Report to the Manitoba Securities Commission

Fiscal Year ended September 30, 2023

This document is a concise outline of the relevant information concerning The Winnipeg Foundation (the “Foundation”) that a Managed or Agency Fund should know before deciding to invest its monies with The Foundation.

This document incorporates by reference and is accompanied by the Annual Highlights, including the audited annual financial statements of The Foundation for its last completed financial year. **Units of the Foundation’s Consolidated Trust Fund (the “Units”) are not “deposits” within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured, in whole or in part, under the provisions of that Act or any other legislation, nor are they guaranteed, in whole or in part, by The Foundation or any other entity. The value of the Units of the Foundation fluctuates according to the value of the investments in The Foundation. The risks associated with investing in The Foundation are described under the heading “Risk Factors.”**

Unless the context otherwise requires, all dollar amounts expressed herein are net of fees and expenses.

The Units are issued in book entry form only to Managed and Agency Funds in reliance upon an Order of the Manitoba Securities Commission issued November 26, 1999 (the “MSC Order”). The MSC Order provides The Foundation with an exemption from the registration and prospectus requirements of *The Securities Act* (Manitoba) and the regulations thereunder in respect of the issuance by it of the Units. Accordingly, a Managed or Agency Fund having Units will not be entitled to the statutory rights of rescission and damages that a purchaser of securities would otherwise be entitled to under *The Securities Act* (Manitoba).

Additional information concerning The Foundation and its Consolidated Trust Fund is reproduced in the document entitled *Asset Management Governance Plan* (the “Asset Governance Plan”) and in its companion document entitled the *Statement of Investment Beliefs, Policies and Guidelines* (the “Investment Beliefs, Policies and Guidelines”), and in The Foundation’s Annual Highlights. The Asset Governance Plan and the Investment Beliefs, Policies and Guidelines are incorporated herein by reference.

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You may obtain copies of the foregoing documents free of charge by visiting our website, www.wpgfdn.org, calling, or writing to The Foundation's head office at:

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Telephone: (204) 944-9474 (toll-free 1.877.974.3631) Fax: (204) 942-2987
Email: info@wpgfdn.org

THE FOUNDATION

The Winnipeg Foundation was established in 1921 as Canada's first community foundation. The registered and principal office of The Foundation is located at 1350 One Lombard Place, Winnipeg, Manitoba R3B 0X3.

The Foundation is a registered charity (No. 11930 0960 RR0001) as defined in the Income Tax Act (Canada).

The Foundation's policy is to position itself as a partner with other charitable organizations and agencies throughout the City of Winnipeg and the Province of Manitoba. Where a charitable agency wishes to incorporate a long-term investment into its financial plan, The Foundation's governing policies permit the creation by that charitable agency of an "Agency Fund" with The Foundation. The capital contributed by the particular agency is invested as part of The Foundation's Consolidated Trust Fund, a fund which is maintained and managed on behalf of The Foundation by professional investment managers retained by The Foundation. See "Organization and Management of the Consolidated Trust Fund – Agents and Advisors." The capital amount contributed (donated) by the charitable agency becomes a permanent endowment fund owned by The Foundation where the annual income benefits the charitable agency and is utilized at the discretion of the charitable agency.

In some circumstances, The Foundation may accept "Managed Funds" to be invested as part of the Consolidated Trust Fund. Funds contributed in that manner are not owned by The Foundation, but rather remain as the property of the charitable organization making the contribution. A "Managed Fund" is created by formal agreement between The Foundation and the charitable organization. It operates on the same basis as all other funds managed by The Foundation, with the only distinguishing feature being that the capital may be returned with appropriate notice by either the charitable organization or The Foundation.

Each particular charitable agency or organization establishing an “Agency Fund” or a “Managed Fund” is issued a Unit or Units in the Consolidated Trust Fund on a basis proportional to the amount of its investment in that Fund (i.e. the value of its Managed or Agency Fund relative to the value of the Consolidated Trust Fund as a whole).

INVESTMENT OBJECTIVES AND POLICIES

Investment objectives are intended to describe what The Foundation hopes to achieve in terms of return on monies held in the Consolidated Trust Fund and, hence, returns on monies invested by the Managed and Agency Funds based on the number of Units held by those Funds. The investment objectives and policies of The Foundation are established by an Investment Committee appointed by the Board of Directors of The Foundation (the “Investment Committee”). The Investment Committee is comprised of members who have been appointed by the Board of The Foundation; The Chairman of the Board of Directors is also an ex-officio member of the Investment Committee. Members are appointed by the Board annually. Non-Board members are appointed to add such expertise and perspective, as the Board deems advisable.

Investment Objectives

The Foundation’s primary goal in managing its invested monies is to provide for grant making in perpetuity. More specifically, The Foundation seeks to protect the purchasing power of the funds entrusted to The Foundation, to achieve maximum returns consistent with prudent investment practice, and to insure sound financial management practices are maintained in order that the legacy created by the contributor is respected in perpetuity. In order to attain that goal, The Foundation’s investment objective is to earn sufficient income to allow disbursements according to The Foundation’s Spending Policy and to increase The Foundation’s asset base so as to protect the purchasing power of its investment portfolio. In other words, net of spending and over the long term, the objective is to grow The Foundation’s contributed capital value at the rate of inflation, at a minimum. The Foundation’s Spending Policy generally requires The Foundation to distribute up to 5.5% of the average market value (calculated over a 3-year period) of the Consolidated Trust Fund as income available for granting to all funds having an interest in the Consolidated Trust Fund.

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While a 4.5% spending target for grant making is the objective, the Spending Policy recognizes the potential need to adjust annual spending rates in circumstances where the long-term purchasing power of endowment is threatened. Please see Appendix I of this document for the Spending Policy. If further information is required regarding The Foundation's Spending Policy, please call The Foundation's head office at 204-944-9474 or visit our website at www.wpgfdn.org.

The Foundation's second objective is to achieve total fund performance results that rank the performance of its Consolidated Trust Fund above median, over rolling four-year periods, in the Mercer Universe. Mercer (Canada) Limited (Investment Analytical Services) is an Asset Management consultant engaged by The Foundation to monitor the performance of its investment portfolio.

The Foundation's third objective is to achieve overall investment returns on the Consolidated Trust Fund over rolling four-year periods that achieve at least a 1% value added return per annum over a passive benchmark return that could have been achieved by investing solely in the subject indices that comprise the benchmark. "The benchmark shall consist of 24% Canadian Equity Benchmark S&P/TSX Composite; 14% US Equity Benchmark S&P 500 Index (CDN$); 5% US Small Cap Equity Benchmark Russell 2000 Value Index (CDN$); 17% International Equity Benchmark MSCI ACWI ex US; 10% Mortgage Benchmark 40% FTSE Canada Mid-term Bond Index + 60% FTSE Canada Short-term Bond Index; 20% Bond Benchmark FTSE Canada Universe Bond Index; 5% Canadian Real Estate Benchmark MSCI/REALPAC Canada Property Index (IPD); 5% Global Infrastructure Benchmark Canadian Consumer Price Index (CPI)+ 5%."

The Foundation seeks to attain investment returns for the Consolidated Trust Fund that provide for income and/or capital gains which are reasonable and fairly predictable given The Foundation's Spending Policy. Investment returns are maximized given the level of risk deemed appropriate by The Foundation. The Consolidated Trust Fund's Managers (see "Organization and Management of the Consolidated Trust Fund – Agents and Advisors") provide both active and passive management and have full discretion in the selection of securities, portfolio structure and asset allocation, subject to the constraints of the Manager mandates and of The Foundation's Investment Beliefs, Policies and Guidelines, which are more particularly described in The Foundation's Asset Governance Plan and Investment Beliefs, Policies and Guidelines.

Investment Restrictions

The Board of Directors of The Foundation maintains written investment beliefs, policies and guidelines that provide direction to the Committee and/or its agents and advisors. The Foundation's Asset Governance Plan and its Investment Beliefs, Policies and Guidelines contain details of those beliefs, policies and guidelines.

Pursuant to The Foundation's Investment Beliefs, Policies and Guidelines, monies in the Consolidated Trust Fund may only be invested in the following asset categories: cash; demand or term deposits; short-term notes; treasury bills; bankers' acceptances; commercial paper; investment certificates issued by banks, insurance companies, trust companies and credit unions; bonds and non-convertible debentures; asset backed securities; mortgages secured against Canadian real estate; convertible debentures; common and preferred stocks, including depository receipts; Canadian commercial real estate properties; global infrastructure equity; pooled funds, closed-end investment companies and other structured vehicles invested in any or all of the above asset categories; or income trusts. The Foundation may also consider investments which are deemed to have positive impact on community well-being.

6.0 The Consolidated Trust Fund's assets may be invested in derivative instruments such as, options, futures and forward contracts on any securities allowable under the *Statement of Investment Beliefs, Policies and Guidelines,* including index options and futures and equivalents. Derivatives shall not be used for speculative purposes. The use of borrowing in holding instruments is prohibited. Further, borrowing on behalf of the Consolidated Trust Fund is not permitted. The Consolidated Trust Fund's assets may not be pledged as security for the guarantee of any borrowing; however, unanticipated temporary overdrafts when cash is not sufficient to settle a purchase are expected to occur from time to time. Those overdrafts occur very infrequently as a result of the Consolidated Trust Fund's Managers affecting the purchase of securities on behalf of the Consolidated Trust Fund prior to the necessary cash being available in the accounts of the Consolidated Trust Fund. During that interim period, the Consolidated Trust Fund may incur interest charges on the overdraft monies used for the purchase of those securities. The Foundation maintains capital contributions received from charitable agencies and organizations in short term investments prior to turning those funds over to investment managers responsible for the Consolidated Trust Fund. These funds are turned over to those

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managers if not required to meet The Foundation's spending policy, taking into account the rebalancing guidelines outlined in the Statement of Investment Beliefs, Policies and Guidelines.

RISK FACTORS

Fluctuation in Market Value

The value of the Units is related to the fair value of the investments held in the Consolidated Trust Fund and therefore the value of the Units will fluctuate from day to day, reflecting changes in interest rates, economic conditions and market and company news. The objective of the Foundation's investment policy is to control equity price risk by maintaining a portfolio which is diversified across geographic and industry sectors. The performance of the Foundation's investments will be measured on a go-forward basis against a benchmark consisting of relative weightings of the S&P/TSX Composite, S&P 500 Index (CDN$), Russell 2000 Value Index (CDN$), MSCI ACWI ex. US, FTSE Canada Mid-term Bond and FTSE Canada Short-term Bond Index, FTSE Canada Universe Bond Index, MSCI/REALPAC Canada Property (IPD), Canadian Consumer Price Index (CPI) +5%.

In accordance with CPA Standard 3856 Financial Instruments, the fair value of The Foundation's investments in marketable securities quoted in an active market include bonds, debentures, preferred shares and common shares, which are based on the year end published close prices. The fair value of mortgages, real estate and infrastructure investments is determined by the respective investment manager.

No Guarantee

There can be no guarantee against loss resulting from an investment in the Units of The Foundation and there can be no assurance that The Foundation's investments practices will be successful or that its investment objectives will be attained. Furthermore, the Units are not "deposits" within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured, in whole or in part, under the provisions of that Act or any other legislation, nor are they guaranteed, in whole or in part, by The Foundation or any other entity.

Effect of Market Place

Charitable organizations establishing a Managed or Agency Fund with The Foundation should recognize that the risk of fluctuations in the market place can impact the Unit values of the Consolidated Trust Fund. The past performance of the Consolidated Trust Fund is no guarantee or indication of future performance.

Interest Rates

The value of Units insofar as assets of the Consolidated Trust Fund are invested in bonds and other fixed-income securities is primarily affected by changes in the general level of interest rates. While rising interest rates will cause the value of the Units to fall, they also increase the potential for higher income as individual investments mature and the proceeds are reinvested at higher rates. The objective of the Foundation's investment policy is to control interest rate risk by managing its interest rate exposure. The Foundation also invests in mortgages secured by real estate which is subject to interest rate risk.

Prepayment Risks

There is the likelihood that, during periods of falling interest rates, securities with high stated interest rates will be prepaid prior to maturity, requiring the Consolidated Trust Fund to invest the proceeds at generally lower interest rates.

Credit Risk

Most companies that issue securities (debt and equity) to the public are rated by specialized rating agencies. Companies that are highly rated are generally considered to be at low risk of not repaying their debts when due. Conversely, a company whose securities are rated low is generally considered to be at a higher risk of defaulting on its debt obligation. Equity investments in those lower rated companies also have the potential for greater returns, although the potential for greater losses is also present. To the extent that assets of the Consolidated Trust Fund are invested in securities of rated companies, fluctuations in the fortunes (good and bad) of the rated companies can have a similar effect on the value of the Units. The investment policy of the Foundation mandates that at least 80% of the bond portfolio have a minimum credit rating of A or equivalent when purchased; up to 20% of the bond portfolio can be invested in bonds with a BBB rating, which the minimum credit rating is permitted. The investment policy also mandates that short-term investments have a minimum credit rating of R-1 when purchased. Guaranteed Investment Certificate deposits issued by Credit Unions of Manitoba are guaranteed by Deposit Guarantee Corporation of Manitoba. The Foundation monitors its credit risk management policies regularly to evaluate their effectiveness.

Currency Exchange Rates

To the extent that assets of the Consolidated Trust Fund are invested in securities of United States and other foreign issuers in addition to Canadian issuers, the value of the Units will be sensitive to fluctuations in applicable currency exchange rates. The objective of the Foundation's investment policy is to control currency risk by maintaining a geographically diversified portfolio.

Other Price Risk

The fair value or future cash flows of the Consolidated Trust Fund units can fluctuate due to changes in the market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investments in listed shares for which the value fluctuates with the quoted market price and through its investment in mortgages, real estate and infrastructure. The objective of the Foundation's investment policy is to control other price risk by maintaining a portfolio which is diversified across geographic and industry sectors.

EQUITY INVESTMENTS

Profitability

Funds invested in dividend paying shares are subject to profitability risk, being the potential for fluctuations in the profitability of the companies in which they hold shares, which may restrict their ability to pay dividends.

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Liquidity

Funds invested in securities of companies with small to mid-size capitalization may provide less liquidity than other securities and may be subject to more frequent and/or sharper increases and decreases in their market value. That observation can be similarly applied to investments in securities that are not well known or otherwise publicized. As a result, those securities may be thinly traded. Consequently, the Managers of the Consolidated Trust Fund may not be able to buy or sell securities of that type when they want to. Alternative investments such as mortgages, real estate, and infrastructure also provide less liquidity.

Risks of Foreign Markets

To the extent that any of the assets of the Consolidated Trust Fund is invested in securities markets outside of Canada, and particularly to the extent that any such investments are in securities markets outside of North America, such investments may be subject to certain risks not inherent in Canadian investments, including differences in accounting, reporting and disclosure requirements, decreased liquidity on foreign exchanges having lower trading volumes, and the possibility of political, economic or social developments or instability in the relevant international capital markets. Such investments may be further subject to laws and regulations relating to foreign investment, foreign convertibility and repatriation of assets.

ORGANIZATION AND MANAGEMENT OF THE CONSOLIDATED TRUST FUND

The Investment Committee

The Board of Directors of The Foundation, in its capacity as Administrator of the Asset Governance Plan, has delegated some of its monitoring and supervisory powers and responsibilities to the Investment Committee. The Board retains final authority on policy and overall budget control, but relies on the Investment Committee to provide advice. The Investment Committee’s terms of reference include advisory and supervisory responsibilities in the areas of policy and strategy as well as in the areas of investment, operational and expenditure decisions.

The Investment Committee provides the Board with an annual Due Diligence report that contains recommended changes to the Asset Governance Plan and to the Investment Beliefs, Policies and Guidelines. Further, the report contains a description of the work completed by the Investment

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Committee and its agents and advisors, as well as a detailed report on the Consolidated Trust Fund's financial statements and performance. A detailed description of the role of the Investment Committee in monitoring the Consolidated Trust Fund is set forth in section 3 and 7 of the Asset Governance Plan.

Some employees of The Foundation provide specific assistance to the Investment Committee with respect to the management of the Fund. Details of the specific duties and activities of The Foundation's Chief Executive Officer, Vice President of Finance and Finance Staff are set forth in section 3.20 of the Asset Governance Plan.

Agents and Advisors

To the extent that the Investment Committee is permitted to do so, and in accordance with normal business practices, the Investment Committee may delegate its powers to (or be represented by) agents for specified actions. Also, the Investment Committee may recommend the services of advisors with respect to the management of the Consolidated Trust Fund.

More specifically, the Investment Committee recommends the retention of the services of one or more investment managers (the "Managers"), a custodian (the "Custodian"), an asset management consultant (the "Asset Management Consultant") and may retain the services of one or more other advisors as required. An external auditor is retained by the Board of Directors on the advice of The Foundation's Finance & Audit Committee.

The Managers: The Foundation has allocated the duties of the Management of the Consolidated Trust Fund among eight investment managers, Arrowstreet Capital LP, 200 Clarendon Street, 32nd Floor, Boston, MA 02116, USA, Contact: Erica Carney; Beutel, Goodman & Company Ltd., 20 Eglinton Avenue West Suite 2000, PO Box 2005, Toronto, ON M4R 1K8, Contact: Tim Hylton; TD Asset Management, 1907-201 Portage Ave, Winnipeg, MB R3B 3K6 Contact: Louise Hoeppner; Connor, Clark & Lunn Investment Management Ltd., 2300-1111 West Georgia Street, Vancouver, BC V6E 4M3, Contact: Colin Aubrey; Dimensional Fund Advisors, 1515 S. Tyron St, Charlotte, NC 28203, USA Contact: Chip Tatlow; Baillie Gifford Overseas Limited, Carlton Square, 1 Greenside Row, Edinburgh, Scotland, UK EH1 3AN, Contact: Michael Stirling-Aird; Canada Life, 100 Osborne Street North, Winnipeg, MB R3C 3A5, Contact: Craig Christie; IFM Investors (US) LLC, 114 West 47th Street, 19th Floor, New York, NY 10036, USA, Contact: Ken Luce

The Managers are responsible for allocating assets amongst permitted investment asset classes and for selecting securities or investments within such asset classes. See "Investment Objectives and Policies – Investment Objectives". The Managers initiate trades and transactions and explain strategies and expectations concerning the economy and financial markets to The Foundation on a minimum of one occasion every three years or sooner as determined by the Investment Committee.

The Custodian: The Foundation has allocated the duties of Custodian to RBC Investor & Treasury Services, 888 3rd Street SW, 40th Floor Calgary, AB, T2P 5C5 Contact: Ryan Lother. The role of the Custodian is comprised of the safekeeping of the assets of The Foundation, collecting interest and dividends, maturities and other cash distributions attached to securities owned by The Foundation. The Custodian processes transactions as directed by the Managers or the Investment Committee and maintains a record of all transactions. The Custodian exercises other privileges tied to securities or discloses their existence to those having the responsibility to exercise them, makes payments regarding transaction-related changes, and manages securities lending program. The Custodian also provides reports and information to The Foundation, the Investment Manager, the Asset Management Consultant, the Asset Management Consultant, and the Auditor.

The Asset Management Consultant: The Asset Management Consultant of the Consolidated Trust Fund is Mercer (Canada) Limited, 550 Burrard Street, Suite 900, Vancouver, BC V6C 3S8, Contact: Peter Hallett. The role of the Asset Management Consultant is to provide information and advice in the areas of investment policies and guidelines, investment management structure, the selection and supervision of the Custodian and the Managers as well as the evaluation of investment return. The Asset Management Consultant explains the characteristics of other asset classes considered worthwhile for the Fund and conducts asset mix studies as requested.

The Auditor: The Auditors of the Consolidated Trust Fund are Deloitte LLP, 2300 – 360 Main Street, Winnipeg, MB, R3C 3Z3, Contact: Suzanne Holatko. The Auditors are responsible for reviewing and auditing the financial statements and for providing advice with respect to internal financial controls.

FEES AND EXPENSES OF THE CONSOLIDATED TRUST FUND

Fees and Expenses Payable by The Foundation

Operating Expenses	The Foundation pays all operating expenses, including professional money management, custodial, audit, asset management consulting and related technology and administrative costs.

No fees or expenses are payable directly by the Managed and Agency Funds. However, the Fees policy currently allows The Foundation to charge back to Managed and Agency Funds actual investment expenses related to investment management, custodial costs, and asset management consulting fees and a percentage calculated annually for administrative costs currently set at 0.5% of the market value of that Fund in order to recoup a portion of The Foundation's costs for out-of-pocket expenses. The investment fee rate in 2023 was 0.39% (2022 – 0.38%). The administrative recovery fee charged does not fully compensate The Foundation for its actual costs incurred if total administrative expenses were assigned on a pro rata basis to each Fund. The shortfall between the recovery fee and total administrative expenses is made up with investment earnings on the balance of available to grant of The Foundation.

INVESTING IN THE CONSOLIDATED TRUST FUND

The capital contributed by each agency or charitable organization establishing a Managed or Agency Fund is pooled and invested with the Consolidated Trust Fund. Each agency or charitable organization is issued a Unit or Units on a basis proportional to the amount of its investment (i.e.: the size of its Managed or Agency Fund relative to the size of the Consolidated Trust Fund). In this regard, fractional Units may be issued.

The income and market value of each of the Managed and Agency Funds is calculated based on the number of Units held in the Consolidated Trust Fund by the charitable organization establishing the Managed or Agency Fund. Any revenue required for grant making or operating expenses is realized by the redemption of Units.

DETAILS OF THE CONSOLIDATED TRUST FUND

The Consolidated Trust Fund is made up of approximately 4,800 individual funds that have been created since 1921 through the generosity of thousands of donors. The Foundation created the Consolidated Trust Fund in 1979 to facilitate investment activities and the participation of all individual funds in a diversified portfolio of investments. Seven managers in specialty mandates follow the framework of The Foundation's investment policies. See "Investment Objectives and Policies – Investment Objectives" and "Organization and Management of the Consolidated Trust Fund – Agents and Advisors".

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TOP TEN INDIVIDUAL HOLDINGS AT SEPTEMBER 30, 2023

Security	Market Value	% as compared to CTF
Royal Bank of Canada	$ 14,467,911	0.89%
Toronto Dominion Bank	$ 13,041,695	0.81%
Canadian National Railway Co	$ 8,067,360	0.50%
Suncor Energy Inc New Common	$ 7,306,790	0.45%
TC Energy Corporation	$ 7,285,959	0.45%
Sun Life Financial Inc	$ 7,220,434	0.45%
Mercadolibre	$ 7,199,530	0.45%
Rogers Communications Inc Clb Nv	$ 7,109,510	0.44%
Magna International Inc	$ 7,102,515	0.44%
Manulife Financial Corp Com	$ 7,013,705	0.43%
Manager Holdings:		
Arrowstreet Capital Limited Partnership	Pooled	$ 96,365,586
Baillie Gifford – International equities	Segregated	$ 160,392,067
Beutel Goodman – CAD & USD equities	Segregated	$ 293,568,475
Canada Life – CAD real estate	Pooled	$ 91,541,440
Connor, Clark & Lunn – CAD equities	Pooled	$ 195,011,467
Dimensional Fund Advisors – USD small cap	Pooled	$ 88,622,848
IFM Global Infrastructure (Canada) LP – Global infrastructure	Pooled	$ 107,636,799
TD Asset Management – CAD bonds, USD equities	Pooled	$ 416,437,369
TD Asset Management – CAD mortgages	Pooled	$ 164,008,253
		$ 1,613,584,304
	Add: Other CTF Investments	$ 2,946,149
	Endowment Fund Market value as of September 30, 2023	**$ 1,616,530,453**

Each individual Agency and Managed Fund receives a report from The Foundation detailing past performance.

Investors are reminded that past performance of the Consolidated Trust Fund does not indicate future performance.

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FINANCIAL HIGHLIGHTS

The following table shows selected key financial information about the Consolidated Trust Fund and is intended to assist in understanding the financial performance of the Consolidated Trust Fund for the past 2 years. Some of this information is derived from The Foundation's audited annual financial statements and notes. Please see page 2 for information on how you may obtain copies of The Foundation's audited financial statements.

The Fund's Distributions and Net Asset Value per Unit

	2023	2022
Market Value, Beginning of Year	**$ 1,519,940,494**	**$ 1,716,448,854**
Contributed Capital (Excluding Capitalized Income)	38,758,855	37,896,216
Withdrawals	(80,501,602)	(91,830,110)
Investment Return	138,332,707	(142,574,466)
Market Value, End of Year	**$1,616,530,454**	**$1,519,940,494**
Number of Units Outstanding	1,139,726	1,168,956
Net Asset Value Per Unit	$1,418.35	$1,300.25
Rate of Return - One Year	8.90%	-8.60%
Rate of Return - Five Years	6.39%	6.11%

Note: The above information relates to the Consolidated Trust Fund and does not reflect all of the assets held by The Foundation.

INCOME TAX CONSIDERATIONS

In all but two cases, the various charitable agencies and organizations that establish a Managed or Agency Fund are registered charities under the *Income Tax Act (Canada)*. The exceptions are non-profit organizations created by statute of the Province of Manitoba. Accordingly, no tax is payable by the charitable agencies or organizations with respect to the income allocations from the Consolidated Trust Fund.

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DISTRIBUTION POLICY

Although the capital contributed by each charitable agency establishing an Agency Fund is a permanent endowment owned by The Foundation, the annual income earned by each Agency Fund benefits the particular agency and is utilized at the discretion of such agency.

Ownership of the capital contributed by each charitable agency establishing a Managed Fund is retained by the particular charitable organization that has, by formal agreement between the organization and The Foundation, invested the monies in the Consolidated Trust Fund. The capital may be returned with appropriate notice by either the organization or The Foundation.

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Appendix I - The Spending Policy of The Winnipeg Foundation

It is the long term objective of The Winnipeg Foundation to make available for annual grant making activities an amount of 4.5% of the average of the three preceding years' market value of each fund in the Consolidated Trust Fund (CTF). The average market value is calculated on the basis of 12 quarters. In setting the Spending Policy, The Winnipeg Foundation also needs to consider the regulatory requirements in the environment, in particular the Disbursement Quota set by the Canada Revenue Agency (CRA).

The Winnipeg Foundation may annually recoup a portion of its operating expenses as set out in The Winnipeg Foundation's Fee Policy as amended from time to time and that amount shall be determined by The Board of Directors of The Winnipeg Foundation, taking into account, the actual annual costs incurred in operating The Winnipeg Foundation.

The Winnipeg Foundation uses 1979 as a base year to calculate an inflation adjustment for each successive year's capital contributions to the CTF. Thus, in addition to knowing contributed capital, The Winnipeg Foundation monitors an inflation protected target which essentially is required to protect the purchasing power of the original gifts. The difference between the inflation protected target and the actual market value is monitored and if this excess deteriorates or improves on an average three-year basis, the spending policy calculation will be adjusted upward or downward in accordance with the following:

Three-year Average Excess of Market Value Above Inflation Protected Target (in %)	**Amount Available for Annual Grant Making**	**Inflation Protected Target**
15.0% or more	5.5% average market value	105%
14.0% - 14.9%	5.4% average market value	104%
13.0% - 13.9%	5.3% average market value	103%
12.0% - 12.9%	5.2% average market value	102%
11.0% - 11.9%	5.1% average market value	101%
10% - 10.9%	5.0% average market value	100%
9.0% - 9.9%	4.9% average market value	98%
8.0% - 8.9%	4.8% average market value	96%
7.0% - 7.9%	4.7% average market value	94%
6.0% - 6.9%	4.6% average market value	92%
5.0% - 5.9%	4.5% average market value	90%
4.0% - 4.9%	4.4% average market value	88%
3.0% - 3.9%	4.3% average market value	86%
2.0% - 2.9%	4.2% average market value	84%
1.0% - 1.9%	4.1% average market value	82%
0.0% - 0.9%	4.0% average market value	80%
(1.0%) - (0.1%)	3.9% average market value	80%
(2.0%) - (1.1%)	3.8% average market value	80%
(3.0%) - (2.1%)	3.7% average market value	80%
(4.0%) - (3.1%)	3.6% average market value	80%
Equal to or less than (4.1%)	3.5% average market value	80%

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Any adjustment to grant making will not be greater than 0.2% in any given year, and any adjustment to the inflation protected target will not be greater than 4.0% in any given year.

The spending rate for each fiscal year will be determined based on data from the 36 months which end in the June prior to the beginning of such fiscal year and will be approved in September. The Board has the discretion to use the stipulated CRA Disbursement Quota as an alternative to the Spending Policy calculation described above for certain fund types.

When any document cites the Spending Policy of The Winnipeg Foundation, it is referring to the above formula.

The spending policy of The Winnipeg Foundation may be amended from time to time.

Revised: September 27, 2023

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Appendix II - Fee Policy of The Winnipeg Foundation

Investment Fees—All Funds

The Winnipeg Foundation (The Foundation) may annually recoup from all funds the actual audited investment costs incurred during The Foundation's fiscal year. On average fees are expected to range from 0.35% - 0.40%.

Actual costs include investment manager fees, custodial costs, other consulting costs related to investment matters, and any costs associated with dedicated investment staff of The Foundation.

The Foundation has the authority to charge these costs on a quarterly basis in accordance with the approved Investment Expenses Budget. In the initial year the fund is created, fees are applied on a pro-rated basis.

Administrative Fees—All Funds

The Foundation may annually recoup from all funds a portion of its operating expenses. The recovery amount shall be determined by the Board of Directors of The Foundation, taking into account the actual annual costs incurred in operating The Foundation. The current administrative fee rate is 0.50%.

The administrative fee will be charged to all funds at the beginning of the fiscal year based on the opening market value. In the initial year the fund is created, fees are applied on a pro-rated basis.

Administrative Fees for funds over $10 million

When a fund's market value is greater than $10 million, The Foundation provides an adjusted fee schedule recognizing the economies of scale in the administration of larger funds. The ultimate goal of The Foundation's Fee Policy for funds in excess of $10 million in market value is based on incremental reductions as follows.

Market Value	Fee Rate
first $10 million	0.50%
next $10 million	0.40%
next $10 million	0.30%
final $70 million	0.20%
Any funds equal to or in excess of $100,000,000 will be charged a flat administrative fee of 0.25%.	

The Fee Policy is reviewed from time to time and revisions are approved by the Board.

Revised: December 11, 2018

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Appendix III - Investment Beliefs

The Consolidated Trust Fund of The Winnipeg Foundation is managed on the basis of the following investment beliefs:

1. Asset mix is the most important factor in determining the long-term investment performance of the Fund.
2. Given that Environmental, Social and Governance (ESG) factors are to generate higher and more consistent returns, we expect Responsible investment managers to integrate ESG factors into their decision-making process. ***(Revised September 21, 2021)***
3. Higher expected returns generally require an investor to assume higher risk and therefore demand that the investor exercise careful balance in judgement.
4. Diversification across and within asset classes offers the opportunity to reduce total portfolio risk.
5. In the longer term, equities will outperform bonds to compensate for higher risk.
6. Short-term tactical asset mix shifts are not expected to provide a consistent source of added value over the long-term.
7. Active management can reduce portfolio risk below market risk and potentially add value through security selection and sector allocation strategies. In more efficient markets, passive management is a reasonable option to gain low-cost broad market exposure, subject to an assessment of the risks associated with the characteristics of the market index being replicated.
8. There is not one investment style that will consistently add value over another in all market environments, and it is important to maintain exposure to a range of investment styles and approaches that incorporate both fundamental and quantitative research elements in order to maximize long-term returns.
9. A substantial allocation to foreign equities provides the potential for enhanced long-term returns while, at the same time increasing portfolio diversification and thereby decreasing portfolio risk.
10. It may be appropriate to retain more than one investment manager to provide asset class and style diversification.
11. The benefits of a specialty manager structure has the potential to more than compensate for the additional costs.
12. Over the long-term, currency movements will not have a significant effect on performance and currency exposures should not be explicitly hedged.
13. Effective implementation strategies at the investment manager, internal staff, and Committee level, can improve both returns and the risk profile of the Fund.
14. Alternative investments such as real estate, private equity, infrastructure and hedge funds may offer potential for diversification and/or enhanced returns but will impact the liquidity of the Fund.
15. The portfolio structure and related manager mandates should be aligned with investment beliefs.

December 15, 2020

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