



Condensed Interim Consolidated  
Financial Statements of  
Canada Pension Plan Investment Board

June 30, 2025



# Condensed Interim Consolidated Balance Sheet

(Unaudited)

<i>(CAD millions)</i>	As at June 30, 2025	As at March 31, 2025
<b>Assets</b>		
Cash and cash equivalents	\$ 8,628	\$ 7,781
Investments (Note 2)	941,574	923,978
Pending trades receivable (Note 2)	5,136	1,939
Premises and equipment	687	703
Other assets	93	82
<b>Total assets</b>	<b>956,118</b>	<b>934,483</b>
<b>Liabilities</b>		
Investment liabilities (Note 2)	205,394	216,101
Pending trades payable (Note 2)	18,152	2,543
Accounts payable and accrued liabilities	901	1,396
<b>Total liabilities</b>	<b>224,447</b>	<b>220,040</b>
<b>Net assets</b>	<b>\$ 731,671</b>	<b>\$ 714,443</b>
<b>Net assets, represented by:</b>		
Share capital	\$ -	\$ -
Accumulated net income and comprehensive income	499,601	492,138
Accumulated net transfers from the Canada Pension Plan	232,070	222,305
<b>Net assets</b>	<b>\$ 731,671</b>	<b>\$ 714,443</b>

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

# Condensed Interim Consolidated Statement of Comprehensive Income (Loss)

(Unaudited)

	For the three months ended June 30,	
(CAD millions)	2025	2024
<b>Income:</b>		
Interest income	\$ 2,537	\$ 2,177
Dividend income	7,436	2,284
Net (losses) on private investments	(3,336)	(4,297)
Net gains on public investments	13,055	1,820
Net gains (losses) on investment holding subsidiaries (Note 4)	(9,777)	6,914
Other	172	(134)
	10,087	8,764
<b>Expenses:</b>		
Personnel	304	264
General and administrative	121	125
Management fees	3	3
Performance fees	82	41
Transaction-related	66	106
Taxes	317	180
Financing	1,731	1,774
	2,624	2,493
<b>Net income and comprehensive income</b>	<b>\$ 7,463</b>	<b>\$ 6,271</b>

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

# Condensed Interim Consolidated Statement of Changes in Net Assets

(Unaudited)

For the three months ended						
(CAD millions)	Number of shares outstanding	Share capital	Accumulated net transfers from the Canada Pension Plan	Accumulated net income and comprehensive income	Total net assets	
As at April 1, 2024	10	\$ -	\$ 200,014	\$ 432,353	\$	632,367
Total net income and comprehensive income		-	-	6,271		6,271
Canada Pension Plan transfers:						
Transfers from the Canada Pension Plan		-	19,450	-		19,450
Transfers to the Canada Pension Plan		-	(11,326)	-		(11,326)
As at June 30, 2024	10	\$ -	\$ 208,138	\$ 438,624	\$	646,762
As at April 1, 2025	10	\$ -	\$ 222,305	\$ 492,138	\$	714,443
Total net income and comprehensive income		-	-	7,463		7,463
Canada Pension Plan transfers:						
Transfers from the Canada Pension Plan		-	23,234	-		23,234
Transfers to the Canada Pension Plan		-	(13,469)	-		(13,469)
As at June 30, 2025	10	\$ -	\$ 232,070	\$ 499,601	\$	731,671

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

# Condensed Interim Consolidated Statement of Cash Flows

(Unaudited)

	For the three months ended June 30,	
(CAD millions)	2025	2024
<b>Cash flows from operating activities</b>		
Net income and comprehensive income	\$ 7,463	\$ 6,271
Adjustments for non-cash items:		
Amortization of premises and equipment	17	18
(Gains) losses on debt financing liabilities (Note 10)	(531)	443
(Gains) from foreign exchange on cash and cash equivalents	(238)	(3)
Adjustments for net changes in operating assets and liabilities:		
(Increase) in investments	(17,596)	(21,764)
(Increase) in pending trades receivable	(3,197)	(432)
(Increase) decrease in other assets	(11)	3
(Decrease) increase in investment liabilities	(10,650)	6,111
Increase in pending trades payable	15,609	1,999
(Decrease) in accounts payable and accrued liabilities	(495)	(448)
<b>Net cash flows (used in) operating activities</b>	<b>(9,629)</b>	<b>(7,802)</b>
<b>Cash flows from financing activities</b>		
Transfers from the Canada Pension Plan	23,234	19,450
Transfers to the Canada Pension Plan	(13,469)	(11,326)
Proceeds from debt financing liabilities (Note 10)	6,361	4,501
Repayment of debt financing liabilities (Note 10)	(5,887)	(4,708)
<b>Net cash flows provided by financing activities</b>	<b>10,239</b>	<b>7,917</b>
<b>Cash flows from investing activities</b>		
Acquisition of premises and equipment	(1)	(8)
<b>Net cash flows (used in) investing activities</b>	<b>(1)</b>	<b>(8)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>238</b>	<b>3</b>
Net increase in cash and cash equivalents	847	110
Cash and cash equivalents at the beginning of the period	7,781	9,631
<b>Cash and cash equivalents at the end of the period</b>	<b>\$ 8,628</b>	<b>\$ 9,741</b>

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

# Condensed Interim Consolidated Schedule of Investment Portfolio

## (Unaudited)

The schedule below provides information on investments and investment liabilities held by Canada Pension Plan Investment Board and its investment holding subsidiaries on a combined basis. The nature of these investments and investment liabilities is further described in Note 2.

<b>(CAD millions)</b>	<b>As at June 30, 2025</b>	<b>As at March 31, 2025</b>
<b>Equities</b>		
Public equities	\$ 242,092	\$ 228,982
Private equities	227,212	228,440
<b>Total equities</b>	<b>469,304</b>	<b>457,422</b>
<b>Debt</b>		
Bonds	219,434	228,337
Other debt	50,014	51,975
Money market securities	1,399	487
<b>Total debt</b>	<b>270,847</b>	<b>280,799</b>
<b>Investment funds</b>	<b>161,658</b>	<b>162,484</b>
<b>Investment receivables and Other</b>		
Securities purchased under reverse repurchase agreements and cash collateral pledged on securities borrowed	32,759	18,525
Derivative assets	3,991	2,619
Other	6,651	7,224
<b>Total investment receivables and Other</b>	<b>43,401</b>	<b>28,368</b>
<b>Total investments<sup>1</sup></b>	<b>\$ 945,210</b>	<b>\$ 929,073</b>
<b>Investment liabilities</b>		
Securities and loans sold under repurchase agreements and cash collateral received on securities lent	104,763	113,349
Debt financing liabilities	79,185	80,798
Securities sold short	16,038	19,432
Derivative liabilities	5,446	5,719
Other	4,572	3,159
<b>Total investment liabilities<sup>1</sup></b>	<b>210,004</b>	<b>222,457</b>
Cash and cash equivalents <sup>2</sup>	\$ 9,322	\$ 8,731
Pending trades receivable <sup>1</sup>	5,161	2,021
Pending trades payable <sup>1</sup>	18,161	2,560
<b>Net investments</b>	<b>\$ 731,528</b>	<b>\$ 714,808</b>

<sup>1</sup> Consists of all the financial assets and liabilities held by both Canada Pension Plan Investment Board and its investment holding subsidiaries. In contrast, the Condensed Interim Consolidated Balance Sheet presents all financial assets and liabilities held by investment holding subsidiaries as investments. This results in a difference of \$3,636 million (March 31, 2025 - \$5,095 million), \$4,610 million (March 31, 2025 - \$6,356 million), \$25 million (March 31, 2025 - \$82 million) and \$9 million (March 31, 2025 - \$17 million) as compared to Investments, Investment liabilities, Pending trades receivable and Pending trades payable, respectively, as presented in the Condensed Interim Consolidated Balance Sheet. Refer to Notes 1.2, 2.1 and 2.2 for further details.

<sup>2</sup> Consists of cash and cash equivalents held for investment purposes by both Canada Pension Plan Investment Board and its investment holding subsidiaries. In contrast, the Condensed Interim Consolidated Balance Sheet presents cash and cash equivalents held directly by CPP Investments for both investment purposes of \$8,364 million (March 31, 2025 - \$7,535 million) and operating purposes of \$264 million (March 31, 2025 - \$246 million), resulting in a net difference of \$694 million (March 31, 2025 - \$950 million). Refer to Notes 1.2, 2.1, 2.2 and 14.2 for further details.

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

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# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## General information

Canada Pension Plan Investment Board (CPP Investments) was established in December 1997 pursuant to the *Canada Pension Plan Investment Board Act* (CPPIB Act). CPP Investments is responsible for assisting the Canada Pension Plan (CPP) in meeting its obligations to contributors and beneficiaries under the legislation *Canada Pension Plan* (CPP Act).

In December 2016, Royal Assent was given to Bill C-26 titled *An Act to Amend the Canada Pension Plan, the Canada Pension Plan Investment Board Act and the Income Tax Act*. The CPP Act now defines two separate parts of the CPP. The “base CPP” refers to the benefits and contributions established before 2019. The “additional CPP” refers to the additional benefits and additional contributions that began on January 1, 2019. All references to “CPP Investments” mean base CPP and additional CPP together.

The Condensed Interim Consolidated Financial Statements (Interim Financial Statements) provide information on the net assets managed by CPP Investments and do not include the liabilities and other assets of the CPP.

The Interim Financial Statements for the three months ended June 30, 2025 were approved by the Board of Directors and authorized for issue on August 13, 2025.

## 1. Summary of material accounting policies

### 1.1 Basis of presentation

The Interim Financial Statements have been prepared in compliance with International Accounting Standard (IAS) 34 *Interim Financial Reporting* and do not include all of the information and disclosures required in the Annual Consolidated Financial Statements. The Interim Financial Statements should be read in conjunction with CPP Investments’ 2025 Annual Consolidated Financial Statements included on pages 95 to 141 of CPP Investments’ 2025 Annual Report. The Interim Financial Statements follow the same accounting policies and methods as the most recent Annual Consolidated Financial Statements.

### 1.2 Subsidiaries

CPP Investments qualifies as an investment entity and reports the results of its operations in accordance with IFRS 10, *Consolidated Financial Statements* (IFRS 10). As a consequence, the Interim Financial Statements represent the results of operations of CPP Investments and its wholly owned subsidiaries that were created to provide investment-related services to support its operations. Operating subsidiaries of this nature include those that provide investment advisory services or subsidiaries that were created to provide financing to CPP Investments.

Wholly owned subsidiaries that are managed by CPP Investments to hold investments are referred to herein as investment holding subsidiaries. Such subsidiaries are not consolidated in these Interim Financial Statements but instead are measured and reported at fair value through profit and loss in accordance with IFRS 9, *Financial Instruments* (IFRS 9). Fair value for unconsolidated investment holding subsidiaries is based on the fair value of the underlying investments, investment liabilities and pending trades held by the investment holding subsidiary together with its accumulated net income less dividends paid. The fair value of these investment holding subsidiaries can be found in Note 2 while supplementary information on the breakdown of net gains (losses) on investment holding subsidiaries is provided in Note 4.



# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 2. Fair value measurement

This note categorizes the fair value of investments and investment liabilities into the following fair value hierarchy based on the level of significant inputs used in the fair value measurement:

- Level 1 – Quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### 2.1 Fair value hierarchy of investments and investment liabilities held directly by CPP Investments

As at June 30, 2025					
(CAD millions)	Level 1 <sup>4</sup>		Level 2 <sup>4</sup>		Total
<b>Equities</b>					
Public equities	\$	228,457	\$	-	\$ 228,457
Private equities		-		4,018	22,840
<b>Total equities</b>		228,457		4,018	251,297
<b>Debt</b>					
Bonds		167,378		49,614	216,992
Other debt		-		-	11,100
Money market securities		-		1,399	1,399
<b>Total debt</b>		167,378		51,013	229,491
<b>Investment funds</b>		-		26,942	345
<b>Investment receivables and Other</b>					
Securities purchased under reverse repurchase agreements and cash collateral pledged on securities borrowed		-		32,643	-
Derivative assets		3		3,968	-
Other <sup>1</sup>		-		3,625	-
<b>Total investment receivables and Other</b>		3		40,236	-
<b>Investments in investment holding subsidiaries (Note 2.2)</b>		-		-	393,260
<b>Total investments</b>	\$	395,838	\$	122,209	\$ 423,527
<b>Investment liabilities</b>					
Securities sold under repurchase agreements and cash collateral received on securities lent		-		104,763	-
Debt financing liabilities		76,173		412	-
Securities sold short		16,038		-	-
Derivative liabilities		51		5,395	-
Other <sup>1</sup>		-		2,017	545
<b>Total investment liabilities</b>		92,262		112,587	545
Cash and cash equivalents <sup>2,3</sup>	\$	-	\$	8,364	\$ -
Pending trades receivable <sup>2</sup>		-		5,136	-
Pending trades payable <sup>2</sup>		-		18,152	-
<b>Net investments</b>	\$	303,576	\$	4,970	\$ 422,982

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

		As at March 31, 2025			
(CAD millions)		Level 1 <sup>4</sup>	Level 2 <sup>4</sup>	Level 3	Total
<b>Equities</b>					
Public equities	\$	214,294	\$ -	\$ -	\$ 214,294
Private equities		-	3,455	18,965	22,420
<b>Total equities</b>		214,294	3,455	18,965	236,714
<b>Debt</b>					
Bonds		175,039	50,729	-	225,768
Other debt		-	-	10,046	10,046
Money market securities		-	487	-	487
<b>Total debt</b>		175,039	51,216	10,046	236,301
<b>Investment funds</b>		-	26,862	363	27,225
<b>Investment receivables and Other</b>					
Securities purchased under reverse repurchase agreements and cash collateral pledged on securities borrowed		-	18,377	-	18,377
Derivative assets		-	2,600	-	2,600
Other <sup>1</sup>		-	2,819	-	2,819
<b>Total investment receivables and Other</b>		-	23,796	-	23,796
<b>Investments in investment holding subsidiaries (Note 2.2)</b>		-	-	399,942	399,942
<b>Total investments</b>	\$	389,333	\$ 105,329	\$ 429,316	\$ 923,978
<b>Investment liabilities</b>					
Securities sold under repurchase agreements and cash collateral received on securities lent		-	113,102	-	113,102
Debt financing liabilities		76,179	463	-	76,642
Securities sold short		19,432	-	-	19,432
Derivative liabilities		74	5,645	-	5,719
Other <sup>1</sup>		-	879	327	1,206
<b>Total investment liabilities</b>		95,685	120,089	327	216,101
Cash and cash equivalents <sup>2,3</sup>	\$	-	\$ 7,535	\$ -	\$ 7,535
Pending trades receivable <sup>2</sup>		-	1,939	-	1,939
Pending trades payable <sup>2</sup>		-	2,543	-	2,543
<b>Net investments</b>	\$	293,648	\$ (7,829)	\$ 428,989	\$ 714,808

<sup>1</sup> Included in Other investment receivables is cash pledged as collateral on derivative transactions of \$3,604 million (March 31, 2025 - \$2,815 million). Included in Other investment liabilities is cash held as collateral on derivative transactions of \$1,600 million (March 31, 2025 - \$738 million).

<sup>2</sup> Cash and cash equivalents, Pending trades receivable and Pending trades payable are measured at cost, which, together with accrued interest, approximates fair value.

<sup>3</sup> Consists of cash and cash equivalents held directly by CPP Investments for investment purposes. In contrast, the Condensed Interim Consolidated Balance Sheet presents cash and cash equivalents held directly by CPP Investments for both investment purposes and operating purposes, resulting in a difference of \$264 million (March 31, 2025 - \$246 million). For cash and cash equivalents held by investment holding subsidiaries for investment purposes, refer to Note 2.2.

<sup>4</sup> Transfers between levels in the fair value hierarchy are deemed to have occurred at the end of the reporting period. Transfers between Level 1 and Level 2 are driven by the availability of quoted market prices in active markets and valuation techniques using inputs other than quoted prices that are observable. During the three months ended June 30, 2025, there were no transfers between Level 1 and Level 2 of investments or investment liabilities held directly by CPP Investments (during the year ended March 31, 2025 - nil).

# Notes to the Condensed Interim Consolidated Financial Statements

## (Unaudited)

### 2.2 Supplemental information on fair value hierarchy relating to investment holding subsidiaries

The following table presents the fair value hierarchy of the underlying investments and investment liabilities held by investment holding subsidiaries. For further details on the nature and purpose of investment holding subsidiaries, refer to Note 1.2.

(CAD millions)	As at June 30, 2025			
	Level 1	Level 2	Level 3	Total
<b>Equities</b>				
Public equities	\$ 13,635	\$ -	\$ -	\$ 13,635
Private equities	-	16,198	188,174	204,372
<b>Total equities</b>	<b>13,635</b>	<b>16,198</b>	<b>188,174</b>	<b>218,007</b>
<b>Debt</b>				
Bonds	-	2,436	6	2,442
Other debt	-	2,834	36,080	38,914
<b>Total debt</b>	<b>-</b>	<b>5,270</b>	<b>36,086</b>	<b>41,356</b>
<b>Investment funds</b>	<b>-</b>	<b>39,711</b>	<b>94,660</b>	<b>134,371</b>
<b>Investment receivables and Other</b>				
Securities purchased under reverse repurchase agreements	-	116	-	116
Derivative assets	-	-	20	20
Other <sup>1</sup>	-	1,191	1,835	3,026
<b>Total investment receivables and Other</b>	<b>-</b>	<b>1,307</b>	<b>1,855</b>	<b>3,162</b>
<b>Total investments held by investment holding subsidiaries</b>	<b>\$ 13,635</b>	<b>\$ 62,486</b>	<b>\$ 320,775</b>	<b>\$ 396,896</b>
<b>Investment liabilities</b>				
Loans sold under repurchase agreements	-	-	-	-
Debt financing liabilities	-	2,550	50	2,600
Other <sup>1</sup>	-	239	1,771	2,010
<b>Total investment liabilities held by investment holding subsidiaries</b>	<b>-</b>	<b>2,789</b>	<b>1,821</b>	<b>4,610</b>
Cash and cash equivalents <sup>2</sup>	\$ -	\$ 958	\$ -	\$ 958
Pending trades receivable <sup>2</sup>	-	25	-	25
Pending trades payable <sup>2</sup>	-	9	-	9
<b>Investments in investment holding subsidiaries</b>	<b>\$ 13,635</b>	<b>\$ 60,671</b>	<b>\$ 318,954</b>	<b>\$ 393,260</b>

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

		As at March 31, 2025			
(CAD millions)		Level 1	Level 2	Level 3	Total
<b>Equities</b>					
Public equities	\$	14,688	\$ -	\$ -	\$ 14,688
Private equities		-	10,795	195,225	206,020
<b>Total equities</b>		14,688	10,795	195,225	220,708
<b>Debt</b>					
Bonds		-	2,500	69	2,569
Other debt		-	3,199	38,730	41,929
<b>Total debt</b>		-	5,699	38,799	44,498
<b>Investment funds</b>		-	38,349	96,910	135,259
<b>Investment receivables and Other</b>					
Securities purchased under reverse repurchase agreements		-	148	-	148
Derivative assets		-	-	19	19
Other <sup>1</sup>		-	215	4,190	4,405
<b>Total investment receivables and Other</b>		-	363	4,209	4,572
<b>Total investments held by investment holding subsidiaries</b>	\$	14,688	\$ 55,206	\$ 335,143	\$ 405,037
<b>Investment liabilities</b>					
Loans sold under repurchase agreements		-	247	-	247
Debt financing liabilities		-	4,105	51	4,156
Other <sup>1</sup>		-	224	1,729	1,953
<b>Total investment liabilities held by investment holding subsidiaries</b>		-	4,576	1,780	6,356
Cash and cash equivalents <sup>2</sup>	\$	-	\$ 1,196	\$ -	\$ 1,196
Pending trades receivable <sup>2</sup>		-	82	-	82
Pending trades payable <sup>2</sup>		-	17	-	17
<b>Investments in investment holding subsidiaries</b>	\$	14,688	\$ 51,891	\$ 333,363	\$ 399,942

<sup>1</sup> Included in Other investment receivables and Other investment liabilities is investment property of \$1,825 million (March 31, 2025 - \$2,554 million) and deferred tax liabilities of \$1,739 million (March 31, 2025 - \$1,691 million) on investments, respectively.

<sup>2</sup> Cash and cash equivalents, Pending trades receivable and Pending trades payable are recorded at cost, which, together with accrued interest, approximates fair value.

# Notes to the Condensed Interim Consolidated Financial Statements

## (Unaudited)

### 2.3 Level 3 reconciliation

The following table presents the reconciliations for investments held directly by CPP Investments included in Level 3 of the fair value hierarchy:

For the three months ended June 30, 2025									
(CAD millions)	Fair value as at April 1, 2025	Gains (losses) included in net income (loss)	Purchases	Sales <sup>2</sup>	Transfers into Level 3 <sup>3</sup>	Transfers out of Level 3 <sup>3</sup>	Fair value as at June 30, 2025	Change in unrealized gains (losses) on investments still held at June 30, 2025 <sup>4</sup>	
<b>Equities</b>									
Private equities	\$ 18,965	\$ (175)	\$ 88	\$ (56)	\$ -	\$ -	\$ 18,822	\$	(174)
<b>Debt</b>									
Other debt	10,046	(496)	3,933	(2,383)	-	-	11,100		(462)
<b>Investment funds</b>	363	(31)	14	(1)	-	-	345		(31)
<b>Investments in investment holding subsidiaries<sup>1</sup></b>	399,942	(4,005)	3,204	(5,881)	-	-	393,260		(9,777)
<b>Total investments</b>	<b>\$ 429,316</b>	<b>\$ (4,707)</b>	<b>\$ 7,239</b>	<b>\$ (8,321)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 423,527</b>	<b>\$</b>	<b>(10,444)</b>
<b>Investment liabilities</b>									
Other	327	218	-	-	-	-	545		218
<b>Net investments</b>	<b>\$ 428,989</b>	<b>\$ (4,925)</b>	<b>\$ 7,239</b>	<b>\$ (8,321)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 422,982</b>	<b>\$</b>	<b>(10,662)</b>
For the year ended March 31, 2025									
(CAD millions)	Fair value as at April 1, 2024	Gains (losses) included in net income (loss)	Purchases	Sales <sup>2</sup>	Transfers into Level 3 <sup>3</sup>	Transfers out of Level 3 <sup>3</sup>	Fair value as at March 31, 2025	Change in unrealized gains (losses) on investments still held at March 31, 2025 <sup>4</sup>	
<b>Equities</b>									
Private equities	\$ 19,699	\$ 1,821	\$ 1,590	\$ (3,809)	\$ -	\$ (336)	\$ 18,965	\$	1,614
<b>Debt</b>									
Other debt	10,211	268	11,036	(11,469)	-	-	10,046		278
<b>Investment funds</b>	633	92	-	(362)	-	-	363		157
<b>Investments in investment holding subsidiaries<sup>1</sup></b>	350,929	45,145	10,745	(6,877)	-	-	399,942		40,924
<b>Total investments</b>	<b>\$ 381,472</b>	<b>\$ 47,326</b>	<b>\$ 23,371</b>	<b>\$ (22,517)</b>	<b>\$ -</b>	<b>\$ (336)</b>	<b>\$ 429,316</b>	<b>\$</b>	<b>42,973</b>
<b>Investment liabilities</b>									
Other	351	(24)	-	-	-	-	327		(24)
<b>Net investments</b>	<b>\$ 381,121</b>	<b>\$ 47,350</b>	<b>\$ 23,371</b>	<b>\$ (22,517)</b>	<b>\$ -</b>	<b>\$ (336)</b>	<b>\$ 428,989</b>	<b>\$</b>	<b>42,997</b>

<sup>1</sup> Purchases relating to investment holding subsidiaries represent capital contributions or net loan funding provided to these subsidiaries. Sales relating to investment holding subsidiaries represent return of capital or payment of dividends and interest from these subsidiaries.

<sup>2</sup> Includes return of capital and repayments.

<sup>3</sup> Transfers are deemed to have occurred at the end of the reporting period. Transfers into and out of Level 3 are driven by changes in the availability of market observable inputs used to determine fair value.

<sup>4</sup> Included in income (loss). Includes or excludes investments transferred into or out of Level 3, respectively.

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 2.4 Level 3 – Significant unobservable inputs

The table below presents the fair value of investments held directly by CPP Investments and its investment holding subsidiaries, including valuation techniques used to determine their fair values and the ranges and weighted averages of unobservable inputs used in the calculation of their fair values.

While investment holding subsidiaries are classified as Level 3 given the nature of their underlying holdings, certain investments held by these subsidiaries are based on quoted prices in an active market (Level 1) or are valued using observable inputs (Level 2). These amount to \$13,635 million (March 31, 2025 - \$14,688 million) and \$60,671 million (March 31, 2025 - \$51,891 million), respectively. Refer to Note 2.2 for further details on Level 1 and Level 2 investments relating to investment holding subsidiaries.

As at June 30, 2025						
(CAD millions)	Fair value of investments held by:		Primary valuation techniques used <sup>2</sup>	Significant unobservable inputs	Range of input values <sup>3</sup>	Weighted average <sup>3</sup>
	CPP Investments	Investment holding subsidiaries				
<b>Public equities</b>	\$ -	\$ 13,635	Quoted market price	-	-	-
<b>Private equities</b>	18,406	148,128	Earnings multiples of comparable companies	EBITDA multiple	9.9X-22.5X	15.9X
			Discounted cash flow	Discount rate	5.5%-16.3%	11.1 %
				Terminal capitalization rate	5.2%-9.7%	6.6 %
	416	56,244	Net asset value provided by investment manager	-	-	-
<b>Debt</b>						
Bonds	-	2,442	Quoted market prices or discounted cash flow using observable inputs	-	-	-
Direct private debt	1,160	36,203	Discounted cash flow	Discount rate	5.8%-16.4%	10.0 %
	-	154	Net asset value provided by investment manager	-	-	-
Asset-backed securities	9,940	2,557	Comparable Pricing	Price	36.0%-105.1%	98.3 %
<b>Investment funds</b>	345	134,371	Net asset value provided by investment manager	-	-	-
<b>Investment receivables and Other</b>						
Securities purchased under reverse repurchase agreements	-	116	Discounted cash flow	-	-	-
Derivative assets	-	20	Option model	-	-	-
Other <sup>1</sup>	-	1,201	Cost with accrued interest	-	-	-
	-	1,825	Discounted cash flow	Discount rate	6.3%-8.8%	7.0 %
				Terminal capitalization rate	4.3%-7.8%	6.0 %
<b>Investment liabilities</b>						
Loans sold under repurchase agreements	-	-	n/a	-	-	-
Debt financing liabilities	-	2,600	Discounted cash flow	Discount rate	3.4%-14.2%	7.1 %
Other	545	2,010	Amortized cost	-	-	-
<b>Cash and cash equivalents</b>	-	958	Cost with accrued interest	-	-	-
<b>Pending trades net receivable/(payable)</b>	-	16	Amortized cost	-	-	-
<b>Total</b>	\$ 29,722	\$ 393,260				

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

As at March 31, 2025						
(CAD millions)	Fair value of investments held by:		Primary valuation techniques used <sup>2</sup>	Significant unobservable inputs	Range of input values <sup>3</sup>	Weighted average <sup>3</sup>
	CPP Investments	Investment holding subsidiaries				
<b>Public equities</b>	\$ -	\$ 14,688	Quoted market price	-	-	-
<b>Private equities</b>	17,676	148,826	Earnings multiples of comparable companies	EBITDA multiple	9.8X-23.0X	16.0X
			Discounted cash flow	Discount rate	5.5%-14.6%	10.9 %
				Terminal capitalization rate	5.1%-9.7%	6.6 %
	1,289	57,194	Net asset value provided by investment manager	-	-	-
<b>Debt</b>						
Bonds	-	2,569	Quoted market prices or discounted cash flow using observable inputs	-	-	-
Direct private debt	1,209	39,256	Discounted cash flow	Discount rate	5.8%-17.9%	10.1 %
	-	228	Net asset value provided by investment manager	-	-	-
Asset-backed securities	8,837	2,445	Comparable pricing	Price	37.7%-104.6%	97.8 %
<b>Investment funds</b>	363	135,259	Net asset value provided by investment manager	-	-	-
<b>Investment receivables and Other</b>						
Securities purchased under reverse repurchase agreements	-	148	Discounted cash flow	-	-	-
Derivative assets	-	19	Option model	-	-	-
Other <sup>1</sup>	-	1,774	Cost with accrued interest	-	-	-
	-	2,631	Discounted cash flow	Discount rate	6.3%-8.5%	7.1 %
				Terminal capitalization rate	4.3%-7.5%	6.1 %
<b>Investment liabilities</b>						
Loans sold under repurchase agreements	-	247	Cost with accrued interest	-	-	-
Debt financing liabilities	-	4,156	Discounted cash flow	Discount rate	3.9%-11.2%	6.4 %
Other	327	1,953	Amortized cost	-	-	-
<b>Cash and cash equivalents</b>	-	1,196	Cost with accrued interest	-	-	-
<b>Pending trades net receivable/(payable)</b>	-	65	Amortized cost	-	-	-
<b>Total</b>	\$ 29,047	\$ 399,942				

<sup>1</sup> Primarily includes investment properties.

<sup>2</sup> May include certain recently acquired investments held at cost, which approximates fair value.

<sup>3</sup> For each instrument category as presented in the Condensed Interim Consolidated Schedule of Investment Portfolio, the range of input values represents the highest and lowest inputs used to value the investments, whereas the weighted average of the input values is calculated based on the relative fair values of the investments. The diversity of investments reported within each category, such as the geographic location and industry sector of the investments, may result in certain ranges of inputs being wide and unevenly distributed across the range.

# Notes to the Condensed Interim Consolidated Financial Statements

## (Unaudited)

### 2.5 Sensitivity analysis of Level 3 financial instruments using reasonably possible alternative inputs

Changes in the unobservable inputs could result in a significantly higher or lower fair value measurement. The interrelationships of significant unobservable inputs identified in Note 2.4 are as follows:

- An increase (decrease) in the EBITDA multiple will result in a higher (lower) fair value.
- An increase (decrease) in the discount rate and terminal capitalization rate will result in a lower (higher) fair value.

The fair values of the investments classified within Level 3 of the fair value hierarchy in Notes 2.1 and 2.2 are based on accepted industry valuation methods that may include the use of estimates made by Management, appraisers or both where significant judgment is required. The tables below present a sensitivity analysis of the use of reasonable alternative inputs (with all other variables held constant).

#### 2.5.1 Sensitivity analysis of Level 3 financial instruments held directly by CPP Investments

As at June 30, 2025							
(CAD millions)	Fair value of investments included in Level 3 of the fair value hierarchy held directly by CPP Investments:			Input changed	Impact to net investments		
	Gross amount of Level 3 exposure by instrument	Less: Amounts where instruments are excluded from sensitivity analysis <sup>2</sup>	Balance subject to sensitivity analysis		Decrease in fair value	Increase in fair value	
<b>Private equities</b>	\$ 18,822	\$ (416)	\$ 18,406	Discount rate/terminal capitalization rate EBITDA multiple	\$ (965) (5)	\$ 971 6	
<b>Debt</b>							
Direct private debt	1,160	-	1,160	Discount rate	(66)	47	
Asset-backed securities	9,940	(9,940)	-	n/a	-	-	
<b>Investment funds</b>	345	(345)	-	n/a	-	-	
<b>Investments in investment holding subsidiaries<sup>1</sup></b>	393,260	-	393,260	See Note 2.5.2	(8,223)	7,861	
<b>Investment liabilities</b>							
Other	545	(545)	-	n/a	-	-	
<b>Total</b>	\$ 422,982	\$ (10,156)	\$ 412,826		\$ (9,259)	\$ 8,885	

As at March 31, 2025							
(CAD millions)	Fair value of investments included in Level 3 of the fair value hierarchy held directly by CPP Investments:			Input changed	Impact to net investments		
	Gross amount of Level 3 exposure by instrument	Less: Amounts where instruments are excluded from sensitivity analysis <sup>2</sup>	Balance subject to sensitivity analysis		Decrease in fair value	Increase in fair value	
<b>Private equities</b>	\$ 18,965	\$ (1,289)	\$ 17,676	Discount rate/terminal capitalization rate EBITDA multiple	\$ (787) (11)	\$ 875 7	
<b>Debt</b>							
Direct private debt	1,209	-	1,209	Discount rate	(115)	77	
Asset-backed securities	8,837	(8,837)	-	n/a	-	-	
<b>Investment funds</b>	363	(363)	-	n/a	-	-	
<b>Investments in investment holding subsidiaries<sup>1</sup></b>	399,942	-	399,942	See Note 2.5.2	(7,741)	8,907	
<b>Investment liabilities</b>							
Other	327	(327)	-	n/a	-	-	
<b>Total</b>	\$ 428,989	\$ (10,162)	\$ 418,827		\$ (8,654)	\$ 9,866	

<sup>1</sup> For sensitivity analysis of Level 3 financial instruments held by investment holding subsidiaries, refer to Note 2.5.2.

<sup>2</sup> Level 3 financial instruments are excluded from the sensitivity analysis when net asset value is provided by an investment manager or where third-party pricing information is used as CPP Investments does not have access to the inputs and methodologies used to determine the fair value of the underlying investments.



# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 2.5.2 Sensitivity analysis of Level 3 financial instruments held by investment holding subsidiaries

As at June 30, 2025							
(CAD millions)	Fair value of investments included in Level 3 of the fair value hierarchy held by investment holding subsidiaries:			Input changed	Impact to net investments		
	Gross amount of Level 3 exposure by instrument	Less: Amounts where instruments are excluded from sensitivity analysis <sup>3</sup>	Balance subject to sensitivity analysis		Decrease in fair value	Increase in fair value	
<b>Private equities</b>	\$ 188,174	\$ (56,244)	\$ 131,930	Discount rate/terminal capitalization rate	\$ (4,206)	\$ 3,682	
				EBITDA multiple	(3,458)	3,461	
<b>Debt</b>							
Bonds	6	(6)	-	n/a	-	-	
Direct private debt	33,523	(154)	33,369	Discount rate	(413)	544	
Asset-backed securities	2,557	(2,557)	-	n/a	-	-	
<b>Investment funds</b>	94,660	(94,660)	-	n/a	-	-	
<b>Investment receivables and Other</b>							
Derivative assets	20	(20)	-	n/a	-	-	
Other <sup>1</sup>	1,835	-	1,835	Discount rate/terminal capitalization rate	(146)	174	
<b>Investment liabilities</b>							
Debt financing liabilities	50	-	50	Discount rate	-	-	
Other	1,771	(1,771)	-	n/a	-	-	
<b>Level 1 and Level 2 net investments<sup>2</sup></b>	74,306	(74,306)	-	n/a	-	-	
<b>Total</b>	\$ 393,260	\$ (226,176)	\$ 167,084		\$ (8,223)	\$ 7,861	

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

As at March 31, 2025							
(CAD millions)	Fair value of investments included in Level 3 of the fair value hierarchy held by investment holding subsidiaries:				Input changed	Impact to net investments	
	Gross amount of Level 3 exposure by instrument	Less: Amounts where instruments are excluded from sensitivity analysis <sup>3</sup>	Balance subject to sensitivity analysis			Decrease in fair value	Increase in fair value
<b>Private equities</b>	\$ 195,225	\$ (57,194)	\$ 138,031		Discount rate/terminal capitalization rate	\$ (3,598)	\$ 4,439
					EBITDA multiple	(3,578)	3,795
<b>Debt</b>							
Bonds	69	(69)	-		n/a	-	-
Direct private debt	36,285	(228)	36,057		Discount rate	(412)	490
Asset-backed securities	2,445	(2,445)	-		n/a	-	-
<b>Investment funds</b>	96,910	(96,910)	-		n/a	-	-
<b>Investment receivables and Other</b>							
Derivative assets	19	(19)	-		n/a	-	-
					Discount rate/terminal capitalization rate		
Other <sup>1</sup>	4,190	-	4,190			(153)	183
<b>Investment liabilities</b>							
Debt financing liabilities	51	-	51		Discount rate	-	-
Other	1,729	(1,729)	-		n/a	-	-
<b>Level 1 and Level 2 net investments<sup>2</sup></b>	66,579	(66,579)	-		n/a	-	-
<b>Total</b>	\$ 399,942	\$ (221,715)	\$ 178,227			\$ (7,741)	\$ 8,907

<sup>1</sup> Primarily includes investment properties.

<sup>2</sup> Level 1 and Level 2 net investments held by investment holding subsidiaries are excluded from the sensitivity analysis as their fair values are based on quoted prices in active market (Level 1) or valued using observable inputs (Level 2).

<sup>3</sup> Level 3 financial instruments are excluded from the sensitivity analysis when net asset value is provided by an investment manager or where third party pricing information is used as CPP Investments does not have access to the inputs and methodologies used to determine the fair value of the underlying investments.

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 3. Derivatives

The fair value of derivative contracts held by CPP Investments and its investment holding subsidiaries is as follows:

(CAD millions)	As at June 30, 2025		As at March 31, 2025	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value
<b>Equity contracts</b>				
Futures	\$ -	\$ -	\$ -	\$ -
Swaps	3,149	(1,475)	1,745	(1,928)
Options:				
Over-the-counter – purchased	1	-	5	-
Over-the-counter – written	-	(88)	-	(133)
Warrants <sup>1</sup>	20	-	19	-
<b>Total equity contracts</b>	<b>3,170</b>	<b>(1,563)</b>	<b>1,769</b>	<b>(2,061)</b>
<b>Foreign exchange contracts</b>				
Forwards	397	(3,295)	430	(3,043)
Options:				
Over-the-counter – purchased	44	-	42	-
Over-the-counter – written	-	(37)	-	(47)
<b>Total foreign exchange contracts</b>	<b>441</b>	<b>(3,332)</b>	<b>472</b>	<b>(3,090)</b>
<b>Interest rate contracts</b>				
Futures	-	-	-	-
Swaps	39	(346)	14	(280)
Options:				
Exchange-traded – written	-	(8)	-	(9)
Over-the-counter – purchased	309	-	344	-
Over-the-counter – written	-	(110)	-	(179)
<b>Total interest rate contracts</b>	<b>348</b>	<b>(464)</b>	<b>358</b>	<b>(468)</b>
<b>Credit contracts</b>				
Credit default swaps:				
Over-the-counter – purchased	-	(8)	-	(7)
Over-the-counter – written	29	(20)	17	(3)
Options:				
Over-the-counter – purchased	1	-	3	-
Over-the-counter – written	-	(17)	-	(25)
<b>Total credit contracts</b>	<b>30</b>	<b>(45)</b>	<b>20</b>	<b>(35)</b>
<b>Commodity contracts</b>				
Futures	-	-	-	-
Options:				
Exchange-traded – purchased	2	-	-	-
Exchange-traded – written	-	(42)	-	(65)
<b>Total commodity contracts</b>	<b>2</b>	<b>(42)</b>	<b>-</b>	<b>(65)</b>
<b>Total</b>	<b>\$ 3,991</b>	<b>\$ (5,446)</b>	<b>\$ 2,619</b>	<b>\$ (5,719)</b>

<sup>1</sup> Reflects positive fair values of \$20 million (March 31, 2025 - \$19 million) relating to warrants transacted by investment holding subsidiaries.

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 4. Net gains (losses) on investment holding subsidiaries

	For the three months ended June 30,	
(CAD millions)	2025	2024
<b>Income (loss):</b>		
Interest income	\$ 919	\$ 1,082
Dividend income	1,141	1,969
Net gains (losses) on private investments	(7,205)	4,453
Net gains on public investments	1,335	288
Other	45	115
	(3,765)	7,907
<b>Expenses:</b>		
Performance fees	2	-
Transaction-related	80	113
Taxes	103	144
Financing	55	78
	240	335
<b>Net gains (losses) before dividends and interest paid to CPP Investments:</b>	(4,005)	7,572
Dividends paid to CPP Investments	5,678	523
Interest paid to CPP Investments	94	135
<b>Net gains (losses) on investment holding subsidiaries</b>	<b>\$ (9,777)</b>	<b>\$ 6,914</b>

## 5. Segment information

### 5.1 Net income (loss) by investment segment

The table below presents the income (loss) and expenses incurred by each investment department.

For the three months ended June 30, 2025										
(CAD millions)	Total Fund Management	Capital Markets and Factor Investing	Active Equities	Credit Investments	Private Equity	Real Assets	Adjustment	Total		
Income (loss):	\$ 9,077	\$ 1,966	\$ 514	\$ (1,202)	\$ (1,159)	\$ 2,197	\$ (1,306)	\$ 10,087		
Expenses <sup>1</sup> :										
Personnel	27	34	42	47	67	87	-	304		
General and administrative	13	17	23	20	22	26	-	121		
Management fees <sup>2</sup>	29	191	-	7	189	82	(495)	3		
Performance fees <sup>2,3</sup>	1	441	-	7	206	-	(573)	82		
Transaction-related <sup>3</sup>	31	9	19	11	22	54	(80)	66		
Taxes <sup>3</sup>	140	4	113	30	5	128	(103)	317		
Financing <sup>3</sup>	1,740	-	-	26	3	17	(55)	1,731		
	1,981	696	197	148	514	394	(1,306)	2,624		
Net income (loss)	\$ 7,096	\$ 1,270	\$ 317	\$ (1,350)	\$ (1,673)	\$ 1,803	-	\$ 7,463		

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended June 30, 2024									
(CAD millions)	Total Fund Management	Capital Markets and Factor Investing	Active Equities	Credit Investments	Private Equity	Real Assets	Adjustment	Total	
<b>Income (loss):</b>	\$ 1,804	\$ 737	\$ 1,070	\$ 2,340	\$ 1,843	\$ 2,258	\$ (1,288)	\$	8,764
<b>Expenses<sup>1</sup>:</b>									
Personnel	22	32	40	41	57	72	-		264
General and administrative	17	17	25	18	22	26	-		125
Management fees <sup>2</sup>	26	163	1	10	151	44	(392)		3
Performance fees <sup>2,3</sup>	-	440	-	-	160	2	(561)		41
Transaction-related <sup>3</sup>	39	8	18	20	18	116	(113)		106
Taxes <sup>3</sup>	71	4	58	20	13	158	(144)		180
Financing <sup>3</sup>	1,788	-	-	54	9	1	(78)		1,774
	1,963	664	142	163	430	419	(1,288)		2,493
<b>Net income (loss)</b>	\$ (159)	\$ 73	\$ 928	\$ 2,177	\$ 1,413	\$ 1,839	\$ -	\$	6,271

<sup>1</sup> Includes expenses borne by CPP Investments and its investment holding subsidiaries in relation to the respective departments.

<sup>2</sup> Adjustments consist of costs incurred within funds.

<sup>3</sup> Adjustments consist of expenses borne by investment holding subsidiaries, which are reclassified into income (loss).

## 5.2 Net investments by investment segment

Net investments <sup>1</sup>									
(CAD millions)	Total Fund Management	Capital Markets and Factor Investing	Active Equities	Credit Investments	Private Equity	Real Assets	Total		
<b>As at:</b>									
<b>June 30, 2025</b>	\$ 364,699	\$ 1,441	\$ 342	\$ 78,784	\$ 143,830	\$ 142,432	\$		731,528
March 31, 2025	\$ 340,478	\$ 604	\$ 24	\$ 80,484	\$ 146,485	\$ 146,733	\$		714,808

<sup>1</sup> Net investments excludes net corporate assets of \$143 million (March 31, 2025 - net corporate liabilities of \$365 million), which is comprised of Cash and cash equivalents held for operating purposes, Premises and equipment, Other assets, and Accounts payable and accrued liabilities.

## 5.3 Geographic information

Net investments are presented in the table below based on the region to which they have primary economic exposure:

Net investments <sup>1</sup>							
(CAD millions)	Canada	U.S.	Asia Pacific	Europe	Latin America	Total	
<b>As at:</b>							
<b>June 30, 2025</b>	\$ 94,065	\$ 342,023	\$ 127,873	\$ 131,149	\$ 36,418	\$	731,528
March 31, 2025	\$ 87,135	\$ 339,417	\$ 120,177	\$ 132,978	\$ 35,101	\$	714,808

<sup>1</sup> Net investments excludes net corporate assets of \$143 million (March 31, 2025 - net corporate liabilities of \$365 million), which is comprised of Cash and cash equivalents held for operating purposes, Premises and equipment, Other assets, and Accounts payable and accrued liabilities.

## 6. Risk management

CPP Investments manages investment risks in accordance with the Risk Policy (Policy). This Policy establishes accountability of the Board of Directors, the various committees, including the Risk Committee, and departments to manage investment-related risks. The Policy is updated and approved by the Board of Directors at least once every fiscal year, and contains risk appetite (in the form of limits, statements and targets) and risk management provisions that govern investment decisions in accordance with CPP Investments' mandate.

# Notes to the Condensed Interim Consolidated Financial Statements

## (Unaudited)

### 6.1 Total fund risk

A suite of risk measures is used within CPP Investments to monitor and assess the risk profile of the base CPP Investment Portfolio and additional CPP Investment Portfolio (collectively the Investment Portfolios). Regular risk reports are provided to senior management and the Board of Directors to support the governance of the various dimensions of risk to which the Investment Portfolios are exposed.

Key investment risk measures include:

- **Market risk:** The target level of market risk, expressed in terms of an equity/debt risk equivalence ratio, which is the proportion of equity (versus debt) in a simple two-asset class representation of Canadian Government Bonds and Global Public Equities (including Canada) that would give the same market risk as that of the applicable Investment Portfolio. The target level of market risk of the base CPP Investment Portfolio is currently set at 85%/15%, with associated limits of 80%-90%, while the additional CPP Investment Portfolio target level is set at 55%/45%, with associated limits of 50%-60%.
- **Potential investment loss:** The loss of the Investment Portfolios over a one-year horizon is not expected to exceed the established limit 19 times out of 20.
- **Liquidity and leverage risk measures,** which are further described in Note 9.

The monitoring of adherence to investment risk limits is conducted independent of the investment departments by the Risk department, reporting to the Chief Risk Officer, using both industry standard and internally developed risk models. The tables below provide a summary of the key investment risk measures of the Investment Portfolios.

		As at June 30, 2025	As at March 31, 2025
	Limit	base CPP	base CPP
Market risk	80 – 90%	83.8%	83.5%
One-year potential investment loss <sup>1,2</sup>	14 – 19%	17.9%	17.1%

  

		As at June 30, 2025	As at March 31, 2025
	Limit	additional CPP	additional CPP
Market risk	50 – 60%	53.4%	53.2%
One-year potential investment loss <sup>1,2</sup>	10 – 14%	12.3%	11.9%

<sup>1</sup> Percentage of investment fair value.

<sup>2</sup> Effective April 1, 2025, the Board approved an increase to the upper risk limit for the one-year potential investment loss measure from 18% to 19% for the base CPP Investment Portfolio and from 13% to 14% for the additional CPP Investment Portfolio.

## 7. Market risk

Market risk is the risk that the fair value of an investment or investment liability will fluctuate because of changes in market prices and rates, which includes equity prices, interest rates, credit spreads and currency exchange rates. Market risk includes equity risk, interest rate risk, credit spread risk and currency risk.

### 7.1 Equity risk

Equity risk is the risk that the fair value of an investment or investment liability will fluctuate because of changes in equity prices, which is a significant source of risk of the Investment Portfolios.

### 7.2 Interest rate risk

Interest rate risk is the risk that the fair value of an investment or investment liability will fluctuate because of changes in market interest rates. The Investment Portfolios are exposed to interest rate risk primarily through holdings of fixed income securities, certain investment liabilities and interest rate derivatives.

### 7.3 Credit spread risk

Credit spread risk is the difference in yield on certain securities compared to a comparable risk-free security (i.e., government issued) with the same maturity date. Credit spread risk is the risk that the fair value of these securities will fluctuate because of changes in credit spread. With all other variables held constant, an increase in credit spread rates would result in a decrease in investments.

### 7.4 Currency risk

The Investment Portfolios are exposed to currency risk through holdings of investments or investment liabilities in various foreign currencies. Fluctuations in the relative value of foreign currencies against the Canadian dollar can result in a positive or negative effect on the fair value or future cash flows of these investments and investment liabilities.

# Notes to the Condensed Interim Consolidated Financial Statements

## (Unaudited)

### 7.4.1 Currency risk exposures

The net currency exposures after allocating foreign currency derivatives, in Canadian dollars, are as follows:

(CAD millions)	As at June 30, 2025		As at March 31, 2025	
Currency	Net exposure	% of total <sup>1</sup>	Net exposure	% of total <sup>1</sup>
U.S. dollar	\$ 442,836	61 %	\$ 448,207	63 %
Euro	55,106	8	45,504	6
Japanese yen	20,152	3	15,249	2
Indian rupee	16,281	2	16,595	2
Other	40,012	5	30,532	5
Total foreign exposure	574,387	79	556,087	78
Canadian dollar	157,141	21	158,721	22
<b>Total</b>	<b>\$ 731,528</b>	<b>100 %</b>	<b>\$ 714,808</b>	<b>100 %</b>

<sup>1</sup> May not reflect actual percentage of total due to rounding.

## 8. Credit risk

Credit risk represents potential losses arising from an entity's default event or deterioration of its credit quality, as a result of direct investment in a credit instrument or indirect exposure via derivative transactions. The Investment Portfolios' credit risk arises primarily through its investments in non-investment grade entities. The carrying amounts of these investments, as presented in the Condensed Interim Consolidated Schedule of Investment Portfolio, represent the maximum direct credit risk exposure at the Condensed Interim Consolidated Balance Sheet date.

### 8.1 Credit value-at-risk

Credit risk is monitored using a measure for losses due to defaults and credit rating migration. A Monte Carlo simulation that incorporates likelihood of default, credit rating migration and recovery in the event of default for underlying investments is adopted to quantify this dimension of risk. Credit value-at-risk, at a 95% confidence level, implies there is a 5% chance that the underlying investments in the Investment Portfolios will lose more than the amounts shown below, expressed as a percentage of each Investment Portfolio, in any given year due to default and credit migration risk.

	As at June 30, 2025		As at March 31, 2025	
	base CPP	additional CPP	base CPP	additional CPP
Credit value-at-risk <sup>1</sup>	0.9%	0.7%	3.3%	2.3%

<sup>1</sup> Effective April 1, 2025, the measurement methodology for credit value-at-risk was revised to reflect an update to the scope of the credit value-at-risk measure monitored by Management. The credit value-at-risk as at March 31, 2025 under the new measurement methodology would have been 0.9% and 0.8% for the base CPP and the additional CPP Investment Portfolios, respectively.

## 9. Liquidity and leverage risk

### 9.1 Liquidity risk

Liquidity risk is defined as the risk of incurring unacceptable losses while obtaining the funds needed to (i) meet payment obligations as they become due, (ii) fund new investments or (iii) rebalance the portfolio in periods of stress. The liquidity coverage ratio measures the amount of available liquid securities relative to CPP Investments' investment obligations and obligations to transfer funds to CPP over various time horizons including any one-month period.

	Limit	As at June 30, 2025	As at March 31, 2025
Liquidity coverage ratio	1.0x	5.9x	6.9x

Liquidity risk is impacted by the use of various forms of leverage which CPP Investments uses to manage certain other risks and enhance fund returns. The use of leverage is governed directly through leverage measures as outlined in Note 9.2.

Liquidity risk is managed by investing certain assets in a liquid portfolio of publicly traded equities, money market securities and marketable bonds. It is supplemented by the ability to raise funds through activities such as the issuance of unsecured debt, including term debt, as well as transacting in securities sold under repurchase agreements. CPP Investments also maintains unsecured credit facilities to meet potential liquidity requirements. There were no credit facilities drawn as at June 30, 2025 and March 31, 2025.

(CAD millions)	As at June 30, 2025	As at March 31, 2025
Unsecured credit facilities held	\$ 1,500	\$ 1,500

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 9.2 Leverage risk

Leverage risk is the risk that excessive financial obligations heighten market and liquidity risks during periods of stress. Leverage risk is monitored by recourse and limited recourse measures. Recourse leverage is a notional-based measure with direct recourse to CPP Investments, which represents the net amount of borrowed funds and synthetic financing used by CPP Investments to increase its investment exposure. Limited recourse leverage generally refers to the debt issued through CPP Investments' investment holding subsidiaries that limits recourse to specific investments held within these subsidiaries. The recourse leverage measures are as follows:

	Limit	As at June 30, 2025	As at March 31, 2025
<b>Recourse leverage:</b>			
base CPP	45 %	36.5 %	36.3 %
additional CPP	30	22.8	23.0

As at June 30, 2025 recourse and limited recourse leverage amounted to \$258,368 million and \$2,960 million, respectively (March 31, 2025 – \$251,736 million and \$4,788 million, respectively).

## 9.3 Terms to maturity

### 9.3.1 Terms to maturity of non-derivative investment liabilities held directly by CPP Investments

Terms to maturity								
	As at June 30, 2025						As at March 31, 2025	
(CAD millions)	Within 1 year	1 to 5 years	6 to 10 years	Over 10 years	Total contractual amount	Weighted average interest rate <sup>3</sup>	Total contractual amount	Weighted average interest rate <sup>3,4</sup>
Securities sold under repurchase agreements	\$ 100,333	\$ -	\$ -	\$ -	\$ 100,333	3.1 %	\$ 109,276	3.3 %
Debt financing liabilities	5,963	45,412	21,054	6,970	79,399	3.0	79,640	3.1
Cash collateral received on securities lent	5,491	-	-	-	5,491	n/a	5,307	n/a
Securities sold short <sup>1,2</sup>	16,038	-	-	-	16,038	n/a	19,432	n/a
<b>Total</b>	<b>\$ 127,825</b>	<b>\$ 45,412</b>	<b>\$ 21,054</b>	<b>\$ 6,970</b>	<b>\$ 201,261</b>	<b>3.1 %</b>	<b>\$ 213,655</b>	<b>3.2 %</b>

<sup>1</sup> Considered repayable within one year based on the earliest period in which the counterparty could request payment under certain conditions.

<sup>2</sup> Includes equities sold short for which the average interest rate is not applicable.

<sup>3</sup> Total weighted average interest rate excludes certain investment liabilities for which the average interest rate is not applicable.

<sup>4</sup> Certain comparatives have been updated to conform to the current period's presentation.

### 9.3.2 Terms to maturity of non-derivative investment liabilities held by investment holding subsidiaries

The following table presents supplemental information relating to the terms to maturity of investment liabilities held by investment holding subsidiaries.

Terms to maturity								
	As at June 30, 2025						As at March 31, 2025	
(CAD millions)	Within 1 year	1 to 5 years	6 to 10 years	Over 10 years	Total contractual amount	Weighted average interest rate	Total contractual amount	Weighted average interest rate
Loans sold under repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	- %	\$ 246	6.9 %
Debt financing liabilities	1,110	441	948	86	2,585	6.8	4,126	6.5
<b>Total</b>	<b>\$ 1,110</b>	<b>\$ 441</b>	<b>\$ 948</b>	<b>\$ 86</b>	<b>\$ 2,585</b>	<b>6.8 %</b>	<b>\$ 4,372</b>	<b>6.5 %</b>



# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 10. Reconciliation of debt financing liabilities

The following table provides a reconciliation of debt financing liabilities issued by CPP Investments arising from financing activities:

For the three months ended June 30,			
(CAD millions)		2025	2024
Balance, beginning of period	\$	76,642	\$ 67,898
Proceeds		6,361	4,501
Repayments		(5,887)	(4,708)
Non-cash changes in fair value <sup>1</sup>		(531)	443
<b>Balance, end of period</b>	<b>\$</b>	<b>76,585</b>	<b>\$ 68,134</b>

<sup>1</sup> Includes foreign exchange gains of \$669 million (June 30, 2024 – losses of \$669 million).

## 11. Collateral

### 11.1 Collateral held and pledged directly by CPP Investments

The fair value of collateral held and pledged directly by CPP Investments was as follows:

(CAD millions)		As at June 30, 2025	As at March 31, 2025
<b>Third-party assets held as collateral on<sup>1</sup>:</b>			
Reverse repurchase agreements	\$	32,119	\$ 17,525
Derivative transactions		1,600	738
Securities lent <sup>2,3</sup>		6,990	7,574
<b>Total</b>	<b>\$</b>	<b>40,709</b>	<b>\$ 25,837</b>
<b>Own and third-party assets pledged as collateral on:</b>			
Repurchase agreements		99,215	108,026
Securities borrowed <sup>3,4</sup>		18,225	23,055
Derivative transactions		14,381	13,106
Debt financing liabilities		1,204	1,176
<b>Total</b>	<b>\$</b>	<b>133,025</b>	<b>\$ 145,363</b>

<sup>1</sup> The fair value of collateral sold or repledged as at June 30, 2025 was \$8,565 million (March 31, 2025 - \$3,124 million).

<sup>2</sup> The fair value of securities lent as at June 30, 2025 was \$6,818 million (March 31, 2025 - \$7,379 million).

<sup>3</sup> Cash collateral payable on the Condensed Interim Consolidated Balance Sheet of \$5,491 million (March 31, 2025 - \$5,307 million) consists of collateral receivable of nil and collateral payable of \$5,491 million that qualify for netting (March 31, 2025 - nil and \$5,307 million, respectively).

<sup>4</sup> The fair value of securities borrowed as at June 30, 2025 was \$13,149 million (March 31, 2025 - \$18,090 million) of which \$13,069 million (March 31, 2025 - \$17,097 million) was used for short selling activity.

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 11.2 Supplemental information on collateral relating to investment holding subsidiaries

The fair value of collateral held and pledged by investment holding subsidiaries was as follows:

<i>(CAD millions)</i>	As at June 30, 2025	As at March 31, 2025
<b>Third-party assets held as collateral on<sup>1</sup>:</b>		
Reverse repurchase agreements	\$ 115	\$ 147
<b>Total</b>	<b>\$ 115</b>	<b>\$ 147</b>
<b>Own and third-party assets pledged as collateral on:</b>		
Repurchase agreements	-	330
Securities borrowed <sup>2,3</sup>	22,238	22,492
Derivative transactions <sup>3</sup>	1,938	2,043
Private equities <sup>4</sup>	13,594	14,294
Debt financing liabilities	6,628	8,665
<b>Total</b>	<b>\$ 44,398</b>	<b>\$ 47,824</b>

<sup>1</sup> The fair value of collateral sold or repledged as at June 30, 2025 was nil (March 31, 2025 - nil).

<sup>2</sup> The fair value of securities borrowed as at June 30, 2025 was \$12,766 million (March 31, 2025 - \$12,960 million), which were all used for short selling activity.

<sup>3</sup> The cash collateral at the prime brokers may be used for securities borrowed and derivatives transacted by brokers.

<sup>4</sup> Represents securities pledged as collateral on loan borrowings of the investees.

## 12. Commitments

CPP Investments and its investment holding subsidiaries have entered into commitments related to the funding of investments. These commitments are generally payable on demand based on the funding needs of the investment subject to the terms and conditions of each agreement. As at June 30, 2025, the unfunded commitments for CPP Investments and its investment holding subsidiaries totalled \$1,004 million (March 31, 2025 - \$752 million) and \$64,168 million (March 31, 2025 - \$62,648 million), respectively.

## 13. Guarantees

As part of certain investment transactions, CPP Investments and its investment holding subsidiaries agreed to guarantee, as at June 30, 2025, up to \$133 million (March 31, 2025 - \$141 million) and \$5,023 million (March 31, 2025 - \$7,118 million), respectively, to other counterparties in the event certain investee entities default under the terms of loan and other related agreements, or fail to perform under specified non-financial contractual obligations.

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 14. Base CPP and additional CPP

The following note discloses the net assets, net investments and net income of CPP Investments' base CPP account and additional CPP account.

### 14.1 Changes in net assets

The accumulated transfers from/to the CPP and its two parts, the base CPP and additional CPP, as well as their accumulated net income since inception, are as follows:

(CAD millions)	For the three months ended						
	Accumulated net transfers from CPP			Accumulated net income and comprehensive income			Total net assets
	base CPP	additional CPP	Total	base CPP	additional CPP	Total	
<b>As at April 1, 2024</b>	\$ 164,361	\$ 35,653	\$ 200,014	\$ 429,470	\$ 2,883	\$ 432,353	\$ 632,367
Total net income and comprehensive income for the period	-	-	-	5,890	381	6,271	6,271
Transfers from CPP	15,209	4,241	19,450	-	-	-	19,450
Transfers to CPP	(11,322)	(4)	(11,326)	-	-	-	(11,326)
<b>As at June 30, 2024</b>	\$ 168,248	\$ 39,890	\$ 208,138	\$ 435,360	\$ 3,264	\$ 438,624	\$ 646,762
<b>As at April 1, 2025</b>	\$ 170,557	\$ 51,748	\$ 222,305	\$ 485,295	\$ 6,843	\$ 492,138	\$ 714,443
Total net income and comprehensive income for the period	-	-	-	7,236	227	7,463	7,463
Transfers from CPP	18,343	4,891	23,234	-	-	-	23,234
Transfers to CPP	(13,469)	-	(13,469)	-	-	-	(13,469)
<b>As at June 30, 2025</b>	\$ 175,431	\$ 56,639	\$ 232,070	\$ 492,531	\$ 7,070	\$ 499,601	\$ 731,671

### 14.2 Net assets of base CPP and additional CPP

The net assets of CPP Investments' base CPP and additional CPP accounts are as follows:

(CAD millions)	As at June 30, 2025			As at March 31, 2025		
	base CPP	additional CPP	Total	base CPP	additional CPP	Total
Net investments	\$ 667,817	\$ 63,711	\$ 731,528	\$ 656,188	\$ 58,620	\$ 714,808
Cash and cash equivalents held for operating purposes	253	11	264	244	2	246
Premises and equipment	658	29	687	671	32	703
Other assets	88	5	93	78	4	82
Accounts payable and accrued liabilities	854	47	901	1,329	67	1,396
<b>Net assets</b>	<b>\$ 667,962</b>	<b>\$ 63,709</b>	<b>\$ 731,671</b>	<b>\$ 655,852</b>	<b>\$ 58,591</b>	<b>\$ 714,443</b>

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 14.3 Schedule of investment portfolio for base CPP and additional CPP

The table below provides details of the investments and investment liabilities for CPP Investments' base CPP and additional CPP accounts:

(CAD millions)	As at June 30, 2025 <sup>1</sup>		
	base CPP	additional CPP	Total
<b>Equities</b>			
Public equities	\$ 228,054	\$ 14,038	\$ 242,092
Private equities	214,037	13,175	227,212
<b>Total equities</b>	<b>442,091</b>	<b>27,213</b>	<b>469,304</b>
<b>Debt</b>			
Bonds	185,693	33,741	219,434
Other debt	47,114	2,900	50,014
Money market securities	1,318	81	1,399
<b>Total debt</b>	<b>234,125</b>	<b>36,722</b>	<b>270,847</b>
<b>Investment funds</b>	<b>152,284</b>	<b>9,374</b>	<b>161,658</b>
<b>Investment receivables and Other</b>			
Securities purchased under reverse repurchase agreements and cash collateral pledged on securities borrowed	31,096	1,663	32,759
Derivative assets	3,760	231	3,991
Other	6,259	392	6,651
<b>Total investment receivables and Other</b>	<b>41,115</b>	<b>2,286</b>	<b>43,401</b>
<b>Total investments</b>	<b>\$ 869,615</b>	<b>\$ 75,595</b>	<b>\$ 945,210</b>
<b>Investment liabilities</b>			
Securities and loans sold under repurchase agreements and cash collateral received on securities lent	98,688	6,075	104,763
Debt financing liabilities	74,593	4,592	79,185
Securities sold short	15,109	929	16,038
Derivative liabilities	5,119	327	5,446
Other	4,307	265	4,572
<b>Total investment liabilities</b>	<b>197,816</b>	<b>12,188</b>	<b>210,004</b>
Cash and cash equivalents	\$ 8,265	\$ 1,057	\$ 9,322
Pending trades receivable	4,862	299	5,161
Pending trades payable	17,109	1,052	18,161
<b>Net investments</b>	<b>\$ 667,817</b>	<b>\$ 63,711</b>	<b>\$ 731,528</b>

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

		As at March 31, 2025 <sup>1</sup>		
(CAD millions)		base CPP	additional CPP	Total
<b>Equities</b>				
Public equities	\$	216,614	\$ 12,368	\$ 228,982
Private equities		216,101	12,339	228,440
<b>Total equities</b>		432,715	24,707	457,422
<b>Debt</b>				
Bonds		196,205	32,132	228,337
Other debt		49,168	2,807	51,975
Money market securities		461	26	487
<b>Total debt</b>		245,834	34,965	280,799
<b>Investment funds</b>		153,708	8,776	162,484
<b>Investment receivables and Other</b>				
Securities purchased under reverse repurchase agreements and cash collateral pledged on securities borrowed		17,547	978	18,525
Derivative assets		2,477	142	2,619
Other		6,850	374	7,224
<b>Total investment receivables and Other</b>		26,874	1,494	28,368
<b>Total investments</b>	\$	859,131	\$ 69,942	\$ 929,073
<b>Investment liabilities</b>				
Securities and loans sold under repurchase agreements and cash collateral received on securities lent		107,227	6,122	113,349
Debt financing liabilities		76,434	4,364	80,798
Securities sold short		18,382	1,050	19,432
Derivative liabilities		5,385	334	5,719
Other		2,988	171	3,159
<b>Total investment liabilities</b>		210,416	12,041	222,457
Cash and cash equivalents	\$	7,984	\$ 747	\$ 8,731
Pending trades receivable		1,788	233	2,021
Pending trades payable		2,299	261	2,560
<b>Net investments</b>	\$	656,188	\$ 58,620	\$ 714,808

<sup>1</sup> Presented using the same basis as the Condensed Interim Consolidated Schedule of Investment Portfolio, which is different from that of the Condensed Interim Consolidated Balance Sheet. Refer to the Condensed Interim Consolidated Schedule of Investment Portfolio for further details.

# Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

## 14.4 Net income of base CPP and additional CPP

Details of net income (loss) of CPP Investments' base CPP and additional CPP accounts are as follows:

	For the three months ended June 30,					
	2025			2024		
(CAD millions)	base CPP	additional CPP	Total	base CPP	additional CPP	Total
<b>Income:</b>						
Interest income	\$ 2,208	\$ 329	\$ 2,537	\$ 1,944	\$ 233	\$ 2,177
Dividend income	7,337	99	7,436	2,210	74	2,284
Net (losses) on private investments	(2,780)	(556)	(3,336)	(4,092)	(205)	(4,297)
Net gains on public investments	12,274	781	13,055	1,678	142	1,820
Net gains (losses) on investment holding subsidiaries	(9,560)	(217)	(9,777)	6,675	239	6,914
Other	234	(62)	172	(133)	(1)	(134)
	9,713	374	10,087	8,282	482	8,764
<b>Expenses:</b>						
Personnel	286	18	304	253	11	264
General and administrative	113	8	121	119	6	125
Management fees	3	-	3	3	-	3
Performance fees	77	5	82	40	1	41
Transaction-related	62	4	66	102	4	106
Taxes	299	18	317	172	8	180
Financing	1,637	94	1,731	1,703	71	1,774
	2,477	147	2,624	2,392	101	2,493
<b>Net income and comprehensive income</b>	<b>\$ 7,236</b>	<b>\$ 227</b>	<b>\$ 7,463</b>	<b>\$ 5,890</b>	<b>\$ 381</b>	<b>\$ 6,271</b>