **23,779** | 10 | 38 | 20,722 |
| Options | **121** | **84** | **23,360** | 100 | 41 | 39,757 |
| **Currency derivatives** | | | | | | |
| Swaps | **919** | **1,022** | **69,002** | 1,292 | 257 | 63,490 |
| Forward contracts | **1,272** | **3,736** | **231,314** | 1,814 | 832 | 211,979 |
| Options | **11** | **-** | **1,452** | 10 | - | 1,750 |
| **Credit default derivatives** | | | | | | |
| Swaps settled through a clearing house | **-** | **-** | **35,759** | - | - | 15,092 |
| Options | **8** | **4** | **1,587** | - | - | - |
| **Equity derivatives** | | | | | | |
| Swaps | **879** | **1,014** | **30,723** | 332 | 267 | 22,143 |
| Options | **18** | **75** | **667** | 17 | 1 | 1,780 |
| Warrants | **29** | **-** | **30** | 16 | - | 17 |
| **Commodity derivatives** | | | | | | |
| Forward contracts | **-** | **37** | **326** | 17 | - | 357 |
| **Total over-the-counter markets** | **3,285** | **6,077** | **594,914** | 3,622 | 1,465 | 544,330 |
| **Total derivative financial instruments** | **3,314** | **6,150** | **783,156** | 3,632 | 1,475 | 718,782 |

# 5. FAIR VALUE MEASUREMENT

## a) Policy, directive, protocols and procedures related to fair value measurement

Fair value is defined as the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is determined for each financial instrument, which could be a stand-alone asset or liability (e.g., a share or bond) or a group of assets and liabilities (e.g., an ownership interest in an unconsolidated subsidiary or associate). Upon initial recognition, the best evidence of the fair value of a financial instrument is the transaction price, which is the fair value of the consideration received or given. Subsequently, the fair value of a financial instrument is obtained using quoted prices in active markets. When there are no quoted prices, fair value is determined using valuation techniques based on observable and unobservable inputs. La Caisse applies appropriate valuation techniques based on a financial instrument's characteristics, the availability of inputs, and the assumptions that would be used by market participants, focusing on maximizing the use of relevant observable inputs while minimizing the use of unobservable inputs.

In accordance with La Caisse's valuation procedures, which are governed by the *La Caisse Investment Valuation Policy*, less liquid investments, notably including private investments in the Private Equity, Infrastructure, Real Estate, Fixed Income and Equity Markets portfolios, are subject to a semi-annual valuation. The policy, the directive and the protocols and procedures related to fair value measurement, as well as the fair value valuation techniques, are described in La Caisse's annual consolidated financial statements for the years ended December 31, 2025 and 2024. There have been no significant changes since. The fair value measurement policy, directive, protocols and procedures have been applied consistently to all periods.

## b) Fair value hierarchy

La Caisse's financial instruments at FVTPL are classified according to the below-described fair value hierarchy, based on the lowest level of significant input used in measuring fair value.

*Level 1:* The fair value calculation of the financial instrument is based on observable prices (unadjusted) in active markets that the entity can access at the measurement date for identical assets or liabilities.

*Level 2:* The fair value of the financial instrument is calculated using valuation techniques for which the significant inputs are observable, either directly or indirectly.

*Level 3:* The fair value of the financial instrument is calculated using valuation techniques for which the significant inputs are unobservable. This level includes financial instruments whose valuation is based on prices observed for similar financial instruments, substantially adjusted to reflect the characteristics specific to the financial instrument being measured, and available market data.

Classification into the fair value hierarchy levels is determined upon initial measurement of the financial instrument and is reviewed on each subsequent measurement date. Transfers between levels of the fair value hierarchy are measured at fair value at the beginning of each period.

The determination of the fair value hierarchy levels of financial instruments is influenced by prevailing market conditions on the valuation date as well as by the composition of the investments held by unconsolidated subsidiaries. For the latter, fair value is entirely classified in the same level of the fair value hierarchy as the most significant input. Consequently, the classifications by level can vary significantly from one period to the next.

## Fair value hierarchy (continued)

The following tables show an allocation of the fair value of financial instruments into the three levels of the fair value hierarchy:

| | | | | June 30, 2026 |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets** | | | | |
| Amounts receivable from transactions being settled | - | 3,373 | - | 3,373 |
| Advances to depositors | - | 158 | - | 158 |
| Investment income, accrued and receivable | - | 2,248 | - | 2,248 |
| Other assets | - | 2,262 | - | 2,262 |
| Investments | | | | |
| Cash equivalents | - | 1,418 | - | 1,418 |
| Short-term investments | - | 683 | - | 683 |
| Securities purchased under reverse repurchase agreements | - | 469 | - | 469 |
| Corporate debt | - | - | 1,942 | 1,942 |
| Bonds | 150,017 | 12,477 | 1,464 | 163,958 |
| Equities | | | | |
| Listed | 182,330 | 12 | - | 182,342 |
| Unlisted | - | 2,020 | 11,157 | 13,177 |
| Interests in unconsolidated subsidiaries | | | | |
| Investments in real estate | - | - | 58,623 | 58,623 |
| Private equity investments | - | 120 | 64,948 | 65,068 |
| Infrastructure investments | - | - | 77,516 | 77,516 |
| Investments in fixed-income securities | - | 107 | 81,211 | 81,318 |
| Investments in hedge funds | - | 17,970 | - | 17,970 |
| Stock market investments | - | 6,938 | 40 | 6,978 |
| Derivative financial instruments | - | 3,314 | - | 3,314 |
| | 332,347 | 53,569 | 296,901 | 682,817 |
| **Financial liabilities excluding net assets attributable to depositors** | | | | |
| Amounts payable on transactions being settled | - | 6,568 | - | 6,568 |
| Other liabilities | - | 2,836 | - | 2,836 |
| Investment liabilities | | | | |
| Securities sold under repurchase agreements | - | 47,408 | - | 47,408 |
| Secured loans payable | - | 2,433 | - | 2,433 |
| Securities sold short | 14,345 | - | - | 14,345 |
| Short-term promissory notes payable | - | 13,718 | - | 13,718 |
| Loans payable | - | 1,147 | - | 1,147 |
| Term notes payable | - | 37,472 | - | 37,472 |
| Derivative financial instruments | - | 6,150 | - | 6,150 |
| | 14,345 | 117,732 | - | 132,077 |
| **Net assets attributable to depositors** | | | | |
| Demand deposits | - | 7,292 | - | 7,292 |
| Term deposits | - | 6 | - | 6 |
| Distributions payable to depositors | - | 5,071 | - | 5,071 |
| Participation deposits | - | 539,189 | - | 539,189 |
| | - | 551,558 | - | 551,558 |

## Fair value hierarchy (continued)

| | | | | December 31, 2025 |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets** | | | | |
| Amounts receivable from transactions being settled | - | 2,445 | - | 2,445 |
| Advances to depositors | - | 673 | - | 673 |
| Investment income, accrued and receivable | - | 1,972 | - | 1,972 |
| Other assets | - | 1,652 | - | 1,652 |
| Investments | | | | |
| Cash equivalents | - | 1,000 | - | 1,000 |
| Short-term investments | - | 1,194 | - | 1,194 |
| Securities purchased under reverse repurchase agreements | - | 1,097 | - | 1,097 |
| Corporate debt | - | - | 1,770 | 1,770 |
| Bonds | 127,726 | 12,010 | 1,332 | 141,068 |
| Equities | | | | |
| Listed | 159,565 | 30 | - | 159,595 |
| Unlisted | - | 2,434 | 12,499 | 14,933 |
| Interests in unconsolidated subsidiaries | | | | |
| Investments in real estate | - | - | 55,931 | 55,931 |
| Private equity investments | - | 110 | 66,271 | 66,381 |
| Infrastructure investments | - | - | 73,442 | 73,442 |
| Investments in fixed-income securities | - | - | 74,837 | 74,837 |
| Investments in hedge funds | - | 15,322 | - | 15,322 |
| Stock market investments | - | 6,599 | 38 | 6,637 |
| Derivative financial instruments | - | 3,632 | - | 3,632 |
| | 287,291 | 50,170 | 286,120 | 623,581 |
| **Financial liabilities excluding net assets attributable to depositors** | | | | |
| Amounts payable on transactions being settled | - | 3,951 | - | 3,951 |
| Other liabilities | - | 2,602 | - | 2,602 |
| Investment liabilities | | | | |
| Securities sold under repurchase agreements | - | 40,621 | - | 40,621 |
| Securities sold short | 8,734 | - | - | 8,734 |
| Short-term promissory notes payable | - | 11,201 | - | 11,201 |
| Loans payable | - | 2,652 | - | 2,652 |
| Term notes payable | - | 36,077 | - | 36,077 |
| Derivative financial instruments | - | 1,475 | - | 1,475 |
| | 8,734 | 98,579 | - | 107,313 |
| **Net assets attributable to depositors** | | | | |
| Demand deposits | - | 434 | - | 434 |
| Term deposits | - | 6 | - | 6 |
| Distributions payable to depositors | - | 898 | - | 898 |
| Participation deposits | - | 515,918 | - | 515,918 |
| | - | 517,256 | - | 517,256 |

## Fair value hierarchy (continued)

**Transfers between levels of the fair value hierarchy**

As at June 30, 2026, due to the increase in underlying investments classified in Level 2 held by unconsolidated subsidiaries, financial instruments with a value of $104 million were transferred from Level 3 to Level 2. In addition, due to changes in the availability of observable inputs given changing market conditions, financial instruments with a value of $736 million were transferred from Level 1 to Level 2 and financial instruments with a value of $5,386 million were transferred from Level 2 to Level 1.

As at December 31, 2025, due to the increase in underlying investments classified in Level 2 held by unconsolidated subsidiaries, financial instruments with a value of $9,259 million were transferred from Level 3 to Level 2. In addition, due to changes in the availability of observable inputs given changing market conditions, financial instruments with a value of $593 million were transferred from Level 1 to Level 2 and financial instruments with a value of $1,120 million were transferred from Level 2 to Level 1.

## c) Level 3: Reconciliation between opening and closing balances

For financial instruments classified in Level 3 of the fair value hierarchy, reconciliations between the opening and closing balances as at June 30, 2026 and 2025 are as follows:

| | | | | | | | | **2026** |
|---|---|---|---|---|---|---|---|---|
| | **Opening balance** | **Gains recognized in comprehensive income[1]** | **Purchases** | **Sales** | **Settlements** | **Transfers** | **Closing balance** | **Unrealized gains (losses) on financial instruments held at period-end[1]** |
| Corporate debt | **1,770** | **97** | **166** | **(36)** | **(55)** | **-** | **1,942** | **(2)** |
| Bonds | **1,332** | **111** | **113** | **(90)** | **(2)** | **-** | **1,464** | **14** |
| Equities | **12,499** | **311** | **1,111** | **(2,764)** | **-** | **-** | **11,157** | **90** |
| Interests in unconsolidated subsidiaries[2] | **270,519** | **4,934** | **24,026** | **(16,287)** | **(750)** | **(104)** | **282,338** | **3,270** |

| | | | | | | | | 2025 |
|---|---|---|---|---|---|---|---|---|
| | Opening balance | Gains (losses) recognized in comprehensive income[1] | Purchases | Sales | Settlements | Transfers | Closing balance | Unrealized gains (losses) on financial instruments held at period-end[1] |
| Corporate debt | 1,950 | (63) | 65 | (19) | (157) | - | 1,776 | (62) |
| Bonds | 1,093 | (7) | 48 | (32) | (1) | - | 1,101 | 41 |
| Equities | 16,342 | 679 | 13 | (2,606) | - | - | 14,428 | 523 |
| Interests in unconsolidated subsidiaries | 268,081 | 3,675 | 7,283 | (5,547) | (1,522) | - | 271,970 | 3,934 |

[1] Presented under “Net gains on financial instruments at fair value” in the interim consolidated statements of comprehensive income.

[2] As at June 30, 2026, purchases and sales included amounts of $14,379 million and $11,079 million related to transactions involving capital and reorganizations of intermediate subsidiaries.

## d) Level 3: Fair value measurement based on reasonably possible assumptions

The following tables show quantitative information on the primary valuation techniques and unobservable inputs for the main financial instruments classified in Level 3 of the fair value hierarchy that are subject to the sensitivity analysis in Note 5 e) as well as those that are excluded from that analysis:

| | | | | | June 30, 2026 |
|---|---|---|---|---|---|
| | **Fair value** | **Valuation techniques** | **Unobservable inputs** | **Range** | **Weighted average** |
| **Included in the sensitivity analysis** | | | | | |
| Fixed-income securities | **2,034** | **Discounted cash flows** | **Credit spreads** | **0.3% to 6.3%** | **4.5%** |
| | | | **Discount rates** | **8.5% to 11.1%** | **10.2%** |
| **Equities** | | | | | |
| Private equity investments | **1,223** | **Comparable company multiples** | **EBITDA multiples** | **5.8 to 9.5** | **8.0** |
| Infrastructure investments | **4,941** | **Discounted cash flows** | **Discount rates** | **7.9% to 13.3%** | **11.0%** |
| **Interests in unconsolidated subsidiaries** | | | | | |
| Investments in real estate | **49,564** | ***Investment property*** | | | |
| | | **Discounted cash flows** | **Discount rates** | **2.9% to 14.3%** | **7.7%** |
| | | **Capitalization of stabilized net earnings** | **Capitalization rate** | **3.2% to 11.0%** | **6.0%** |
| | | ***Mortgage debt*** | | | |
| | | **Discounted cash flows** | **Credit spreads** | **0.5% to 2.9%** | **1.0%** |
| | | ***Mortgage loans*** | | | |
| | | **Discounted cash flows** | **Credit spreads** | **0.0% to 16.1%** | **6.4%** |
| | | ***Companies*** | | | |
| | | **Discounted cash flows** | **Discount rates** | **5.3%** | **n.a.** |
| Private equity investments | **34,230** | **Comparable company multiples** | **EBITDA multiples and other multiples** | **6.5 to 24.0** | **12.2** |
| Infrastructure investments | **74,843** | **Discounted cash flows** | **Discount rates** | **7.2% to 22.5%** | **10.2%** |
| Investments in fixed-income securities | **58,707** | **Discounted cash flows** | **Discount rates** | **7.8% to 12.3%** | **9.5%** |
| | | | **Credit spreads** | **0.4% to 16.1%** | **3.7%** |
| | **225,542** | | | | |
| **Excluded from the sensitivity analysis** | | | | | |
| Financial instruments[1] | **71,359** | **Recent transactions[2]** | **n.a.** | **n.a.** | **n.a.** |
| | | **Broker quotes[3]** | **n.a.** | **n.a.** | **n.a.** |
| | | **Net assets[3]** | **n.a.** | **n.a.** | **n.a.** |
| **Financial instruments classified in Level 3** | **296,901** | | | | |

n.a.: not applicable

[1] The fair value of financial instruments presented in this item includes corporate debt, bonds, equities, and interests in unconsolidated subsidiaries.

[2] When fair value is determined based on recent transaction information, this value is the most representative indication of fair value. Consequently, La Caisse did not conduct a sensitivity analysis.

[3] When fair value is determined using broker quotes or net asset value, this value is the only reasonable indication of fair value. Consequently, La Caisse is unable to conduct a sensitivity analysis.

## Level 3: Fair value measurement based on reasonably possible assumptions (continued)

| | | | | December 31, 2025 | |
|---|---|---|---|---|---|
| | Fair value | Valuation techniques | Unobservable inputs | Range | Weighted average |
| **Included in the sensitivity analysis** | | | | | |
| Fixed-income securities | 1,903 | Discounted cash flows | Credit spreads | 0.5% to 6.9% | 4.7% |
| | | | Discount rates | 8.5% to 10.8% | 10.0% |
| **Equities** | | | | | |
| Private equity investments | 3,486 | Comparable company multiples | EBITDA multiples | 7.0 to 11.5 | 9.7 |
| Infrastructure investments | 4,579 | Discounted cash flows | Discount rates | 7.9% to 13.3% | 10.9% |
| **Interests in unconsolidated subsidiaries** | | | | | |
| Investments in real estate | 50,036 | ***Investment property*** | | | |
| | | Discounted cash flows | Discount rates | 2.9% to 14.3% | 7.7% |
| | | Capitalization of stabilized net earnings | Capitalization rate | 3.2% to 9.8% | 6.0% |
| | | ***Mortgage debt*** | | | |
| | | Discounted cash flows | Credit spreads | 0.4% to 2.9% | 1.0% |
| | | ***Mortgage loans*** | | | |
| | | Discounted cash flows | Credit spreads | 0.0% to 17.0% | 6.0% |
| | | ***Companies*** | | | |
| | | Discounted cash flows | Discount rates | 5.3% | n.a. |
| Private equity investments | 36,838 | Comparable company multiples | EBITDA multiples and other multiples | 6.5 to 26.8 | 13.0 |
| Infrastructure investments | 65,606 | Discounted cash flows | Discount rates | 7.0% to 22.5% | 10.1% |
| Investments in fixed-income securities[4] | 54,086 | Discounted cash flows | Discount rates | 8.0% to 12.3% | 9.9% |
| | | | Credit spreads | 0.4% to 19.8% | 3.8% |
| | 216,534 | | | | |
| **Excluded from the sensitivity analysis** | | | | | |
| Financial instruments[1] | 69,586 | Recent transactions[2] | n.a. | n.a. | n.a. |
| | | Broker quotes[3] | n.a. | n.a. | n.a. |
| | | Net assets[3] | n.a. | n.a. | n.a. |
| **Financial instruments classified in Level 3** | 286,120 | | | | |

n.a.: not applicable

[1] The fair value of financial instruments presented in this item includes corporate debt, bonds, equities, and interests in unconsolidated subsidiaries.

[2] When fair value is determined based on recent transaction information, this value is the most representative indication of fair value. Consequently, La Caisse did not conduct a sensitivity analysis.

[3] When fair value is determined using broker quotes or net asset value, this value is the only reasonable indication of fair value. Consequently, La Caisse is unable to conduct a sensitivity analysis.

[4] Comparative data on fixed income investments have been restated to include investments in real estate finance and to harmonize their presentation with that of the current period.

## e) Sensitivity analysis of fair value

The following analysis shows the sensitivity of fair value measurements to reasonably possible assumptions for the significant unobservable inputs shown in the tables preceding Note 5 d). La Caisse identified reasonably possible assumptions using its judgment and knowledge of the markets. The following table shows the increases and decreases in fair value that would result from applying reasonably possible alternative assumptions for the main financial instruments classified in Level 3 of the fair value hierarchy that are subject to a sensitivity analysis:

| | **June 30, 2026** | | December 31, 2025 | |
|---|---|---|---|---|
| | **Increase** | **Decrease** | Increase | Decrease |
| Sensitivity of fair value | **11,391** | **(11,035)** | 10,862 | (10,408) |

There is a correlation between unobservable inputs and the determination of fair value. Therefore, an increase (decrease) in discount rates, credit spreads, and capitalization rates would result in a decrease (increase) in fair value. Furthermore, an increase (decrease) in EBITDA multiples and other multiples would result in an increase (decrease) in fair value. There is no predictable correlation between unobservable inputs.

# 6. INVESTMENT RESULT BEFORE DISTRIBUTIONS TO DEPOSITORS

The following table shows the net investment income, net gains (losses) on financial instruments at FVTPL as well as operating expenses:

| | **Six-month period ended June 30, 2026** | | | Six-month period ended June 30, 2025 | | |
|---|---|---|---|---|---|---|
| | **Net investment income** | **Net gains (losses)** | **Total** | Net investment income | Net gains (losses) | Total |
| **Cash management activities** | **3** | **5** | **8** | 6 | 5 | 11 |
| **Investing activities** | | | | | | |
| Short-term investments | **2** | **37** | **39** | 1 | (30) | (29) |
| Securities purchased under reverse repurchase agreements | **126** | **24** | **150** | 290 | (20) | 270 |
| Corporate debt | **99** | **97** | **196** | 93 | (62) | 31 |
| Bonds | **3,111** | **1,651** | **4,762** | 2,934 | (2,485) | 449 |
| Equities | **1,887** | **18,912** | **20,799** | 1,965 | 5,846 | 7,811 |
| Interests in unconsolidated subsidiaries | **6,188** | **8,017** | **14,205** | 1,100 | 4,346 | 5,446 |
| Net derivative financial instruments | **-** | **(8,389)** | **(8,389)** | - | 7,336 | 7,336 |
| Other | **78** | **(77)** | **1** | 114 | (6) | 108 |
| | **11,494** | **20,277** | **31,771** | 6,503 | 14,930 | 21,433 |
| **Investment liability activities** | | | | | | |
| Securities sold under repurchase agreements | **(841)** | **(905)** | **(1,746)** | (1,236) | 1,986 | 750 |
| Securities sold short | **(323)** | **(849)** | **(1,172)** | (98) | 59 | (39) |
| **Financing activities** | | | | | | |
| Short-term promissory notes payable | **(32)** | **(657)** | **(689)** | (10) | 207 | 197 |
| Loans payable | **(16)** | **(50)** | **(66)** | (13) | 116 | 103 |
| Secured loans payable | **(2)** | **(74)** | **(76)** | - | - | - |
| Term notes payable | **(631)** | **(541)** | **(1,172)** | (569) | 36 | (533) |
| **Other** | | | | | | |
| Management fees – stock markets | **(29)** | **(15)** | **(44)** | (32) | (14) | (46) |
| Transaction costs | **-** | **(204)** | **(204)** | - | (165) | (165) |
| | **(1,874)** | **(3,295)** | **(5,169)** | (1,958) | 2,225 | 267 |
| | **9,620** | **16,982** | **26,602** | 4,545 | 17,155 | 21,700 |
| Operating expenses | | | **(538)** | | | (566) |
| **Investment result before distributions to depositors** | | | **26,064** | | | 21,134 |

## 7. SEGMENT INFORMATION

La Caisse enables its depositors to allocate their funds to specialized portfolios that hold securities of the same type. These portfolios represent operating segments that have been grouped into three separate segments according to management approach, economic characteristics, and performance targets:

- Fixed Income: This segment's objective is to reduce the overall risk level of La Caisse's portfolio and match its depositors' assets and liabilities while providing a significant source of liquidity. This segment consists of the Rates, Credit, and Short Term Investments specialized portfolios.
- Real Assets: This segment's objective is to expose La Caisse to markets for which investment income is indexed to inflation and to partially hedge the inflation risk associated with the liabilities of several depositors. This segment consists of the Real Estate and Infrastructure specialized portfolios.
- Equities: This segment's objective is to increase the depositors' long-term target returns. This segment consists of the Equity Markets and Private Equity specialized portfolios.

In addition, customization activities allow each depositor to adjust their portfolio composition and strategic risk level according to their needs or to establish a personalized exposure to interest rates.

The following table shows the allocation of net assets attributable to depositors according to each of La Caisse's segments:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| Fixed Income | **186,114** | 176,349 |
| Real Assets | **125,316** | 117,445 |
| Equities | **246,687** | 235,993 |
| Other[1] | **(6,559)** | (12,531) |
| **Net assets attributable to depositors** | **551,558** | 517,256 |

The following table shows the allocation of the investment result before distributions to depositors for each of La Caisse's segments:

| | **Six-month period ended June 30, 2026** | Six-month period ended June 30, 2025 |
|---|---|---|
| Fixed Income | **2,878** | 6,115 |
| Real Assets | **6,360** | 2,850 |
| Equities | **18,158** | 10,545 |
| Other[1] | **(1,332)** | 1,624 |
| **Investment result before distributions to depositors** | **26,064** | 21,134 |

[1] "Other" includes the Asset Allocation specialized portfolio, cash activities, and customized overlay operations, notably proceeds from the customized rate exposure product and proceeds from the leverage product.

# 8. RISK IDENTIFICATION AND MANAGEMENT

## Risk management policies, directives and procedures related to investment activities

La Caisse is responsible for managing deposits in accordance with service agreements and depositor investment policies, the investment policies for specialized portfolios, and the integrated risk management policy. To do so, La Caisse has implemented various policies, directives, and procedures to oversee the management of the risks relating to its operations.

In addition to the risk management policies, directives and procedures related to the investment activities described in La Caisse's annual consolidated financial statements for the years ended December 31, 2025 and 2024, a description and quantification of the risks are presented in the following sections.

## Market risk

Market risk is the risk of financial loss arising from fluctuations in the fair value of financial instruments. Volatility in financial instrument prices stems from changes in market risk factors, in particular interest rates, credit spreads, exchange rates, share prices, and commodity prices.

La Caisse manages market risk according to an integrated approach for all specialized portfolios. The main factors contributing to risk, such as industry sector, geographic region, and issuer, are taken into account. La Caisse's market risk is managed and calculated according to factors that can influence the fair value of investments and investment liabilities.

La Caisse measures its market risk using Value-at-Risk (VaR), which is based on a statistical estimate of the volatility of the fair value of each position and of correlations between market risk factors. VaR is a statistical estimate of the potential financial loss that could be incurred by La Caisse's actual portfolio, based on a predetermined confidence level and a given exposure period. The market VaR is estimated with a 95% confidence level over an exposure period of one year. Moreover, due to the methodology, the effects on the portfolio of the unfavourable events seen over a one-month horizon are repeated several times during the year. To summarize, VaR indicates the level of loss that the actual portfolio of La Caisse could exceed in 5% of cases over the forthcoming year. La Caisse estimates VaR for each instrument held in its specialized portfolios and aggregates the information for La Caisse's actual portfolio.

The historical-simulation method is used to measure VaR. This method is described in La Caisse's annual consolidated financial statements for the years ended December 31, 2025 and 2024.

No change has since been made to this method, except for adjustments made on April 1, 2026 to certain assumptions and certain risk measurement parameters for the Real Estate portfolio, in order to better reflect the characteristics of private real estate assets.

Two risk measures are calculated and analyzed:

- The absolute risk of the actual portfolio represents the total risk associated with the categories of financial instruments that make up La Caisse's actual portfolio.
- The absolute risk of the benchmark portfolio targeted by depositors represents the total risk of the benchmark indexes associated with the categories of financial instruments that make up La Caisse's benchmark portfolio.

The absolute risks of La Caisse's actual and benchmark portfolios are measured regularly and used to calculate the absolute risk ratio, which is subject to certain limitations. The absolute risk ratio is obtained by dividing the absolute risk of the actual portfolio by the absolute risk of the benchmark portfolio.

The absolute risk of La Caisse's actual and benchmark portfolio, including the risk associated with the underlying investments of unconsolidated subsidiaries, as a percentage of net assets, according to a 95% confidence level and an observation history over a period from 2006 to the period closing date, as well as the absolute risk ratio, are as follows:

| | | | **June 30, 2026** | | | December 31, 2025 |
|---|---|---|---|---|---|---|
| | **Absolute risk of the actual portfolio** | **Absolute risk of benchmark portfolio** | **Absolute risk ratio** | Absolute risk of the actual portfolio | Absolute risk of benchmark portfolio | Absolute risk ratio |
| Value-at-risk | **17.5%** | **16.6%** | **1.05** | 17.1% | 15.9% | 1.08 |

Moreover, when managing market risk, La Caisse uses stress tests that allow it to evaluate the consequences of specific circumstances on the returns of La Caisse's actual portfolio based on historical, hypothetical or risk factor sensitivity scenarios. Using various types of scenarios, stress tests measure the gains or losses in value of a financial instrument following a change in one or more often-related risk factors, such as share prices, interest rates, rate spreads, exchange rates, commodity prices, and market volatility. The hypothetical scenarios are also continuously enriched to integrate new issues.

## Market risk (continued)

**Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. This risk is integrated into the VaR measurement.

La Caisse's currency management strategy is designed to optimize the overall portfolio as well as each of the specialized portfolios by seeking the optimal net exposure to currencies and considering the expected return, risk, and diversification of each long-term currency. Complementing this approach is a fundamental tracking of the macroeconomic dynamics and the factors influencing the currency returns.

The main exposures to currencies of developed countries are subject to strategic and dynamic hedging. Strategic hedging decisions are put in place to optimize the net exposure of the long-term currencies according to the levels of hedging by specialized portfolio and by currency. Dynamic management is used to optimize certain specialized portfolios when the Canadian dollar appears to be significantly undervalued or overvalued compared to its equilibrium value versus that of developed countries according to the valuation models. Dynamic hedging should therefore be less frequent for a given currency, but the duration of the hedge, being unforeseeable, may vary widely and last for a few weeks to several years. The last part of the approach involves active management decisions, i.e., discretionary hedges that can be implemented during particular market situations.

To manage currency risk, La Caisse therefore uses currency derivatives.

The net exposure to foreign currencies takes into account the effects of currency derivatives and the underlying investments in currencies of unconsolidated subsidiaries. La Caisse's net exposures to foreign currencies, as a percentage of net assets, including purchases and cancellations of participation units of the specialized portfolios completed at the beginning of each month, are as follows:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| Canadian dollar | **57%** | 58% |
| U.S. dollar | **24%** | 22% |
| Euro | **3%** | 4% |
| Australian dollar | **1%** | 1% |
| Hong Kong dollar | **1%** | 1% |
| Taiwan dollar | **1%** | 1% |
| Pound sterling | **2%** | 3% |
| Mexican peso | **1%** | 1% |
| Brazilian real | **2%** | 2% |
| Indian rupee | **1%** | 1% |
| Yen | **2%** | 2% |
| Chinese yuan | **1%** | 1% |
| Other | **4%** | 3% |
| | **100%** | 100% |

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk is integrated into the VaR measurement.

**Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than changes arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors that affect all similar financial instruments traded on the market. This risk is integrated into the VaR measurement.

## Concentration risk

La Caisse analyzes overall concentration risk for the entire group of specialized portfolios it manages. The integrated risk management policy sets out exposure limits according to category of financial instrument and according to issuer for growth markets and for certain countries. Moreover, the investment policies of the specialized portfolios set out specific limits for each issuer, industry sector, and geographic region.

The concentration limit by issuer is 3% of La Caisse's total net assets, including undisbursed commitments, except for securities issued by the Canadian or U.S. governments or by their agencies that feature an explicit guarantee by a Canadian province or territory or a ministry or agency thereof or by sovereign issuers rated AAA, which are not included in the concentration limit. Concentration by issuer is monitored daily or upon initiation of a transaction.

Concentration risk includes the impact of derivative financial instruments, but excludes interest rate derivatives and government bonds used as part of strategic duration adjustment activities.

The following table shows the main geographic concentrations as a percentage of total net exposure, established according to the country of the issuers' principal place of business, including the underlying investments in unconsolidated subsidiaries:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| United States | **39%** | 38 % |
| Canada | **28%** | 29 % |
| Europe | **15%** | 17 % |
| Asia Pacific | **11%** | 10 % |
| Latin America | **4%** | 4 % |
| Other | **3%** | 2 % |
| | **100%** | 100 % |

The following table shows the principal industry sector concentrations as a percentage of total net exposure, established according to the industry sector in which the issuers operate, including the underlying investments in unconsolidated subsidiaries:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| **Industry sector** | | |
| Real estate | **15%** | 15% |
| Industrials | **15%** | 15% |
| Financials | **12%** | 12% |
| Information technology | **11%** | 10% |
| Consumer discretionary | **5%** | 5% |
| Utilities | **7%** | 7% |
| Health care | **5%** | 5% |
| Consumer staples | **3%** | 2% |
| Communication services | **5%** | 5% |
| Energy | **2%** | 2% |
| Materials | **2%** | 2% |
| Other | **5%** | 5% |
| **Government sector** | | |
| Government of the United States | **-** | 2% |
| Government of Canada | **7%** | 7% |
| Government of Québec | **2%** | 2% |
| Government corporations and other public administrations in Québec | **1%** | 1% |
| Other | **3%** | 3% |
| | **100%** | 100% |

## Credit risk

Credit risk is the possibility of incurring a loss in value should a borrower, endorser, or guarantor experience a deterioration in financial position, fail to meet an obligation to repay a loan, or fail to meet any other financial commitment.

Maximum credit risk exposure is measured based on the fair value of financial instruments without taking into account guarantees or other credit enhancements. For the other items, the maximum exposure to credit risk is the total amount guaranteed or committed.

The following table shows the maximum exposure to credit risk:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| Cash | **818** | 988 |
| Amounts receivable from transactions being settled | **3,373** | 2,445 |
| Advances to depositors | **158** | 673 |
| Investment income, accrued and receivable | **2,248** | 1,972 |
| Other assets | **2,262** | 1,652 |
| Investments | | |
| Cash equivalents | **1,418** | 1,000 |
| Fixed-income securities | **167,052** | 145,129 |
| Interests in unconsolidated subsidiaries in the form of debt instruments | **20,927** | 22,417 |
| Derivative financial instruments | **3,314** | 3,632 |
| | **201,570** | 179,908 |
| **Other items** | | |
| Financial guarantees (Note 10) | **2,694** | 2,723 |
| | **204,264** | 182,631 |

**Concentration of credit risk**

Credit risk concentration analysis measures the fair value of all financial instruments linked to a same issuer, excluding those used in strategic duration adjustment activities, such as interest rate derivatives and government bonds with mainly AAA-AA credit ratings. The investment policy of the specialized portfolios sets out concentration limits according to credit rating. The credit risk analysis considers the probability of default and the recovery rate on debt securities held by La Caisse and monitors changes in the credit quality of issuers.

The following table shows the credit risk concentration according to the credit ratings of La Caisse's issuers for fixed-income securities, which include bonds, corporate debt, mortgages and the underlying investments in unconsolidated subsidiaries with credit risk, and for derivative financial instruments that carry credit risk, as a percentage of the total exposure to credit concentration risk:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| **Credit rating** | | |
| AAA - AA | **28%** | 35% |
| A | **14%** | 12% |
| BBB | **28%** | 23% |
| BB or lower | **24%** | 23% |
| No credit rating | **6%** | 7% |
| | **100%** | 100% |

The credit ratings of securities issued or guaranteed by governments are obtained from recognized credit rating agencies. For corporate sector securities, credit ratings are determined using an internal rating process that monitors changes in the credit cycle annually when the necessary information is available. Otherwise, La Caisse uses recognized credit rating agencies.

## Liquidity risk

Liquidity risk is the possibility of La Caisse not always being able to honour its financial liability commitments without having to obtain funds at abnormally high prices or having to sell assets through forced liquidation. It is also the risk of La Caisse not being able to quickly sell investments without having a significant unfavourable effect on the price of the investment in question.

Liquidity is managed across all of La Caisse's cash activities. On a daily basis, liquidity status is determined and compliance with the established rules is analyzed. Managers are responsible for evaluating the liquidity of the markets in which La Caisse obtains financing for its operations.

To ensure that sources of liquidity and potential liquidity requirements are properly aligned, La Caisse has a number of sources of liquidity in addition to its cash and cash equivalents, including receipts of investment income, sales of bonds, purchases under reverse repurchase agreements, and liquid money market securities. In addition, La Caisse may use sources of financing such as securities sold under repurchase agreements or issuances of short-term promissory notes, term notes or secured loans. La Caisse also has access to a US$4 billion committed credit facility to meet its contractual commitments and financial obligations. As at June 30, 2026, La Caisse had $79 billion in liquidity in the form of government bonds and money market securities ($76 billion as at December 31, 2025).

Furthermore, to manage liquidity risk, La Caisse conducts simulations of scenarios over different horizons and examines events that could lead to a liquidity crisis. La Caisse rigorously and frequently monitors its potential liquidity needs and proactively ensures permanent access to stable and resilient sources of liquidity.

An analysis of undiscounted contractual cash flows of financial liabilities, shown in the table below, is a component of liquidity and financing management. However, this by-maturity allocation is not necessarily representative of the manner in which La Caisse manages its liquidity risk and financing requirements.

The following tables show the maturities of the undiscounted contractual cash flows of non-derivative financial liabilities and derivative financial instruments:

| | | | | | **June 30, 2026** |
|---|---|---|---|---|---|
| | **Demand** | **Less than 1 year** | **1 to 5 years** | **Over 5 years** | **Total** |
| **Non-derivative financial liabilities** | | | | | |
| Amounts payable on transactions being settled | - | 6,568 | - | - | 6,568 |
| Other liabilities | - | 1,297 | 130 | 1,219 | 2,646 |
| Investment liabilities | | | | | |
| Securities sold under repurchase agreements | - | 47,610 | - | - | 47,610 |
| Secured loans payable | - | 2,147 | 326 | - | 2,473 |
| Securities sold short | - | 14,345 | - | - | 14,345 |
| Short-term promissory notes payable | - | 13,890 | - | - | 13,890 |
| Loans payable | - | 1,147 | - | - | 1,147 |
| Term notes payable | - | 9,186 | 24,083 | 10,518 | 43,787 |
| **Net assets attributable to depositors** | | | | | |
| Demand and term deposits | 7,292 | 6 | - | - | 7,298 |
| Distributions payable to depositors | - | 5,071 | - | - | 5,071 |
| | 7,292 | 101,267 | 24,539 | 11,737 | 144,835 |
| **Derivative financial instruments** | | | | | |
| Derivative financial instruments with net settlement | - | 24,009 | (7) | 2 | 24,004 |
| Derivative financial instruments with gross settlement | | | | | |
| Contractual cash flows receivable | - | (257,930) | (47,965) | (15,237) | (321,132) |
| Contractual cash flows payable | - | 261,821 | 47,544 | 15,195 | 324,560 |
| | - | 27,900 | (428) | (40) | 27,432 |
| | 7,292 | 129,167 | 24,111 | 11,697 | 172,267 |

## Liquidity risk (continued)

| | | | | | December 31, 2025 |
|---|---|---|---|---|---|
| | Demand | Less than 1 year | 1 to 5 years | Over 5 years | Total |
| **Non-derivative financial liabilities** | | | | | |
| Amounts payable on transactions being settled | - | 3,951 | - | - | 3,951 |
| Other liabilities | - | 984 | 129 | 1,169 | 2,282 |
| Investment liabilities | | | | | |
| Securities sold under repurchase agreements | - | 40,830 | - | - | 40,830 |
| Securities sold short | - | 8,734 | - | - | 8,734 |
| Short-term promissory notes payable | - | 11,309 | - | - | 11,309 |
| Loans payable | - | 2,652 | - | - | 2,652 |
| Term notes payable | - | 6,517 | 25,733 | 9,392 | 41,642 |
| **Net assets attributable to depositors** | | | | | |
| Demand and term deposits | 434 | 6 | - | - | 440 |
| Distributions payable to depositors | - | 898 | - | - | 898 |
| | 434 | 75,881 | 25,862 | 10,561 | 112,738 |
| **Derivative financial instruments** | | | | | |
| Derivative financial instruments with net settlement | - | 17,773 | (37) | 2 | 17,738 |
| Derivative financial instruments with gross settlement | | | | | |
| Contractual cash flows receivable | - | (237,462) | (47,417) | (11,209) | (296,088) |
| Contractual cash flows payable | - | 236,747 | 46,795 | 11,222 | 294,764 |
| | - | 17,058 | (659) | 15 | 16,414 |
| | 434 | 92,939 | 25,203 | 10,576 | 129,152 |

Moreover, concerning net assets attributable to depositors, the *Regulation respecting the terms and conditions of deposits, funds and portfolios of the Caisse de dépôt et placement du Québec* states that La Caisse may set monthly limits for cancelling participation units, i.e., a depositor is limited to a maximum reimbursement of $50 million for all their participation units in all of La Caisse's specialized portfolios. Any participation units that are not cancelled given the maximum amount permitted are carried forward to the first days of the subsequent months and are cancelled as soon as the limit permits. The purpose of the limits is to ensure optimal management of La Caisse's overall liquidity.

## Liquidity risk (continued)

**Financing-liquidity risk**

The following tables show the main terms and conditions and interest rates of the investment liabilities related to La Caisse's financing activities:

| | | | | June 30, 2026 |
|---|---|---|---|---|
| | Currency | Nominal value[1] | Maturity | Interest rate |
| Loans payable | USD | 804 | Less than 1 year | 3.68% |
| | CAD | 343 | Less than 1 year | 2.34% |
| | | 1,147 | | |
| Secured loans payable | USD | 2,069 | Less than 1 year | 4.03% |
| | USD | 142 | Less than 1 year | SOFR[3]+0.42% |
| | CAD | 250 | March 2029 | CORRA[4]+1.10% |
| | | 2,461 | | |
| Short-term promissory notes payable | CAD | 152 | Less than 1 year | 2.70% |
| | USD | 11,594 | Less than 1 year | 3.89% |
| | USD | 2,086 | Less than 1 year | SOFR[3]+0.32% |
| | | 13,832 | | |
| Term notes payable[2] | CAD | 1,250 | October 2026 | 1.50% |
| | USD | 2,128 | February 2027 | 1.75% |
| | EUR | 3,244 | April 2027 | 1.13% |
| | CAD | 1,250 | June 2027 | 3.80% |
| | CAD | 2,000 | March 2028 | 3.70% |
| | USD | 709 | May 2028 | SOFR[3]+0.50% |
| | USD | 2,128 | July 2028 | 4.25% |
| | EUR | 2,433 | April 2029 | 3.00% |
| | USD | 709 | April 2029 | SOFR[3]+0.31% |
| | USD | 2,128 | June 2029 | 4.88% |
| | CAD | 1,500 | September 2029 | 3.95% |
| | USD | 2,128 | January 2030 | 4.63% |
| | AUD | 295 | May 2030 | 4.38% |
| | AUD | 1,720 | June 2030 | 4.10% |
| | CAD | 1,500 | December 2030 | 4.20% |
| | USD | 2,128 | January 2031 | 3.88% |
| | AUD | 1,229 | May 2031 | 5.15% |
| | EUR | 2,433 | February 2032 | 2.75% |
| | CAD | 1,000 | June 2034 | 3.65% |
| | CAD | 1,750 | June 2035 | 3.65% |
| | EUR | 1,622 | September 2035 | 3.25% |
| | NOK | 86 | April 2038 | 3.54% |
| | USD | 1,773 | November 2039 | 5.60% |
| | EUR | 211 | June 2041 | 3.87% |
| | | 37,354 | | |

[1] The amounts shown are translated into Canadian dollars and are amounts to be repaid at maturity.

[2] As at June 30, 2026, term notes included $1,250 million in green bonds that must be allocated to a selection of investments that are compliant with the eligible project categories established under La Caisse's Green Bond Framework, which is aligned with the Green Bond Principles of the International Capital Market Association.

[3] SOFR: Secured Overnight Financing Rate

[4] CORRA: Canadian Overnight Repo Rate Average

## Liquidity risk (continued)

| | | | | December 31, 2025 |
|---|---|---|---|---|
| | Currency | Nominal value[1] | Maturity | Interest rate |
| Loans payable | USD | 1,380 | Less than 1 year | 3.87% |
| | CAD | 1,272 | Less than 1 year | 2.30% |
| | | 2,652 | | |
| Short-term promissory notes payable | CAD | 297 | Less than 1 year | 2.73% |
| | USD | 10,294 | Less than 1 year | 4.13% |
| | USD | 699 | Less than 1 year | SOFR[3]+0.35% |
| | | 11,290 | | |
| Term notes payable[2] | USD | 2,742 | February 2026 | 4.50% |
| | USD | 1,371 | May 2026 | 1.00% |
| | CAD | 1,250 | October 2026 | 1.50% |
| | USD | 2,056 | February 2027 | 1.75% |
| | EUR | 3,219 | April 2027 | 1.13% |
| | CAD | 1,250 | June 2027 | 3.80% |
| | CAD | 2,000 | March 2028 | 3.70% |
| | USD | 685 | May 2028 | SOFR[3]+0.50% |
| | USD | 2,056 | July 2028 | 4.25% |
| | EUR | 2,414 | April 2029 | 3.00% |
| | USD | 2,056 | June 2029 | 4.88% |
| | CAD | 1,500 | September 2029 | 3.95% |
| | USD | 2,056 | January 2030 | 4.63% |
| | AUD | 274 | May 2030 | 4.38% |
| | AUD | 1,599 | June 2030 | 4.10% |
| | CAD | 1,500 | December 2030 | 4.20% |
| | EUR | 2,414 | February 2032 | 2.75% |
| | CAD | 1,000 | June 2034 | 3.65% |
| | CAD | 1,000 | June 2035 | 3.65% |
| | EUR | 1,610 | September 2035 | 3.25% |
| | NOK | 82 | April 2038 | 3.54% |
| | USD | 1,714 | November 2039 | 5.60% |
| | | 35,848 | | |

[1] The amounts shown are translated into Canadian dollars and are amounts to be repaid at maturity.

[2] As at December 31, 2025, term notes included $2,621 million in green bonds that must be allocated to a selection of investments that are compliant with the eligible project categories established under La Caisse's Green Bond Framework, which is aligned with the Green Bond Principles of the International Capital Market Association.

[3] SOFR: Secured Overnight Financing Rate

Short-term promissory notes payable are issued at fixed or variable rates, with maturities not exceeding 12 months, and are secured by La Caisse's assets. In accordance with the limit prescribed in the short-term promissory notes issuance information document, the nominal value of all such outstanding notes may never exceed US$12 billion for the U.S. program and the equivalent of CA$4 billion for short-term promissory notes issued in Canada and abroad, excluding the United States.

Term notes payable are issued at fixed or variable rates, are repayable at maturity, and are secured by La Caisse's assets.

Secured loans payable bear interest at a fixed or variable rate. Repayment is based on La Caisse's payment obligations as a borrower, which are secured by specific liquid securities and identifiable, pledged as collateral. The lenders have no recourse against La Caisse's other assets beyond those specifically pledged.

Furthermore, La Caisse has a committed credit facility with a banking syndicate for a total amount equivalent to CA$5.7 billion, i.e., two tranches of US$2 billion that are renewable annually for terms of two and three years, respectively. The credit facility bears interest at a variable rate and is entirely secured, unconditionally and irrevocably, by La Caisse. As at June 30, 2026 and as at December 31, 2025, this credit facility was undrawn.

# 9. RELATED PARTY DISCLOSURES

## Related party transactions

La Caisse's primary related parties include unconsolidated subsidiaries, joint arrangements, associates, and La Caisse's key management personnel.

La Caisse enters into various transactions with related parties. These transactions are concluded under the same conditions as those prevailing on the market with unrelated parties, are measured at fair value, and are reflected in the Interim Consolidated Statements of Comprehensive Income according to the nature of the transactions. Given the very nature of La Caisse's activities as an investment entity, La Caisse may make investments in several investment categories, including investments in unconsolidated subsidiaries, joint arrangements, and associates.

## Other related parties

La Caisse is governed by the Act, and the Government of Québec appoints the Board of Director members, at least two-thirds of whom must be independent. The Government of Québec also approves the appointment of the President and Chief Executive Officer. Consequently, La Caisse has availed itself of the exemption set out in IAS 24 *Related Party Disclosures* regarding the disclosure of transactions with a related government and with any entities related to the related government. The transactions carried out with the Government of Québec and its related entities are investment activities involving bonds issued by or guaranteed by the government and are carried out under normal market conditions through external brokers.

# 10. COMMITMENTS AND FINANCIAL GUARANTEES

Given the very nature of its activities, La Caisse and its intermediate subsidiaries enter into various commitments that will be settled in the coming periods in accordance with the terms and conditions in the related agreements. Commitments under leases are as follows: $34 million payable in less than one year, $130 million payable in 1 to 5 years, and $639 million payable thereafter, until expiry of the leases.

For La Caisse, financial guarantees consist of providing guarantees, to financial institutions and corporations, on repayments of loans taken by companies in which it has an economic interest and on certain letters of credit of its subsidiaries. La Caisse and its intermediate subsidiaries may also provide financial guarantees or issue letters of credit.

Commitments and financial guarantees are detailed as follows:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| Investment purchase commitments | **54,095** | 46,689 |
| Commitments under leases | **803** | 818 |
| Financial guarantees[1] | **2,694** | 2,723 |
| | **57,592** | 50,230 |

[1] As at June 30, 2026, financial guarantees included an amount of $1,075 million provided by the real estate subsidiaries, having no recourse on any of La Caisse's assets ($1,189 million as at December 31, 2025).

## Litigation

In the normal course of business, La Caisse and its intermediate subsidiaries may be subject to legal actions. Although La Caisse and its intermediate subsidiaries cannot predict the outcomes of any ongoing legal proceedings as at June 30, 2026, they have no reason to believe that the settlement of any one of these proceedings could have a material impact on their financial position.