
Financial statements of
The Foundation of Greater Montreal
Investment Fund

December 31, 2025 and 2024

Independent Auditor’s Report	1-2
Statements of financial position.....	3
Statements of net income and comprehensive income	4
Statements of changes in net assets attributable to holders of redeemable units	5
Statements of cash flows	6
Statements of investment portfolio	7-8
Notes to the financial statements	9-16

Independent Auditor's Report

To the Unitholders of
The Foundation of Greater Montreal Investment Fund

Opinion

We have audited the financial statements of The Foundation of Greater Montreal Investment Fund (the "Fund"), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of net income and comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

April 15, 2026

¹ CPA auditor, public accountancy permit No. A132478

The Foundation of Greater Montreal Investment Fund

Statements of financial position

As at December 31, 2025 and 2024

(In thousands of Canadian dollars, except for number of redeemable units outstanding and amounts per redeemable unit)

	2025	2024
	\$	\$
Assets		
Cash	2,815	10,332
Investments	499,493	456,983
	502,308	467,315
Liabilities		
Redeemed units payable	380	419
Net assets attributable to holders of redeemable units	501,928	466,896
Number of redeemable units outstanding		
Balance, beginning of year	401,063.248	369,955.098
Contributions	11,926.430	25,212.110
Reinvested distributions	28,930.920	22,455.370
Withdrawals	(21,089.110)	(16,559.330)
Balance, end of year	420,831.488	401,063.248
Net assets per redeemable unit	1,192.706	1,164.146

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

Approved by the Board


_____, Director


_____, Director

The Foundation of Greater Montreal Investment Fund
Statements of net income and comprehensive income

Years ended December 31, 2025 and 2024

(In thousands of Canadian dollars, except for number of redeemable units outstanding and amounts per redeemable unit)

	Notes	2025	2024
		\$	\$
Income			
Interest		53	388
Net income (net loss) from partnerships		144	(319)
Income from pooled funds		11,252	8,839
		11,449	8,908
Expenses			
Management fees	3	3,181	2,236
Net investment income		8,268	6,672
Realized net gains on disposal of investments		26,237	21,646
Unrealized change in fair value of investments		11,829	32,864
Increase in net assets attributable to holders of redeemable units		46,334	61,182
Average number of redeemable units outstanding		398,699.085	376,261.510
Increase in net assets attributable to holders of redeemable units per unit		116.777	162.605

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

The Foundation of Greater Montreal Investment Fund
Statements of changes in net assets attributable to holders of redeemable units
Years ended December 31, 2025 and 2024
(In thousands of Canadian dollars)

	2025	2024
	\$	\$
Net assets attributable to holders of redeemable units, beginning of year	466,896	396,264
Contributions, reinvested distributions and withdrawals		
Contributions	14,172	28,671
Reinvested distributions	34,506	26,142
Withdrawals	(25,474)	(19,221)
	23,204	35,592
Increase in net assets attributable to holders of redeemable units	46,334	61,182
Distributions to unitholders	(34,506)	(26,142)
Net assets attributable to holders of redeemable units, end of year	501,928	466,896

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

The Foundation of Greater Montreal Investment Fund

Statements of cash flows

Years ended December 31, 2025 and 2024

(In thousands of Canadian dollars)

	2025	2024
	\$	\$
Operating activities		
Increase in net assets attributable to holders of redeemable units	46,334	61,182
Items not affecting cash		
Realized (net gains) net losses on disposal of investments	(26,237)	(21,646)
Unrealized change in fair value of investments	(11,829)	(32,864)
Acquisition of investments	(39,383)	(539,049)
Proceeds on sale of investments	34,939	529,917
	3,824	(2,460)
Financing activities		
Contributions	14,172	28,671
Withdrawals	(25,513)	(19,644)
	(11,341)	9,027
Net (decrease) increase in cash	(7,517)	6,567
Cash, beginning of year	10,332	3,765
Cash, end of year	2,815	10,332

Non-cash transaction

As at December 31, 2025, the Fund had redeemed units payable for an amount of \$380 (\$419 in 2024).

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

The Foundation of Greater Montreal Investment Fund
Statements of investment portfolio

As at December 31, 2025

(In Canadian dollars, except unit amounts)

	2025		
	Number of units	Total cost	Fair value
		\$	\$
Pooled funds (94.6%)			
Fixed income funds (27.6%)			
BlackRock Universe Bond Fund	1,850,919	67,201,342	68,413,864
Greystone Mortgage Fund	3,024,678	39,417,874	40,168,625
AlphaFixe Green Bond Fund	2,483,156	22,727,019	23,003,955
TD Emerald Canadian Treasury Management Fund	681,258	6,812,581	6,812,581
		136,158,816	138,399,025
Canadian equity funds (7.0%)			
Jarislowsky Fraser Fossil Fuel Free Canadian Equity Fund	2,239,847	34,823,238	35,179,716
Foreign equity funds (60.0%)			
Amundi Global High Income and Low Volatility Equity Fund	5,736,282	70,326,895	69,609,208
BlackRock EAFE Equity Index Fund	3,261,565	41,726,855	48,520,257
RBC Global Equity Focus Fund	1,760,651	41,639,576	46,565,196
Wellington Climate Strategy Fund	3,977,520	39,469,701	44,669,937
BlackRock U.S. Equity Index Fund	2,575,100	39,175,558	44,565,196
Pier 21 Global Emerging Markets Fund	1,691,503	23,268,192	25,398,589
Van Berkom Global Small Cap Fund	1,802,509	21,403,426	22,209,792
		277,010,203	301,431,282
Total pooled funds		447,992,257	475,010,023
Limited partnerships (4.9%)			
Greystone Real Estate	1,102,198	16,759,768	18,761,166
Women's and Children's Health Technology Fund, L.P.	150,876	1,815,208	1,780,353
Brookfield Global Transition Fund II, L.P.	124,880	1,643,496	1,605,496
New Market Funds Rental Housing Fund II, L.P.	101,855	911,802	909,753
Theia Workforde Housing Fund (Québec), L.P.	87,500	868,400	875,000
Amplify Capital Impact Fund III, L.P.	68,503	646,892	551,576
		22,645,566	24,483,344
Cash and other net assets elements (0.5%)			2,434,851
Net assets (100.0%)			501,928,218

The Foundation of Greater Montreal Investment Fund
Statements of investment portfolio

As at December 31, 2024

(In Canadian dollars, except unit amounts)

	2024		
	Number of units	Total cost	Fair value
		\$	\$
Pooled funds (93.3%)			
Fixed income funds (27.2%)			
BlackRock Universe Bond Fund	1,851,023	64,882,129	66,635,764
Greystone Mortgage Fund	2,859,002	37,202,994	37,906,364
AlphaFixe Green Bond Fund	2,382,278	21,764,313	22,217,129
		<u>123,849,436</u>	<u>126,759,257</u>
Canadian equity funds (7.2%)			
Jarislowsky Fraser Fossil Fuel Free Canadian Equity Fund	2,084,003	32,307,231	33,844,201
Foreign equity funds (58.9%)			
Amundi Global High Income and Low Volatility Equity Fund	5,464,857	67,076,509	65,184,267
BlackRock EAFE Equity Index Fund	3,316,174	39,624,367	39,837,864
RBC Global Equity Focus Fund	1,539,788	35,727,604	42,432,852
Wellington Climate Strategy Fund	4,049,608	40,185,041	42,189,623
BlackRock U.S. Equity Index Fund	2,831,967	39,982,541	43,995,735
Pier 21 Global Emerging Markets Fund	1,512,144	20,575,046	19,721,227
Van Berkomp Global Small Cap Fund	1,817,381	21,425,900	21,724,431
		<u>264,597,008</u>	<u>275,085,999</u>
Total pooled funds		<u>420,753,675</u>	<u>435,689,457</u>
Limited partnerships (4.6%)			
Greystone Real Estate	1,102,198	16,628,832	18,669,243
Women's and Children's Health Technology Fund, L.P.	99,659	1,270,025	1,340,720
New Market Funds Rental Housing Fund II, L.P.	98,280	912,112	888,414
Amplify Capital Impact Fund III, L.P.	45,005	391,344	394,907
		<u>19,202,313</u>	<u>21,293,284</u>
Cash and other net assets elements (2.1%)			<u>9,913,022</u>
Net assets (100.0%)			<u>466,895,763</u>

The Foundation of Greater Montreal Investment Fund

Notes to the financial statements

December 31, 2025 and 2024

(In Canadian dollars)

1. Description of the Fund

The Foundation of Greater Montreal Investment Fund (the "Fund") was created under the laws of the Province of Québec by a declaration of trust dated July 5, 2001.

The Fund is domiciled in Canada and its registered office is 606, Cathcart Street, Suite 1030, Montréal, Québec H3B 1K9.

The Foundation of Greater Montreal (the "FGM") acts as the Fund Manager, the National Bank Trust as the trustee and Industrial Alliance Global Asset Management as the main external investment manager.

These financial statements were approved by the Board on April 15, 2026.

2. Accounting policies

The financial statements have been prepared in accordance with IFRS[®] Accounting Standards issued by the International Accounting Standards Board ("IASB") and the material accounting policy information are as follows:

Basis of evaluation

These financial statements have been prepared on a fair value basis.

Investment fund

The Fund is an investment entity as described in IFRS 10, *Consolidated Financial Statements* (IFRS 10), as the following conditions are met:

- (a) The Fund obtains capital from many investors to manage their funds;
- (b) The Fund commits to its investors that its investment activities aim to generate returns and provide investment income in accordance with its mission; and
- (c) The Fund measures and evaluates the performance of its investments on a fair value basis.

Financial instruments

Financial instruments are initially measured at fair value, increased by transaction costs for financial instruments measured at their amortized cost.

The Fund classifies its investments at fair value through profit or loss (FVTPL). Cash is classified in the amortized cost category.

Financial liabilities are subsequently measured at their amortized cost using the effective interest rate method.

Given the short-term nature of those financial instruments, the amortized cost equates to fair value.

Net assets attributable to holders of redeemable units are classified as financial liabilities and are presented at redemption value, which equates to fair value.

Transaction costs related to financial assets at FVTPL are expensed as incurred. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets when they are classified at amortized cost.

The Foundation of Greater Montreal Investment Fund

Notes to the financial statements

December 31, 2025 and 2024

(In Canadian dollars)

2. Accounting policies (continued)

Financial instruments (continued)

Valuation of investments

Investments are recorded at fair value in the statements of financial position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

- The pooled funds do not have a quoted market price in an active market. The fair value is based on the unit value provided by the manager of the pooled fund, which is determined based on the fair value of the underlying investments of each fund.
- The limited partnerships do not have a quoted market price in an active market. The fair value is based on the unit value provided by the manager of the fund, and is based on recognized valuation methods driven from data that is not obtained exclusively from observable markets.
- The fair value of money market securities corresponds to their acquisition cost plus accrued interest.

Derecognition

The Fund derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled, or have expired.

Recognition of investment income

Investment transactions are recorded on the trade date. Pooled fund income is recognized when distributions are declared. Interest income is recognized as it is earned, and dividend income is recorded on the ex-dividend date. Realized gains or losses on disposal of investments and unrealized change in fair value of investments are calculated using the average cost method.

Allocation to holders of redeemable units

The allocation to holders of redeemable units of net investment income and realized gains or losses on disposal of investments is calculated on the last day of the evaluation period indicated below. At that time, these amounts are paid to the Fund's holders of redeemable units registered as at the previous valuation day, in proportion to the units they hold.

Net investment income	Monthly allocation
Realized gains or losses on disposal of investments	Yearly allocation in December of each year

Valuation of redeemable units

The unit value of redeemable units is determined on the last business day of each month by dividing the net asset value of the Fund by the total number of redeemable units outstanding on that date.

Foreign currency translation

The fair values of investments and other assets in foreign currencies are translated into Canadian dollars at the exchange rate in effect on the date of the statements of financial position.

The Foundation of Greater Montreal Investment Fund

Notes to the financial statements

December 31, 2025 and 2024

(In Canadian dollars)

2. Accounting policies (continued)

Foreign currency translation (continued)

Purchases and sales of investments as well as investment income in foreign currencies are translated into Canadian dollars at the exchange rate in effect on the date of the transaction. Realized gains or losses are recorded in income for the year and are reported as realized gains or losses on disposal of investments. Unrealized gains or losses are recorded in income for the year and are included in the unrealized change in fair value of investments.

Use of estimates

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of net assets attributable to holders of redeemable units, as well as disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of investment income and expenses during the reporting period. Actual results could differ from these estimates.

Critical judgments

The following are the critical judgments that management has made in the process of applying the Fund's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Units classification

As per IAS 32, *Financial Instruments: Disclosure*, the net assets attributable to holders of redeemable units must be classified as a liability in the statement of financial position, unless all conditions to classify them as equity are met. The net assets attributable to holders of redeemable units are presented as liabilities.

Investment entity

The Manager has concluded that the Fund meets the definition of an investment entity in conformity with *IFRS 10, Consolidated Financial Statements* and, therefore, is required to measure its subsidiaries at fair value through profit or loss rather than consolidate them.

The main judgment in order to conclude whether the Fund respects the definition mentioned above is the fact that the Fund measures and evaluates the performance of substantially all of its investments on a fair value basis.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Fair value of the financial instruments

The Fund takes a position when the security price is not part of the bid-ask spread. IFRS Accounting Standards stipulate that the Fund must determine the price considered most representative of the fair value based on facts and circumstances. Management has taken a position that when this situation occurs, investments are valued at bid price.

Additionally, management uses judgment in regard to the valuation method of the financial instruments which are not traded on open markets. The methods used are the methods that are used in the industry.

The Foundation of Greater Montreal Investment Fund

Notes to the financial statements

December 31, 2025 and 2024

(In Canadian dollars)

2. Accounting policies (continued)

New and revised IFRS Accounting Standards issued but not yet effective

At the date of authorisation of these financial statements, the Fund has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>
IFRS 18	<i>Presentation and Disclosures in Financial Statements</i>

Management does not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Fund in future periods, except if indicated below.

a) *Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments*

Derecognition of a financial liability settled through electronic transfer

The amendments permit the Fund to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognised) before the settlement date if specified criteria are met. If the Fund elects to apply this accounting policy, it must do so for all settlements made through the same electronic payment system.

The amendments are effective for annual reporting periods beginning on or after January 1st, 2026 with earlier application permitted. If the Fund elects to apply these amendments for an earlier period, it is required to either:

- apply all the amendments at the same time and disclose that fact or
- apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

The amendments are required to be applied retrospectively, in accordance with IAS 8, with specific exceptions.

The Fund anticipates that the application of these amendments may have an impact on the Fund's financial statements in future periods.

b) *IFRS 18 Presentation and Disclosures in Financial Statements*

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 *Earnings per Share*.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements;
- improve aggregation and disaggregation.

The Fund is required to apply IFRS 18 for annual reporting periods beginning on or after January 1st, 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when the Fund applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The management of the Fund anticipate that the application of these amendments may have an impact on the Fund's financial statements in future periods.

The Foundation of Greater Montreal Investment Fund

Notes to the financial statements

December 31, 2025 and 2024

(In Canadian dollars)

3. Management fees

Management fees charged by the Fund Manager were \$3,180,783 (\$2,236,000 in 2024), representing annual administrative fees of 0.65% (0.50% in 2024) of the fair value of managed funds, payable in monthly instalments, according to the number of days in the month. These fees are used to pay the investment management fees, trustee fees and various charges.

4. Income taxes

The Fund meets the definition of a mutual fund trust under the *Income Tax Act* (Canada). All net investment income of the Fund for tax purposes and a sufficient share of realized gains or losses on disposal of investments during any period must be distributed to holders of redeemable units so that the Fund has no tax liability. The Fund makes such distributions and therefore recognizes no income taxes.

The Fund is currently subject to withholding taxes on investment income and capital gains in some foreign countries. These revenue and gains are recognized at the gross income amount and withholding taxes relating thereto are presented in the statement of net income and comprehensive income.

5. Financial instruments and financial risk management

The Fund's investment activities expose it to certain financial risks. The Fund Manager minimizes these risks by entrusting the management of the Fund's portfolio to experienced investment advisors who manage it day to day in accordance with market events and the Fund's investment policy.

The Fund has determined that all its investments in underlying funds are investments in unconsolidated structured entities. The Fund may invest in unconsolidated structured entities to achieve capital growth. The underlying funds are managed by asset managers that apply various investment strategies to accomplish their objectives. The Fund's investments in underlying funds are subject to the terms and conditions of the respective underlying funds and are susceptible to market price risk arising from uncertainty about the future values of those underlying funds. The Fund's maximum exposure to loss from its interests in unconsolidated structured entities is equal to the total carrying value of its investments in unconsolidated structured entities. The statement of investment portfolio presents the carrying value of funds invested in unconsolidated structured entities.

Market risk

Market risk is the risk of loss resulting from changes in market prices, interest rates or foreign exchange rates.

(a) Price risk

Price risk is the risk of change in the value of a financial instrument resulting from a change in market prices caused by factors specific to the security, its issuer or any other factor concerning a market or market segment. The Fund is exposed to price risk since all of its investments are exposed to market factor volatility and to the risk of capital loss. The maximum risk to which financial instruments are exposed is equal to their fair value.

The following table presents the impact on the Fund's net assets if the return on the Fund's benchmark index had increased or decreased by 10%, all other things being equal. The impact is presented according to a 36-month historical correlation between the fluctuations in the Fund's return and in the benchmark index's return.

The Foundation of Greater Montreal Investment Fund

Notes to the financial statements

December 31, 2025 and 2024

(In Canadian dollars)

5. Financial instruments and financial risk management (continued)

Market risk (continued)

(a) Price risk (continued)

In practice, actual results may differ from this sensitivity analysis and the variance may be significant.

	2025		2024	
	Impact on net assets and results	Percentage of net assets	Impact on net assets and results	Percentage of net assets
	\$	%	\$	%
Composition of the Fund's benchmark index*	54,214,965	10.8	54,766,868	11.7

* In 2025 and 2024, the composition of the benchmark index was the following: S&P/TSX Composite Index (7.0%) – MSCI World Net Total Return CAD Index (22.0%) – MSCI USA Extended ESG Focus Net Return CAD Index (6.0%) – MSCI EAFE Extended ESG Focus Net Return CAD Index (6.0%) – MSCI World Small Cap Net Return CAD Index (4.5%) – MSCI Emerging Markets Net Return CAD Index (4.5%) – MSCI/REALpac Canada Quaterly Property Fund Index (5.0%) – Consumer Price Index + 4,0% (16.0%) – 60% FTSE Canada Short Term Bond Index, 40% FTSE Canada Medium Term Bond Index + 0,5% (5.0%) – FTSE Canada 91-Day Treasury Bills Index (2.0%) – FTSE Canada Universe Bond Monthly Index (18.0%) – FTSE Canada 91-Day Treasury Bills Index + 4.0% (4.0%).

(b) Interest rate risk

Changes in interest rates offered on the market expose income securities, such as fixed-income funds, to interest rate risk. The Fund, which holds income securities through the pooled funds, is therefore exposed to this risk because interest rates in effect on the market have an impact on the fair value of income securities.

The Fund mostly holds interests in pooled funds that hold debt securities. The fair value of these interests may therefore be indirectly exposed to this risk.

(c) Foreign exchange risk

The pooled funds in which the Fund invests are denominated in Canadian dollars. Consequently, there is no direct possession of titles in foreign currency. That said, the Fund is invested in pooled funds that possess titles in foreign currency, and so there is an indirect risk.

Credit risk

Credit risk is the risk that a commitment to the Fund will not be respected by the counterparty to a financial instrument. The Fund also holds interests in pooled funds that hold debt securities. The fair value of these interests may therefore be indirectly exposed to this risk. In accordance with the Fund's investment policy, credit risk is regularly monitored by the Fund Manager.

The Foundation of Greater Montreal Investment Fund

Notes to the financial statements

December 31, 2025 and 2024

(In Canadian dollars)

5. Financial instruments and financial risk management (continued)

Liquidity risk

Liquidity risk is defined as the risk that an entity may experience difficulties respecting its obligations or commitments and cause the other party thereto to suffer a financial loss. Holders of redeemable units may redeem their units on every valuation day. The Fund's investments in pooled funds can be sold on short notice. The Fund maintains a level of cash and short-term investments that the Fund Manager deems to be sufficient to maintain necessary liquidities.

Fair value hierarchy

For presentation purposes, financial instruments must be classified according to a hierarchy of fair value measurements. This three-level hierarchy is established based on the following criteria:

Level 1 – Fair values based on quoted prices in active markets for identical instruments;

Level 2 – Fair values based on quoted market prices for similar instruments or on valuation techniques for which all the significant inputs are derived from observable market data; and

Level 3 – Fair values based on recognized valuation techniques for which not all significant inputs are derived from observable market data.

The hierarchy that applies in the determination of fair value requires the use of observable market data whenever such data exist. A financial instrument is classified at the lowest level of the hierarchy for which a significant input was taken into account in determining its fair value. The following table presents the breakdown of the securities held by the Fund according to levels.

				2025
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Pooled funds	—	475,010,023	—	475,010,023
Limited partnerships	—	—	24,483,344	24,483,344
Total investments	—	475,010,023	24,483,344	499,493,367

				2024
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Pooled funds	—	435,689,457	—	435,689,457
Limited partnership	—	—	21,293,284	21,293,284
Total investments	—	435,689,457	21,293,284	456,982,741

During the years ended December 31, 2025 and 2024, there were no transfers between Levels 1, 2 and 3.

The Foundation of Greater Montreal Investment Fund

Notes to the financial statements

December 31, 2025 and 2024

(In Canadian dollars)

5. Financial instruments and financial risk management (continued)

Reconciliation of Level 3 fair value measurements of financial instruments

The following table only includes financial assets.

	\$
Value as at January 1, 2024	20,094,433
Acquisitions	2,615,959
Disposals	(181,552)
Distributions reinvested through the acquisition of new units	—
Unrealized change in fair value	(1,235,556)
Value as at January 1, 2025	21,293,284
Acquisitions	3,443,253
Disposals	—
Distributions reinvested through the acquisition of new units	—
Unrealized change in fair value	(253,193)
Value as at December 31, 2025	24,483,344

6. Capital management

The Fund defines its capital as its Net assets attributable to holders of redeemable units. The Fund's objective in managing capital is to maintain an optimal structure and preserve the assets of the Fund so that it can continue its activities.

7. Related party transactions

Through the Fund, the FGM (manager of the Fund) manages its own capital in addition to the funds held by other entities. The fair value of the funds managed by the Fund for the FGM and the number of redeemable units are as follows:

	2025		2024	
	Number of redeemable units	Fair value	Number of redeemable units	Fair value
		\$		\$
Funds held by the FGM	298,563.907	356,098,963	281,654.962	327,887,216
Funds held by other entities	122,267.581	145,829,255	119,408.286	139,008,547
	420,831.488	501,928,218	401,063.248	466,895,763

There are no employees in the Fund. Therefore, key management compensation of the Fund was established as the portion of the compensation paid to executives of the FGM to manage the Fund's operations based on the time spent managing the Fund. Key management compensation related to the Fund's operations is composed of salaries only for an amount of \$261,442 (\$226,504 in 2024).