

Year in Review 2023



Fondation

McConnell

Foundation

About the McConnell Foundation

Founded in 1937, the McConnell Foundation is a private Canadian foundation that contributes to diverse and innovative approaches to address community resilience, reconciliation and climate change. We do so through funding and investment partnerships, strengthening capabilities, convening, and collaborating with the public, private and non-profit sectors.

To learn more, please visit our website at mcconnellfoundation.ca

Contents

3	Welcome Letter
4	Contributions and Partners
8	Funding Areas
9	● Communities
12	● Reconciliation
15	● Climate
18	● Capacity Strengthening
20	● Montreal
22	Investments
25	Commitments
29	A note on the art used in this report

Vision

We envision a future in which our economy and social systems promote the thriving of all people, and in which the natural environment is stewarded for generations to come. We see all sectors working together to address climate change, to help foster reconciliation, and to unleash individual creativity and organizational resources to solve social challenges and strengthen communities.

Mission

We strive for a resilient, inclusive and sustainable society that can successfully address its complex challenges.

Welcome from the Board Chair and the President & CEO

In 2023 the crises of our time seemed to multiply. Climate change-fueled disasters like wildfires smothered North America in smoke, the cost of housing reached historic highs, and conflicts abroad created rising tensions and fear of violence in communities closer to home.

All of this can be seen as a polycrisis, for none of these pressures happen in isolation. Their implications disproportionately affect certain groups, compounding the effects of division and polarization. Today, we face the critical challenge of addressing these issues while also fostering openness and dialogue to counter division and support reconciliation.

Fortunately, there is much hope to be found, especially in the efforts of community-based and community-serving organizations. Through our work, we witness how the contributions that people make daily, in ways large and small, are bringing healing, peace and wellbeing to the generations who will come after us.

In March 2023, the McConnell Foundation celebrated 20 years of collaborating with Indigenous partners to fund Reconciliation as a focus area. To mark this milestone, McConnell is moving forward with a \$30 million capital transfer to community-focused, Indigenous-led foundations over five years. This is over and above our annual disbursement quota and began with a transfer of \$10 million to the [Indigenous Peoples Resilience Fund](#). These capital transfers are an opportunity to continue shifting resources and power to the people best placed to support Indigenous communities from coast to coast to coast.

This Year in Review shares the stories of a few partners who inspire us each day. This includes nonprofits and charities such as the Indigenous-led organization [Keepers of the Waters](#), Montreal-based women's centre [Afrique au féminin](#), and affordable housing provider [Raising the Roof](#).

To better serve our partners and potential partners, we dedicated the last year to improving our ways of working and updated existing resources. We launched a new website to meet a higher standard of accessibility, revised the Granting and Partnerships Guide that offers transparency into our funding process, and increased our office hours with Foundation staff. These office hours — 418, to be exact — presented a valuable opportunity to speak with potential partners about our funding priorities and how they could successfully apply.

In 2023 we also issued a partner perception survey to guide efforts to improve our practices and processes. In the spirit of transparency, results from this survey were published on our website.

Since making the commitment to divest from fossil fuels in 2022, 99% of our portfolio is now free from oil, gas and coal assets. We remain on track to achieve our net-zero carbon targets as well as the objectives outlined in our investment strategy.

We hope this edition of the Year in Review offers insight into the impact our partners are making in their communities, an overview of our finances and funding, and a progress update on the commitments to which we hold ourselves accountable.

Thank you for joining us in this journey.

Graham Angus
Board Chair

Lili-Anna Pereša C.Q.
President and CEO



Contributions and Partners

In 2023 we focused on being better partners by improving our application process and being more transparent about how we make funding decisions.



Photo provided by Northern Manitoba Food, Culture, and Community Collaborative: Howard Dumas and Lori Dysart show off the lettuce production at Grow North.

Philanthropy: Continuing evolution in the sector

Practices in philanthropy are evolving, and we remain committed to continued learning and improvement. In 2023, we participated in a survey with The Center for Effective Philanthropy for the second time to gather feedback on how to better serve partners. This past year also marked 20 years supporting Indigenous initiatives and our first of several capital transfers to Indigenous-led community serving foundations. Funding non-qualified donees remains a priority, and we continue to engage in pooled funds, participatory grantmaking initiatives and shared funding platforms. In the future, we aim to further adapt our practices and processes to meet the changing needs of partners and communities.

\$30M

capital transfers to Indigenous-led foundations

To mark our 20-year anniversary working in reconciliation, we committed \$30 million in capital transfers to community-focused, Indigenous-led foundations. This started with an initial \$5 million transfer (for a total of \$10 million over five years) directed to the Indigenous Peoples Resilience Fund.

\$4.9M

in funding to non-qualified donees (NQDs)

We contributed 16% of our total funding to NQDs (organizations without a charitable status) whose work aligns with our mission. NQDs generate incredible impact in communities from coast to coast to coast.

2023 financial overview

In 2023 we allocated 5.10% of our assets to charitable activities and less than 1% towards non-charitable and investment expenses.

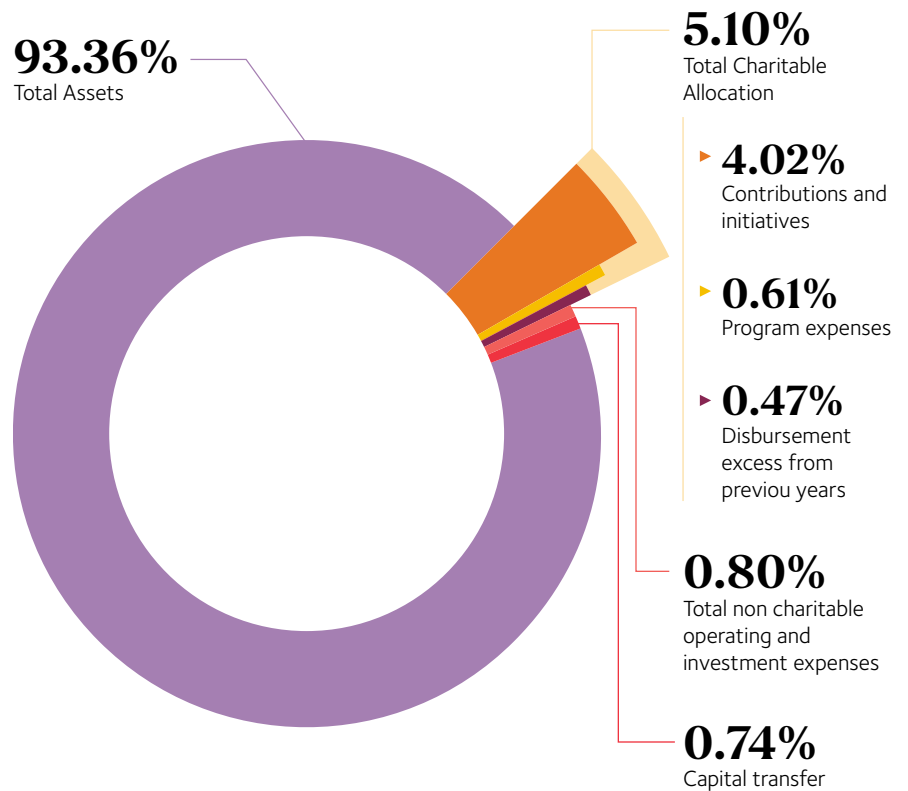
We also transferred \$5 million to the Indigenous Peoples Resilience Fund as part of an overall commitment to transfer \$30 million of our endowment to community-focused, Indigenous-led foundations.

\$31.43 million

Total charitable allocation in 2023

\$678 million

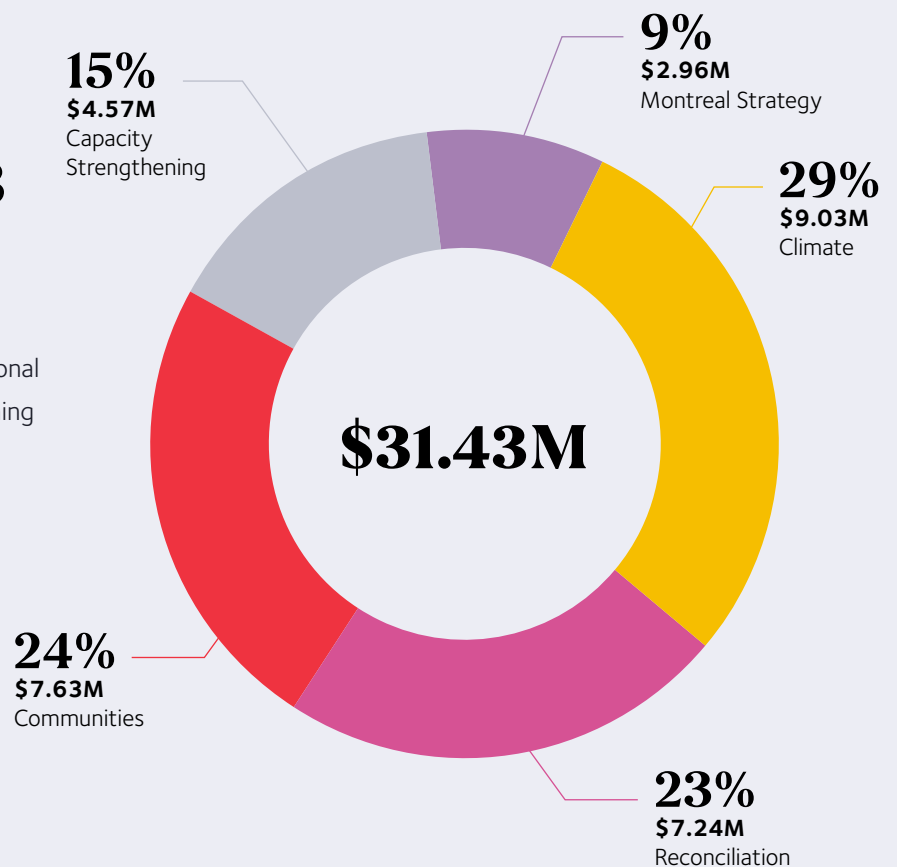
Average asset value over eight quarters



Total charitable allocation in 2023

We allocated over \$22 million in funding to organizations through our three focus areas: Communities, Climate and Reconciliation. An additional \$7 million was directed to our Capacity Strengthening and Montreal funding streams.

This chart does not include the capital transfer to the Indigenous Peoples Resilience Fund.



Learn more about our partners

Our partners continue to inspire us as we work to create a more resilient, inclusive and sustainable society. We have the pleasure of partnering with a range of communities and organizations through our interconnected focus areas of Climate, Reconciliation and Communities, as well as our Capacity Strengthening and Montreal funding streams.

70

new partners

We welcomed 70 new partnerships in 2023 through our three focus areas, Capacity Strengthening and Montreal funding streams. In 2023 we received 363 funding applications. Additionally, the Innoweave program funded 104 organizations seeking to enhance their impact by working with a coach.



418

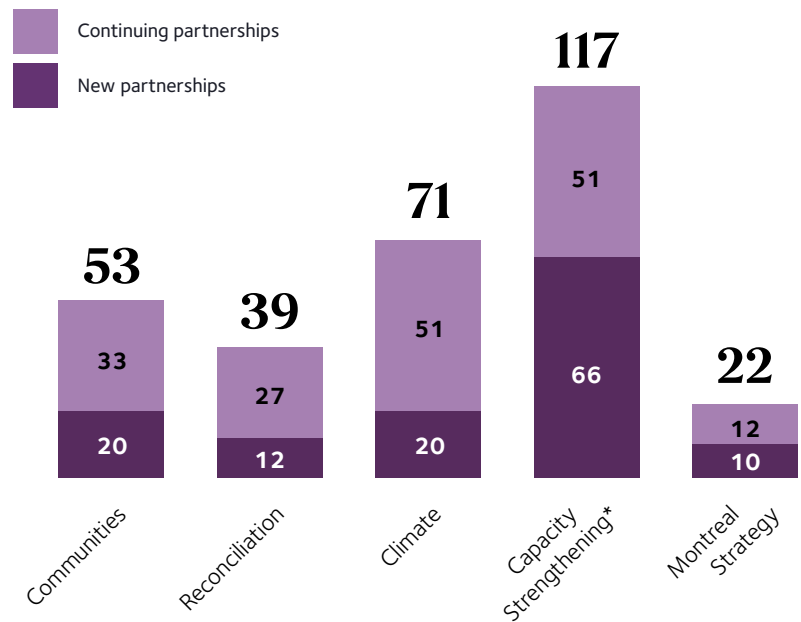
office hours appointments

We held 418 conversations with groups considering applying for funding. These meetings were an opportunity to hear their ideas and advise them on potential alignment with our focus areas.

New and continuing partnerships

We added 128 partnerships across our funding areas and continued 174 others. Combined, they represent 302 active partnerships.

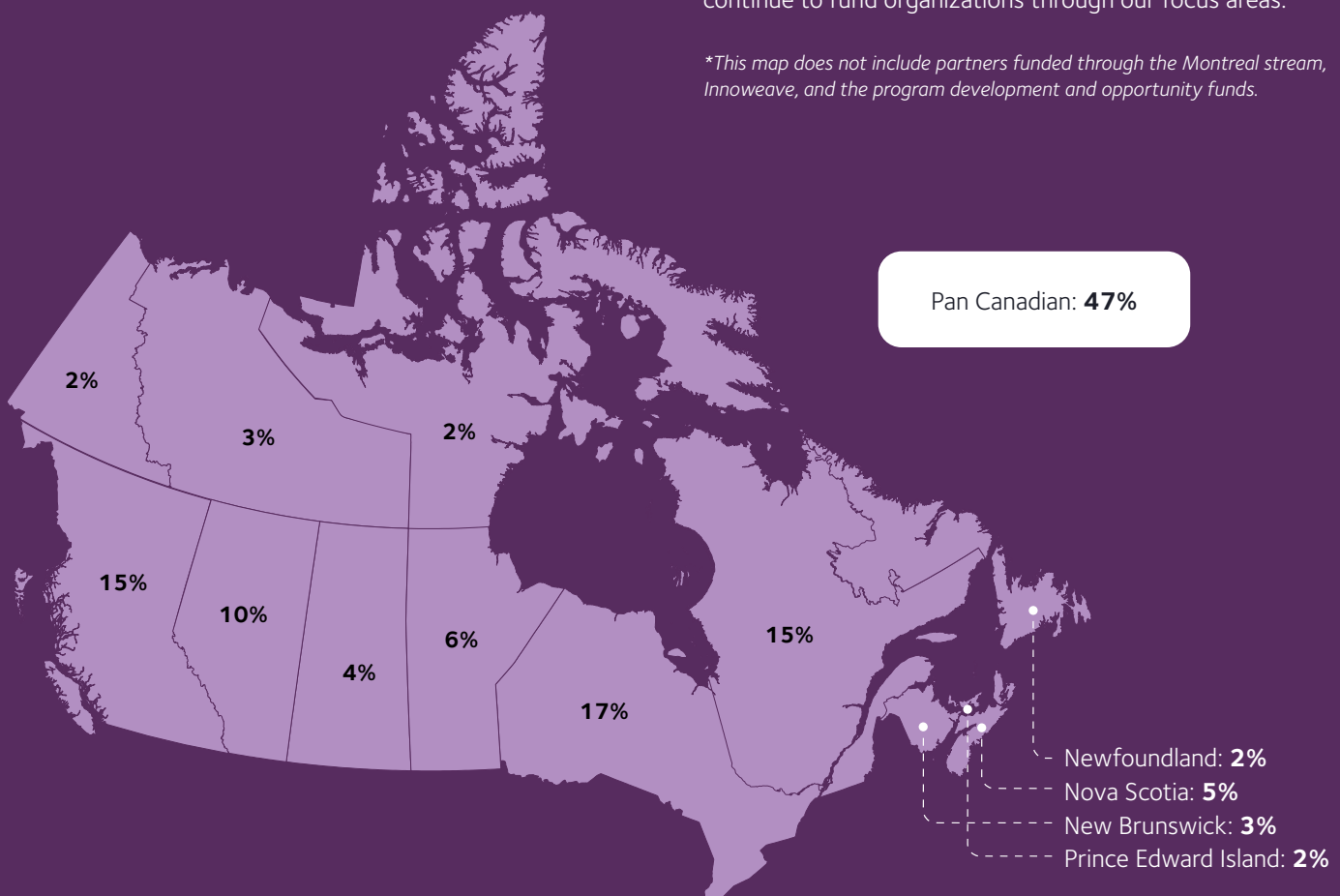
**Includes 60 new partnerships and 44 continuing partnerships through the Innoweave initiative.*



Where our partners work

Our partners are creating positive impact across Canada. For the first time in 2023, we mapped where our partners work. This exercise offered insight into where our support is going — and where it is not. This is something we are considering as we continue to fund organizations through our focus areas.

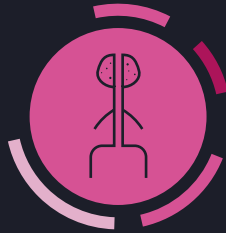
**This map does not include partners funded through the Montreal stream, Innoweave, and the program development and opportunity funds.*



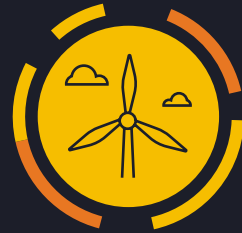
Funding Areas



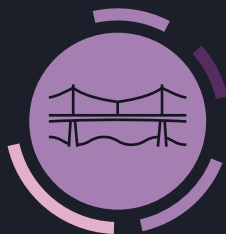
Communities



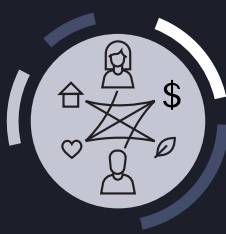
Reconciliation



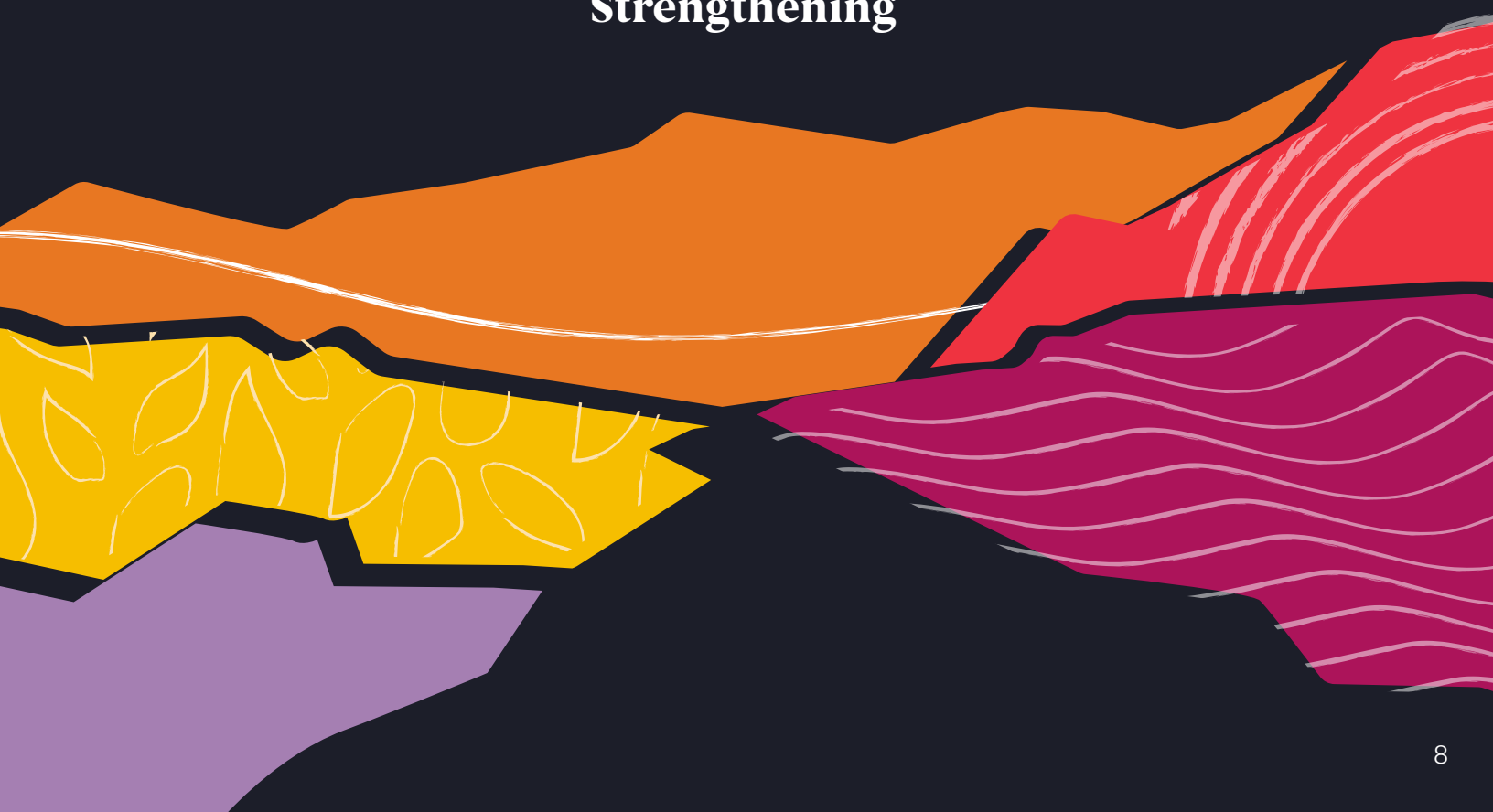
Climate



Montreal



**Capacity
Strengthening**





Communities

We support equity-deserving communities to take the lead in addressing the challenges they face.

Supporting communities facing systemic barriers to lead positive change by and for themselves

In 2023 our funding supported equity-deserving communities to advance policy and collaborate in bold ways to foster social justice, to build economic resilience, and to address barriers to social and/or economic inclusion. New partnerships included a national community land trust movement and a community benefits agreement initiative in Ottawa. We also supported projects that invest in the leadership capacity of historically excluded communities, including African Nova Scotians.

\$7.63M
in contributions

We allocated \$7 million to our Communities focus area to support equity-deserving groups to lead positive change by and for themselves.

53

Communities partners

Over 60% of the organizations we supported in 2022 were led by women. We also supported initiatives led by young people, Indigenous people, new Canadians, farmers, and organizations serving small business owners.





Inspiring Communities

Nurturing leadership to enhance positive community outcomes

The McConnell Foundation provided funding to Inspiring Communities to support their collective impact initiatives addressing housing, community health and wellbeing, and climate action in the communities of Digby, Dartmouth and Cape Breton.

Inspiring Communities is a nonprofit organization in Atlantic Canada with the mission to create thriving, more equitable communities through systems change approaches like social innovation and collaboration. The organization brings communities together to work on shared challenges and strengthen the connections between them.

Working across Mi'kma'ki and with offices in Digby, Cape Breton and Dartmouth, Inspiring Communities centres members of equity-deserving groups who have traditionally been underrepresented in social innovation: African Nova Scotian communities, Indigenous people, racialized newcomers, neurodivergent people and people of differing abilities, and 2SLGBTQIA+ communities.

For example, Inspiring Communities has been supporting African Nova Scotians and racialized newcomers to collaborate and create the African Nova Scotian North End Halifax Community Land Trust. The Trust acquires land in proximity to the historic location of Africville, a once-

vibrant Black community that was forcibly displaced by the City of Halifax in the 1960s.

The goal of the Trust is to develop a mixed-income housing project for the community as a means of reconciliation for some of the historical injustices experienced by African Nova Scotians. Success of this endeavour hinged on the support and coordination provided by Inspiring Communities. Additionally, the organization's investment in enhancing the leadership skills of a young African Nova Scotian team member played a crucial role in advancing the project.

Inspiring Communities operates under the belief that including diverse voices in decision-making improves outcomes for everyone.

“

“We need to include equity-deserving voices from the start so that they can design and lead conversations,” says Jocelyn Li, the Co-Executive Director of Inspiring Communities.

This means investing in and nurturing leadership skills. Adds Li: “Trust is built slowly and on an individual basis. Supporting those voices that are still building capacity to lead change is critical.”

Contribution:

\$750,000
2022–2025

Funding strategy:

Communities –
Collaborative Action



Raising the Roof

Creating new affordable homes and employment opportunities

The McConnell Foundation provided funding to Raising the Roof to support the expansion of the Reside program and to help build the organization's readiness to develop future projects.

Raising the Roof's mission is to prevent and end homelessness in Canada by building affordable housing and providing construction training to people experiencing systemic barriers to employment — especially those who are at risk of, or currently experiencing, homelessness. To date, Raising the Roof has provided trades training to over 260 people with barriers to employment in 10 communities, working on 36 Reside units and in collaboration with non-profit partners on over 150 more units.

The organization's Reside program partners with cities and local housing nonprofits to find and acquire vacant properties at a reduced cost. The properties come in all shapes and sizes: from a multiplex apartment building in a state of disrepair, to an old nail salon, to an unused Canada Post depot.

In partnership with local contractors, Raising the Roof builds or renovates the properties with its trainees, converting them into single family homes or individual apartment units.

"Our Reside program focuses on both employment and life skills so that participants come out ready to start full-time careers in construction trades," says Executive Director

Marc Soberano. Over 80% of the Reside program's trainees have gone on to full-time employment.

In less than a year, Raising the Roof completed 10 new units of permanent, supportive housing in Sudbury, Ontario, with no federal funding and at roughly half the cost of a new affordable housing unit.

Crucially, the Sudbury project also provided training to 31 people experiencing barriers to employment.

“

"The success of the Sudbury project shows that renovating excess municipal properties to create new affordable housing units can be simple and cost-effective," says Soberano. "We think this model can work in many smaller and mid-sized communities across Canada."

Now expanding to Winnipeg, Manitoba, and Orillia, Ontario, each project is tailored to meet local needs. Raising the Roof's innovative, collaborative model has shown how impact can quickly grow from a few dozen units to potentially hundreds or thousands. It demonstrates the vital role that collaborative community partnerships can have in addressing Canada's housing crisis.

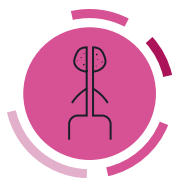
Contribution:

\$300,000

2022–2024

Funding strategy:

Communities –
Collaborative Action



Reconciliation

We are committed to partnering with Indigenous organizations and communities to strengthen the reconciliation economy for this generation and those to come.

Renewed strategic approach & capital transfer

McConnell has been collaborating with partners to collectively transition to a reconciliation economy for 20 years. Guided by the National Indigenous Economic Strategy, in 2023 we updated our strategy to support Indigenous-led solutions that activate their 107 Calls to Economic Prosperity. We also partner with Indigenous-led funding collaboratives.

Additionally, we marked our 20-year milestone by announcing a \$30 million capital transfer to community-focused Indigenous-led foundations that support communities coast to coast to coast.

\$7.24M

in contributions

We allocated \$7 million to our Reconciliation focus area as part of our efforts to advance a reconciliation economy where wealth and resources are equitably shared and sustainably stewarded.

39

Reconciliations partners

In 2023 we developed partnerships with 12 organizations through our Reconciliation focus area. We also continued or renewed our partnership with 27 organizations.





Community Forests International

Weaving Indigenous knowledge and western science to better manage forests for climate resilience

The McConnell Foundation provided funding to Community Forests International to support the Common Ground pilot. This included storytelling and knowledge sharing of traditional Indigenous land management practices and training individuals and organizations in forestry management practices and forest carbon.

Community Forests International (Community Forests) works to protect and restore forests, help communities adapt to climate change, build economic prosperity, and champion climate justice and social equality. In 2021, Community Forests partnered with [Ulnooweg Education Centre](#) and the [Wolastoqey Nation](#) in New Brunswick on the Common Ground project. The project aims to protect New Brunswick's critically endangered Wabanaki-Acadian Forest and integrate Indigenous place-based knowledge and rights into the region's forest care and climate action.

Under Ulnooweg's leadership, the Common Ground project applies the lens of Etuaptmumk (Two-Eyed Seeing) to manage forests for climate resilience and carbon storage. Working with Elders, Ulnooweg has hosted community gatherings to collect and share wisdom from those who know the forest. A number of materials will be developed from these gatherings to help transfer knowledge about Etuaptmumk and to share the story of the Asitu'lisk ancient forest, which was returned to Mi'kmaq care in 2022.

Within the first month of the project, however, Ulnooweg discovered the presence of a destructive invasive insect, hemlock woolly adelgid, in the forest. Community Forests pivoted to help Ulnooweg better understand the pest, the risks it posed to the forest, and how to preserve as much forest as possible. They have

now jointly completed treatment on thousands of hemlock trees and are embarking on a management plan, informed by Mi'kmaq Elders and Knowledge Keepers, to help the entirety of the land thrive for generations to come.

The Common Ground project also works to ensure Indigenous communities can access the economic benefits from conservation activities that take place on their traditional territories.

“

We are working with Indigenous partners to share our experience on the benefits, considerations and requirements of carbon markets and offset projects, with a specific focus on discussion of the opportunities and barriers faced by Indigenous people,” says Anne Herteis, Grants and Operations Manager at Community Forests.

The administrative team of the Collaborative also includes representatives from the territorial government's departments of health and social services and environment and natural resources, as well as the NWT Recreation and Parks Association.

“By sharing the tools, technologies, and lessons we have gained working in forest carbon offsetting we hope to bridge knowledge gaps and help channel funding to Indigenous project partners. All of this is being done in collaboration with community members, to better understand their goals and perspectives on the projects and land use.”

Contribution:

\$379,659
2022–2025

Funding strategy:

Reconciliation –
Indigenous-led solutions
to activate the National
Indigenous Economic Strategy
Calls to Economic Prosperity



The Northern Manitoba Food, Culture, and Community Collaborative

Centering community priorities to reclaim culture and food sovereignty

With funds pooled from multiple partners, including McConnell, NMFCCC provides modest grants to support community-led food and cultural projects across northern Manitoba. It also enables the sharing of learnings between communities and to broader audiences.

The Northern Manitoba Food, Culture, and Community Collaborative (NMFCCC) is an innovative group composed of northern communities, eight northern advisors, and 13 funders working to reclaim food systems, culture and food sovereignty. Through improved access to culturally appropriate foods and the development of resilient local economies, NMFCCC is fostering healthier, stronger communities in northern Manitoba.

Responding to the need for greater and more flexible funding in the North, NMFCCC pools and redistributes contributions from multiple funders as grants to northern Indigenous communities. Since their pilot in 2013, the collective has disbursed nearly \$4.5 million to 200 community-led projects that enhance food security and/or traditional culture in northern Manitoba. Further, over 50 communities in the province have been supported through granting, story sharing funds, and North-to-North events.

NMFCCC's collaborative funding model places community priorities at the fore, shifting power to local leadership. For example, since 2013 NMFCCC has provided funding and support to the Ithinto Mechisowin Program (IMP) which was created by the O-Pipon-Na-Piwin Cree Nation as a way to improve community food security through traditional food ways. Meaning "food from the land," the IMP trains youth to harvest wild food and medicine, and to prepare, preserve and cook those ingredients. Additionally, the program shares the harvested food with 400 people each month, contributing to positive physical and mental health impacts. The IMP offices have also become a community space for Elders, youth, and food champions, contributing to the overall wellbeing of the community.

NMFCCC has evolved to better serve communities with each passing year.

“

“The nature of our work is relational. We spend time getting to know people in community, understanding what works and what doesn't so we can be better helpers,” says Kristy Anderson, NMFCCC Team Member. “We are proud to work together in service of Northern communities, and we hope to continue to do so as long as partnership is sought.”

Contribution:

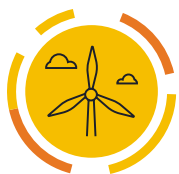
\$500,000
2022-2025

Previous Funding:

\$725,000
2013-2022

Funding strategy:

Reconciliation –
Indigenous-led collaborative
funding projects



Climate

We are dedicated to tackling the climate crisis and to supporting communities coast to coast to coast to participate in climate action and transition to net-zero carbon.

Making climate action accessible and affordable

Households across Canada struggled with the high cost of living in 2023. Our funding supported organizations that develop solutions to the high costs of housing, energy and transportation for low-income households while addressing the climate crisis. This included federal policy advocacy, residential energy retrofits in Indigenous communities, and for low-income Canadians and ensuring greater accessibility to public transit.

\$9.03M

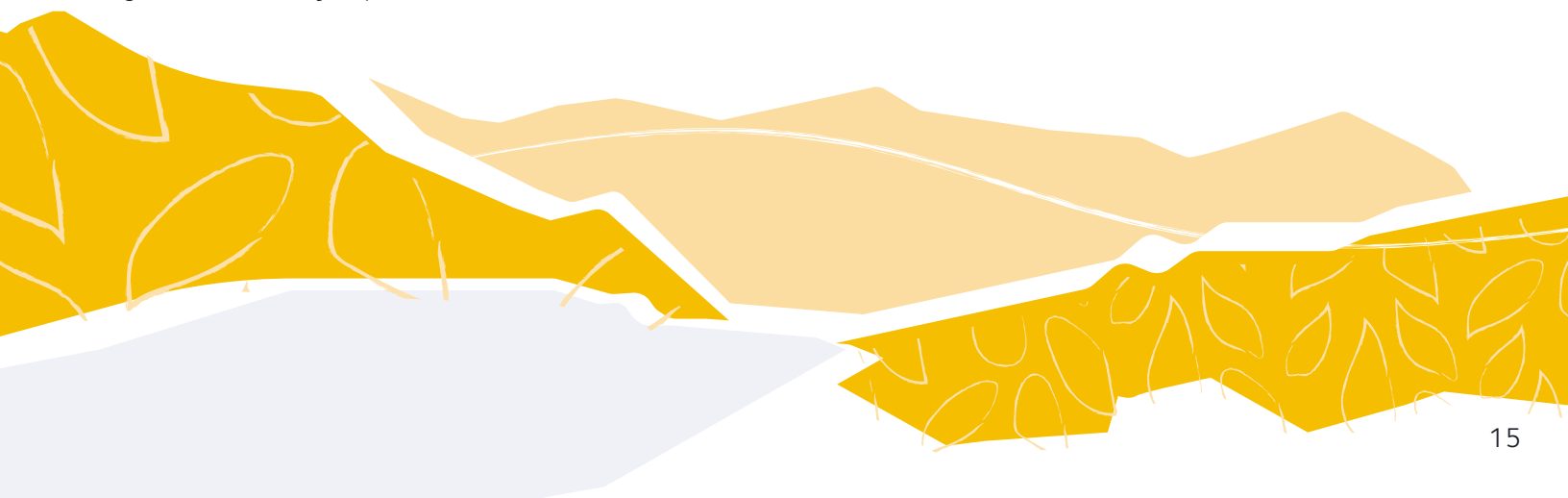
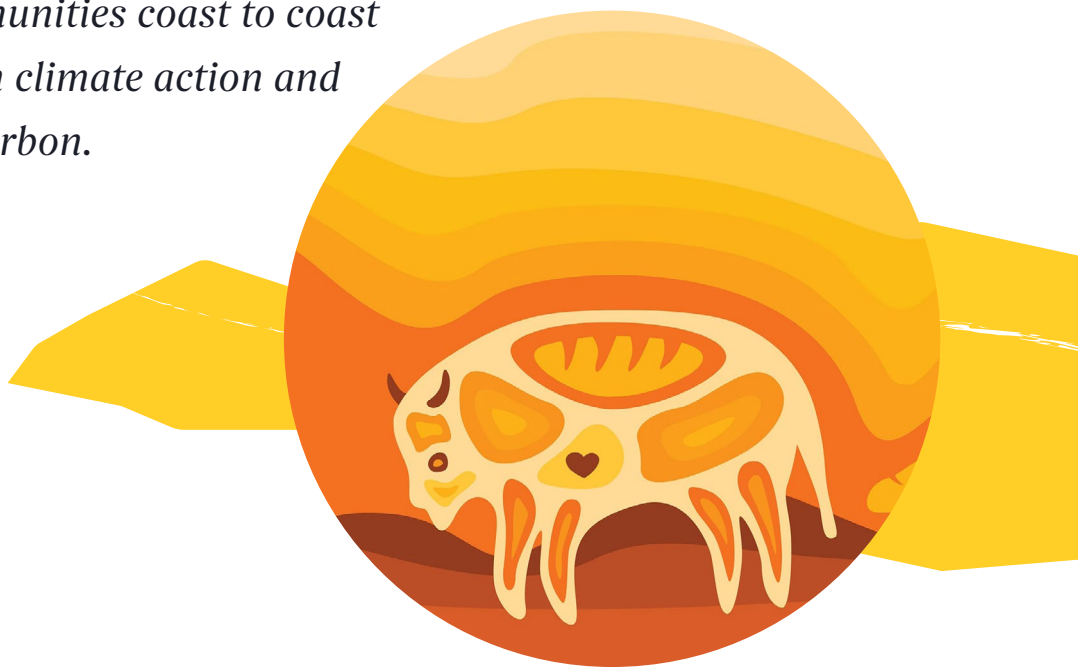
in contributions

We allocated \$9 million to our Climate focus area to help accelerate an equitable transition to a net-zero carbon economy.

71

Climate partners

In 2023 we developed partnerships with 20 organizations through our Climate focus area. We also continued or renewed our partnership with 51 organizations.





Foundation for Environmental Stewardship

Accelerating youth-led climate philanthropy

The McConnell Foundation provided funding to the Foundation for Environmental Stewardship to support youth-led climate projects through outreach, re-granting and program development.

Created in 2016, the **Foundation for Environmental Stewardship** (FES) is a youth-led charity dedicated to accelerating the impact of youth climate action across Canada. FES has been influential in mobilizing funds from 11 philanthropic organizations and private donors. These, in turn, are redistributed to fund action from climate youth leaders across the country through its two programs: The Youth Harbour and N:ow for Net-Zero.

FES has provided \$1.02 million in grants ranging from \$5,000 to \$70,000 to 74 youth-led initiatives across Canada. Half of the projects are led by Indigenous, Black or racialized individuals, and the remaining organizations partner with equity-deserving groups. Moreover, FES education initiatives have mobilized more than a million Canadian youth across 400 high schools and 82 post-secondary institutions to bolster their climate action.

FES serves as a crucial facilitator in the youth climate movement, connecting young innovators with funding so they can drive meaningful change.

Contribution:

\$502,250
2021-2024

Funding strategy:

Climate –
Equity, diversity and
inclusion

“

“Addressing complex issues when resources are scarce is even more demanding for youth-led organizations,” says Kat Cadungog, Executive Director, FES. “Young organizers face a dual challenge: growing their organizations while maintaining impact, often under tighter scrutiny and higher expectations from funders.”

FES helps to address these barriers by providing groups with adaptable funding. The organization also has a greater understanding of the strengths and challenges specific to youth organizing and can offer strategic guidance to promote sustainable growth.

FES has supported various projects from coast to coast to coast. A few highlights:

- **Paths for People**, which advocates for sustainable city infrastructure in Edmonton.
- **Change Course**, a university movement to usher in the end of fossil fuel financing across Canada.
- **VIDEA**, which facilitates conversations on sustainability among Indigenous youth.
- **Project SculptShore** to clean Nova Scotian shorelines.

Concludes Cadungog of FES’ efforts: “It’s crucial to acknowledge that youth bring a rich tapestry of tactics to the movement, whether as disruptors, champions, visionaries or insiders. Each role is invaluable, and as a sector, we need to foster an environment that supports all forms of activism for collective, transformative change.”





Keepers of the Water

Protecting Indigenous rights and the environment in the Arctic Drainage Basin

The McConnell Foundation provided funding to support KOW's efforts to challenge the government to uphold their Duty to Consult and accommodate Indigenous groups on the drafting and implementation of any Oil Sands Mining Effluent Regulations under the Fisheries Act.

First launched in 2006, **Keepers of the Water** (KOW) is an Indigenous-led nonprofit working under the guidance of a Board of Directors and an Elders Wisdom Council to protect the water, air, land and all living things within the Arctic Drainage Basin. By emphasizing Indigenous land-based knowledge and culture as part of water governance, their aim is to protect Indigenous people's inherent rights and abilities to live off the land.

"We are water protectors," says Tori Cress, Communications Manager. "We collaborate with Dene, Cree, Metis, Anishinaabe, Blackfoot and other Nations, as well as settler Canadians. We are starting to build relationships with Inuit as well. Collectively, we are community members who are concerned about the water."

With McConnell's support, KOW is conducting communications and outreach to stop the release of treated tar sands tailings, reduce harm to Indigenous way of life and implement Indigenous land rights.

“

"Indigenous communities are on the front line of climate change because we are so dependent on and tied to the land to hunt, fish and trap," says Jesse Cardinal, Executive Director. "Right now, we're in a water crisis, and we're experiencing these extreme climate change related events such as forest fires and drought."

"Indigenous teachings talk about water and how to take care of water," explains Cardinal. "Many creation stories begin with water. The Cree have a creation story that starts with water. The very first part of the Anishinaabe creation story starts with water. It ties to everything we do."

Contribution:

\$468,000
2022-2025

Funding strategy:

Climate –
Equity, diversity and
inclusion



Capacity Strengthening

We support nonprofits and charities to strengthen their capacity and leadership so they can successfully navigate the challenges facing our society and environment.

Our evolving approach to capacity strengthening

In December, Innoweave — our main capacity strengthening initiative — moved to the MakeWay Foundation. This evolution is an opportunity for Innoweave to better serve the charitable and nonprofit sectors. We're thrilled the initiative has landed at an organization so deeply committed to fostering an equitable, resilient and impactful social sector. We will continue to support Innoweave in the years to come, while also funding capacity strengthening through our focus areas and via networks and organizations that serve the sector.

\$4.57M
in contributions

We supported 13 organizations through our Capacity Strengthening stream in 2023, allocating over \$4 million in funding to new and ongoing partnerships. Last year, we also supported 104 organizations to participate in Innoweave coaching engagements.

900+
Innoweave coaching engagements since 2012

Through these engagements, Innoweave has helped Canadian nonprofits and charities refine their strategic goals and enhance organizational performance. Hundreds more have been supported through partnerships with other funders.





Innoweave

Evolving to meet the needs of the sector: After 12 years at McConnell, Innoweave moves to the MakeWay Foundation

Innoweave has been a critical component of McConnell's Capacity Strengthening work for more than a decade. The initiative began as an idea in 2011. Identifying a need within the social sector, McConnell asked how individualized coaching could help Canadian nonprofits and charities apply innovative ideas and strengthen their capacity to create positive change.

Innoweave's first coaching engagements supported organizations to define their impact goals, to use collective impact to collaborate on complex issues, or even explore other revenue streams. In line with the shifting needs of charitable and nonprofit organizations, Innoweave has evolved over the last 12 years to launch coaching streams like impact measurement, investment readiness and policy engagement.

The Innoweave model applies three key learnings.

Impact first: Every Innoweave engagement is guided by organizational clarity and intentionality about the impact they are seeking and a hypothesis of how that can be achieved.

People matter most: An organization's ability to strengthen its capacity rests in its people. It is key that team members take ownership of the capacity strengthening trajectory, and that Innoweave supports their needs. The impact of those leaders will radiate outwards within their organizations and networks.

Coaching at its core: Innoweave coaches deliver the program one-on-one with each organization, bringing outside perspective and drive towards impact clarity. Coaches also serve as sounding boards for leaders who face competing priorities.

One initiative Innoweave has been proud to support is the Together Project, a project on the MakeWay shared platform. The project's Welcome Group Program creates social connections among newcomers to Canada, supports integration priorities, and helps build more welcoming communities.

First accessing Innoweave support in 2018, the Together Project has grown its reach within the Greater Toronto Area. It has also recently expanded to Surrey and Ottawa, with more Canadian cities on the horizon.

“

“Through Together Project's participation in Innoweave's Impact and Strategic Clarity module, our Steering Committee and staff were able to align around a Theory of Change with specific and measurable goals. After refining our Welcome Group Program to ensure it achieved its intended impact, we engaged in a Scaling workshop to determine how best to reach more newcomers and volunteers in new regions. By dedicating the time to defining our intended impact, learning how to measure it, and determining where our social change initiative was most needed, we have been able to grow a good idea into a national program. All of this learning would not have been possible without Innoweave's support,” Anna Hill, Co-Director, Together Project, a MakeWay Charitable Society initiative.

As Innoweave continues to adapt to the needs of the sector, it became clear that the initiative should be housed with even greater proximity to the many different organizations it serves. Innoweave's move to the MakeWay Foundation — a leader in inclusive, sustainable social-purpose work in Canada — will achieve that aim.

At MakeWay, Innoweave will continue to support charitable and non-profit organizations from across the sector. We have committed \$7.5 million in funding over a five-year period, and we are thrilled that MakeWay will continue Innoweave's mission of innovation and impact for years to come.

Contribution:

\$8.7 million
903 projects
2011–2023

Funding Strategy:

Capacity
Strengthening



Montreal Strategy

Our founder, J.W. McConnell, was an avid supporter of organizations and institutions dedicated to improving the lives of his fellow Montrealers. We are honoured to continue his legacy.



Supporting community starts with a space

Our Montreal funding stream supports organizations in their capital campaigns and to revitalize heritage buildings for use by the social sector. In 2023, we partnered with community organizations across the greater Montreal region, including Kahnawake, to buy, build or renovate buildings to better serve their communities.

\$2.96M

in contributions

We allocated \$3 million to our Montreal funding stream to support organizations in our home city.

22

Montreal partners

In 2023 our Montreal funding stream supported 10 organizations and continued our partnership with an additional 12 organizations.



Afrique au Féminin

Providing an essential hub for immigrant women in Montreal's Parc-Extension neighbourhood

The McConnell Foundation provided funding to Afrique au Féminin to support upgrades and renovations to their new building, which will enable the organization to expand its services and meet the growing needs of the community.

Montreal's Parc-Extension neighbourhood is one of Canada's most culturally diverse areas. It is here that **Afrique au Féminin** has been working for nearly 40 years, supporting immigrant women to integrate into Quebec society and improving their living conditions. Initially focused on the African community, the organization has today broadened its scope to welcome all women, from Asia, Latin America, Africa, Europe and Canada. They come together to build bonds and create a space of belonging.

In 2023, Afrique au Féminin launched a capital campaign to modernize its building, beginning with the renovation of its drop-in daycare centre to improve its facilities and to better adapt the space for a range of ages. With this renewed building, Afrique au Féminin hopes to better serve its diverse clientele and meet evolving community needs.

“

“We support newcomers in their integration process by providing adapted services such as drop-in childcare, learning French language and culture, as well as social and cultural outings,” explains Rose Ngo Ndjel, Director.

The organization also responds to the specific issues faced by asylum seekers by offering childcare and food assistance services, with a prioritization on vulnerable families. “The aim is to break their isolation,” stresses Ngo Ndjel. Often inaccessible to asylum seekers, childcare services are an essential form of support so women can pursue an academic path or their professional careers. The needs are great: the organization's childcare centre can currently accommodate 18 children and has a waiting list of 24.

The organization is currently two-thirds of its way to its target and momentum is building to make the vision of an inclusive and vibrant community centre a reality.

Contribution:

\$100,000
2023–2024

Funding strategy:

Montreal

MININ.ORG



Investments

We aim to use our investment assets to create positive impact that aligns with our mission and vision.



Setting the stage for 100% impact investing

Our investments team continue to lay the groundwork towards our goal of allocating 100% of our portfolio to impact investing by 2028. Process improvement is a priority going forward. This will allow us to better evaluate asset classes from an impact standpoint, enhance our impact management approach, and add expertise to our team.

Also in 2023, we made our first gender lens investment into the Cross-Border Women and Children's Health Technology Fund and expanded our focus on the circular economy by investing in the Bridges Sustainable Growth Funds.

\$9.2M

in investments benefitting Indigenous communities

We have invested over \$9 million in funds aimed at benefiting Indigenous communities, which include eight Indigenous-led organizations.

7,880

affordable housing units funded by our investments

Affordable housing is a key part of our investment strategy. To date, 7,880 affordable units have been added to the market via our portfolio.

\$28.2M

invested in renewable energy

To date, we have invested over \$28 million in climate solutions. We hope to increase that amount to \$150 million by 2030.

25%

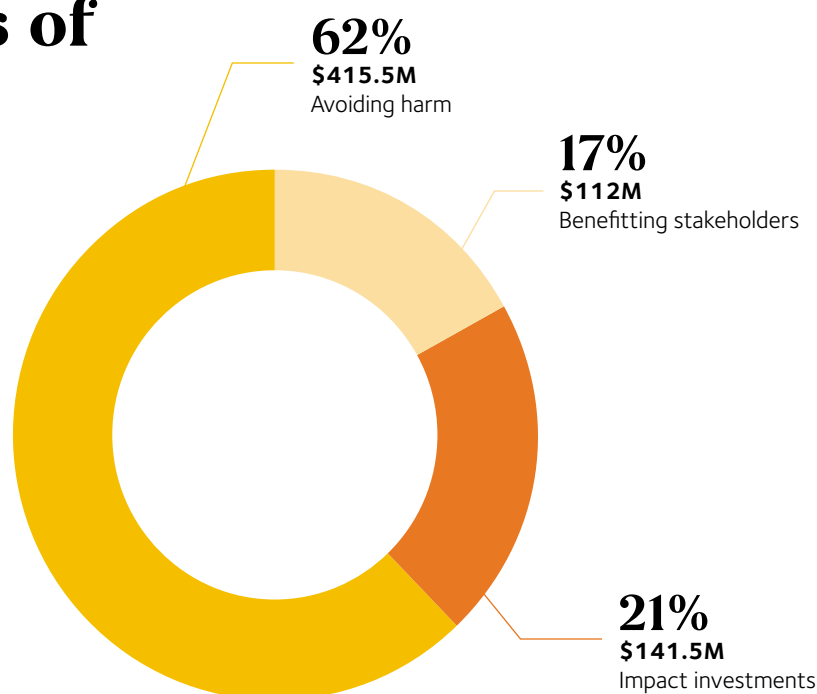
investment in Canadian fund managers

Currently, 25% of our Mission Related Investments (MRI) fund managers are Canadian. We aim for a third of our MRI fund managers to be Canadian by 2030.

Our endowment as of year-end 2023

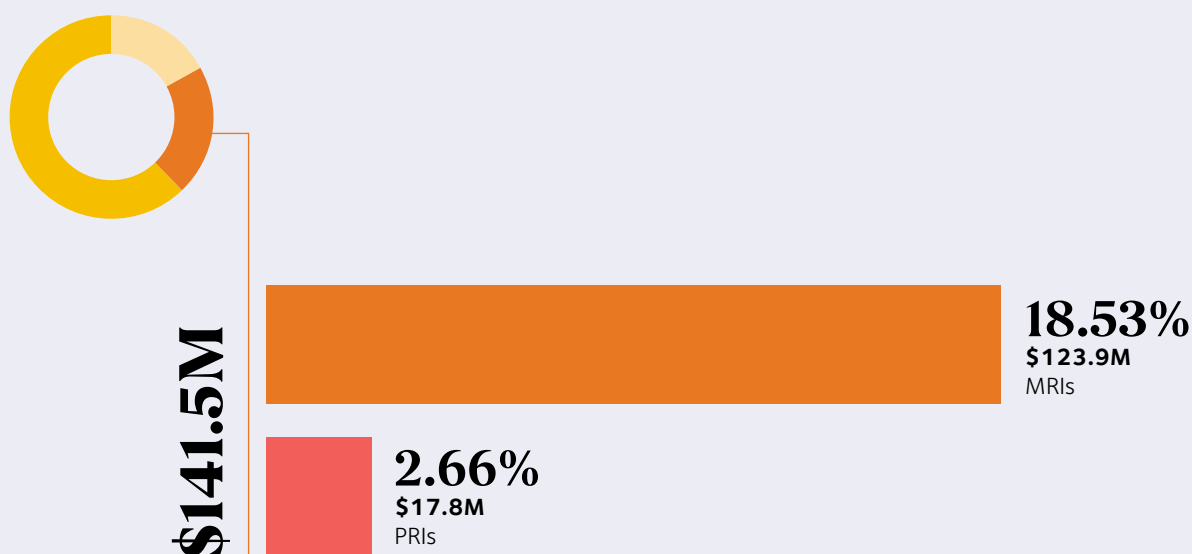
As of December 31, 2023, our endowment sits at \$669 million. Just over 21% (\$141.5 million) of our assets are committed to impact investing. A further 17% (\$112 million) can be classified as active responsible investing.

**5.10% of our endowment was allocated to charitable activities in 2023. Additionally, a capital transfer of \$5 million was allocated to the Indigenous Peoples Resilience Fund, the first payment of a commitment to transfer \$30M million of the Foundation's endowment to community-focused Indigenous-led foundations. One hundred percent of the portfolio is invested with targeted negative screens.*



Impact investing

We added two impact investments to our portfolio in 2023, for a total of 35 investments.



MRI: Mission Related Investments are financial investments made in either for-profit or non-profit funds with the intent of achieving mission-related objectives. They normally earn market-rate financial returns.

PRI: Program Related Investments are investments made in not-for-profit organizations and social funds to further the Foundation's programmatic objectives and to generate financial returns, with a tolerance for below-market rates of return.



Amplify Capital

Using impact investing to tackle globally under-addressed challenges

Amplify Capital is a leading Canadian impact venture capital fund that invests in early-stage startups generating solutions to global challenges in the climate, education, and healthcare sectors. The fund collaborates with founders, prioritizing underserved markets and opportunities, to generate both impact outcomes and outstanding financial returns. Combined, Amplify's two funds manage over \$42 million in assets, generating a target rate of return of 15–20%. Funds I and II have invested in 22 impact-focused start-ups to date.

One such company, Montreal-based health startup Ditch Labs, uses technology to gradually wean smokers off nicotine, leading to positive health and climate-related impacts. Raising the success rate for quitting smoking from the current 7% to 25% could represent over \$1 billion in savings for employers, health networks and hospitals, and over one million lives saved from nicotine addiction. Further, every unsmoked cigarette prevents the release of 1.39 grams of CO₂e and saves 3.7 litres of water. Amplify Capital led Ditch Lab's recent round of seed funding to secure \$3.25 million in investments.

Amplify's impact:

To date, Amplify Capital says its investments have helped save \$127 million in healthcare systems costs, improved health outcomes for 4.3 million patients, and supported 15.6 million students and adult learners to prepare for the future of work success. By 2070, their investments will have offset, abated or sequestered over 39 million metric tonnes of CO₂e.

The Amplify team goes above and beyond to ensure their funds will create the most value for investors. They do so by only selecting portfolio companies with a potential for high impact and strong financial returns, and then playing an active and supportive role in their governance, especially during financially turbulent times.

“

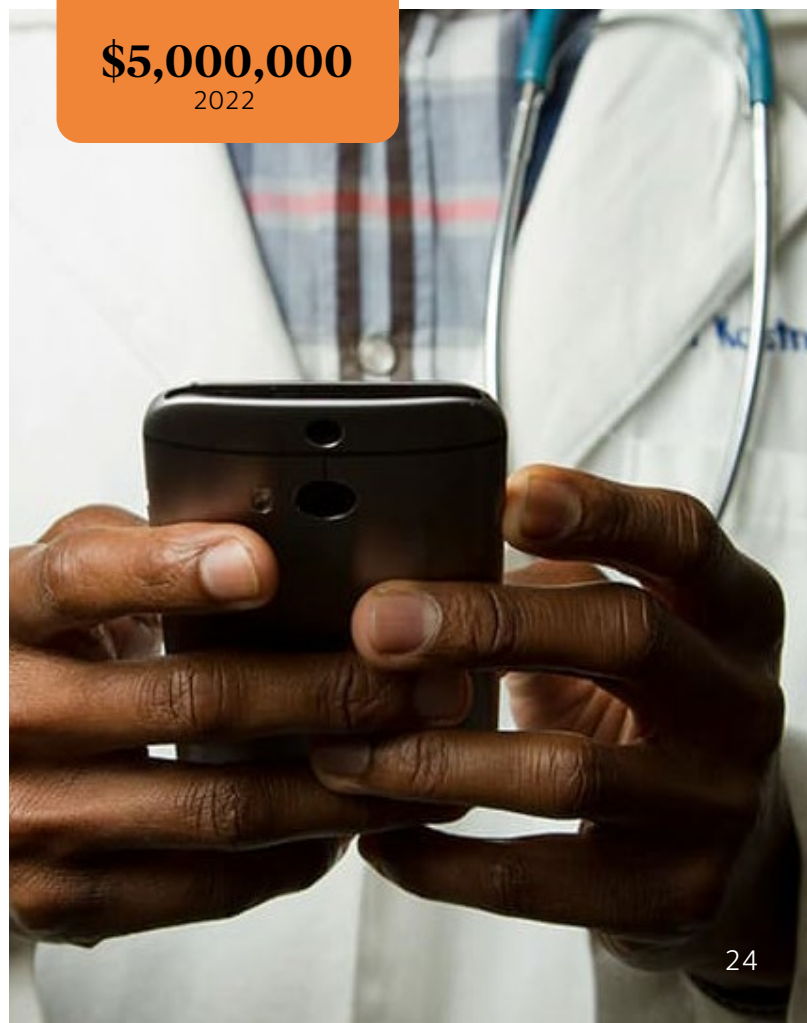
“During the economic contractions of 2023, we proactively assisted our portfolio companies with cash flow management support and helped them to identify appropriate additional sources of capital,” expands Kathryn Wortsman, Managing Partner with Amplify Capital.

Amplify's success demonstrates that impact investing is not only viable but also profitable. Says Wortsman: “Our unique investing approach allows us to spot opportunities early. By understanding a company's stakeholders and challenges, we assess the potential for significant value creation.”

Contribution:

\$500,000
2016

\$5,000,000
2022



Our Commitments

In the spirit of transparency and accountability, McConnell is pleased to share an updated overview of the steps we are taking to deliver on our commitments.



Photo provided by [Community Forests International](#).

Justice, Access, Inclusion, Diversity and Equity (JAIDE)

Over the course of the year, McConnell's JAIDE committee organized a trio of day-long training sessions for staff which focused on recognizing definitions and unconscious biases, identifying and addressing microaggressions, and embracing strategies to foster allyship.

A key part of our JAIDE work this year was to build equity into our policy and procedures framework. We also continued to advance our knowledge of reconciliation and engaged in staff training provided by the Canadian Council for Aboriginal Business through our commitment to the PAR Certification program (see following page).

Investments

United Nations Principles for Responsible Investment (PRI) since 2017

As the world's leading proponent of responsible investment, PRI supports its international network of investor signatories to incorporate environmental, social and governance (ESG) factors into their investment and ownership decisions. We are evaluated annually by the PRI association, using a five-star rating on ESG performance across three categories:

Policy governance and strategy ★★☆☆☆

We received a three-star rating for policy governance and strategy, which is in line with the median score for PRI signatories.

Manager selection and monitoring ★★☆☆☆

Manager selection and monitoring is evaluated by asset class. We have aggregated the information for simplicity. Our three-star rating is in line with the median score in this category.

Confidence building measures ★★☆☆☆

Confidence building measures is an umbrella term for different practices, spanning from basic internal control mechanisms to internal audit and third-party external assurance. Our rating is below the median score for PRI signatories. As part of our commitment to building a 100% impact investment portfolio (see below), we will conduct a portfolio impact audit with external reviewers in 2025.

To view the detailed report, please visit: www.unpri.org

100% impact investment portfolio since 2023

In 2023 we committed to allocate 100% of our portfolio to impact investments over the next five years, with an interim target of reaching a 50% impact portfolio by the end of 2025. Working within our existing investment policy, our aim is to build a balanced portfolio that meets the dual objectives of generating returns to fund our activities while also achieving measurable, solutions-oriented impact.

(Cont...)

By the end of 2023, our impact portfolio represented \$141.5 million or 21% of our total endowment. While our first-year progress was slower than anticipated, it lay the groundwork for what is to come as we continue to improve our investment tools and develop our process for evaluating entire asset classes from an impact standpoint.

Canadian Investor Statement on Climate Change (CISCC) since 2021

The CISCC recognizes the catalyzing impact that investment assets can have on climate change and identifies actions investors can take to accelerate the transition to a net-zero economy. This includes requirements for our investees as well as standards and processes for investment practices. As signatories of the CISCC, we have also committed to divest from fossil fuels and to reach net-zero carbon emissions in our investment portfolio by 2050.

Divestment

In 2022 our Board approved the portfolio removal of all investment assets that derive at least 10% of their revenues from the production, distribution and retailing of oil, gas and coal (scope 1 and 2 emissions). At time of commitment, 3.8% of our endowment was invested in these types of fossil fuel companies; our aim was to reach 0% by the end of 2023. Since the implementation of the negative screen, 99% of our portfolio is now free from oil, gas and coal assets. Our aim is to be fully divested by 2024, using an approach that balances the cost and practicalities of divestment with the overall impact on emissions.

Net-zero carbon emissions portfolio by 2050 or before

We have committed to achieving net-zero carbon emissions in our investment portfolio by 2050 at the latest, with an interim objective of a 60% reduction in carbon emissions by 2030. In 2023 we published a Climate Action Plan which outlines our strategy to reach net-zero carbon emissions in a way that prioritizes real world emissions reductions and a just transition. This means that no one is left behind, and that those people who are most affected by climate change are participating in and leading the work to tackle the climate crisis. We will report on our 2023 emissions reductions in our forthcoming [2023 Impact Investing report](#).



Communities

Collectif des fondations québécoises contre les inégalités since 2014

Le Collectif des fondations québécoises contre les inégalités is a group of Quebec foundations that believe that while governments have a duty to reduce inequalities, philanthropy has a complementary responsibility to curb rising inequality, contribute to a just and fair recovery and build more resilient systems.

In 2021, McConnell signed the Collectif's pledge for philanthropic foundations to fight inequality; we also reported against the commitments. For further details, please visit: collectifdesfondations.org/déclaration-dengagement.

In 2023, McConnell continued to engage with the Collectif on policy priorities and knowledge sharing. Activities of the Collectif included: an event co-hosted with Environment Funders Canada: "Intégrer l'optique de la justice climatique"; and a submission to the Government of Quebec as part of the action plan against poverty and social exclusion.



Reconciliation

The Circle on Philanthropy since 2008

The Circle contributes to positive change between philanthropic and Indigenous communities by creating spaces of learning, innovation, relationship-building, co-creation and activation.

In 2015, we signed The Circle-led **Philanthropic Community's Declaration of Action**. In doing so, we pledged to ensure action on reconciliation following the Truth and Reconciliation Commission's report and subsequent 94 Calls to Action. We are committed to learn about the history and legacy of the colonial system that imposed the Indian Residential School System; listen with compassion, respect and empathy to partners who give voice to this tragedy; and recognize the need for an ongoing commitment to support this multi-generational work.

(Cont...)

Additionally, McConnell commits to:

- Share our networks, platform and resources to include and benefit Indigenous Peoples.
- Build relationships with Indigenous Peoples and extend the reach of our efforts in both policy and practice.
- Explore new opportunities to support healing and reconciliation, as well as the implementation of the spirit, intent and content of the Truth and Reconciliation Commission's findings and recommendations.

For further details, please visit:

www.the-circle.ca/the-declaration.html

The Circle's Partners in Reciprocity (PIR) 2023

In 2023, four members of our team participated in The Circle's Partners in Reciprocity program, a year-long peer learning program that supports philanthropic teams in a reorientation toward equity and justice.

Progressive Aboriginal Relations (PAR) since 2022

PAR is a certification offered by the Canadian Council for Aboriginal Business. We are committed to earning bronze-level PAR certification by the end of 2025. In 2023, we completed phase one of this process; holding trainings for leadership and staff, identifying communities of interest, drafting policy and publishing an Indigenous relations commitment statement. In 2024, we plan on completing phase two, which includes a focus on strategy, communications and community relationships.





Climate

The Canadian and International Philanthropy Commitments on Climate Change (IPCC) since 2021

The International Philanthropy Commitment is a global movement of philanthropic foundations committed to taking urgent action on climate change. Action is across six categories: education and learning, commitment of resources, integration, endowment and assets, operations, influencing and advocacy, and transparency. In 2021, we also signed the Canadian version of this statement, the [Canadian Philanthropy Commitment on Climate](#).

Signatories must submit an annual implementation report.

Our progress towards each pillar of the IPCC:

1. Education and learning: ✓

We prioritized education opportunities for our Board and staff and shared learnings with other funders.

2. Commitment of resources: ✓

We allocated over \$9 million to our Climate focus area and supported 71 charitable and non-qualified donees to address systemic barriers to climate mitigation in Canada.

3. Integration: ✓

We contributed to new grants at the intersection of climate action and equity, diversity and inclusion. Further, we regularly ask organizations we support how they build equity as an outcome of their climate mitigation solutions.

4. Endowments and assets: ✓

We have divested 99% of our portfolio from oil, gas and coal assets. Our aim is to be fully divested by the end of 2024. We have also committed to reach net-zero carbon emissions in our investment portfolio by 2050 at the latest.

5. Operations: ✓

We audited the environmental impact and carbon footprint of the Foundation. We are committed to making changes to our operations to further reduce our carbon footprint.

6. Influence and advocacy: ✓

We actively support organizations that develop policy recommendations and oversee government relations. We also fund Indigenous-led organizations who work to advance their Treaty rights.

7. Transparency: ✓

We publish all granting decisions on our website and share potential granting opportunities with other Canadian climate funders.



A note on the art used in this report

To mark our 20 year anniversary supporting reconciliation and Indigenous-led initiatives, we commissioned six original artworks by [Indigenous artist Bada Jean](#) to illustrate the main sections of this report. The pieces are accompanied by Bada's descriptions of the cultural meaning behind the imagery she has created.

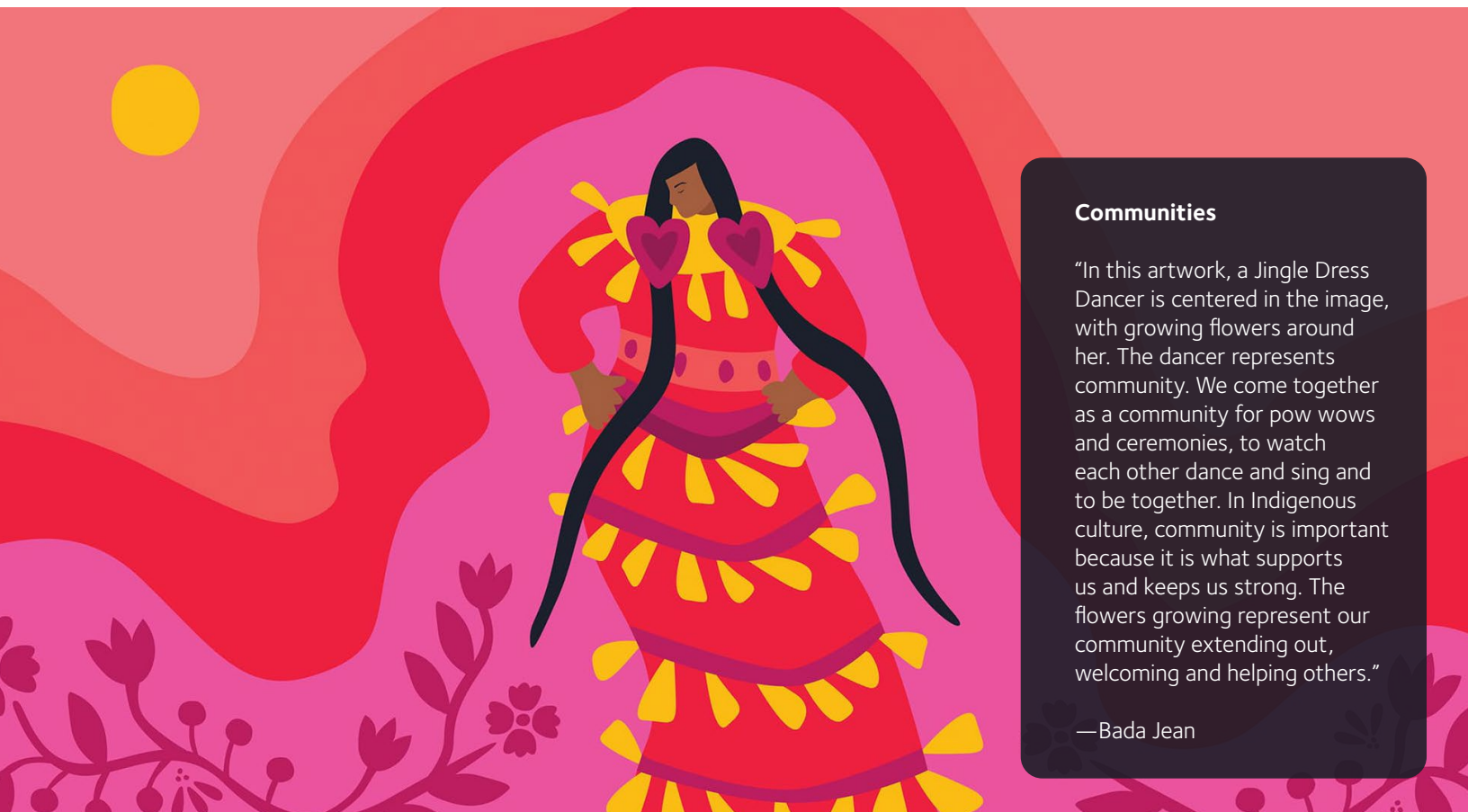
For the illustration on this page, Bada Jean explains: "In this artwork, it says "Nanâskomo Tahto Kîsikâw" in Nêhiyaw syllabics, or in English, "Everyday is a Gift". I wanted to represent one of the special things in our culture: dancing. In this piece, we see a men's traditional dancer. In our culture, dancing and singing is one of the things that connect us as a community and is a way we celebrate our culture."

Bada Jean is an Indigenous and Welsh visual artist from Treaty 6 and 7 territory. Her roots come from Ahtahkakoop Cree Nation, and Tsuut'ina Nation. She grew up in Alberta and Saskatchewan, and now lives and works on **W̱SÁNEĆ & lək'wəŋən** territory.



Bada Jean is mostly an acrylic painter and mural artist, but recently has been focusing on digital illustrations. She wants to share the beauty of her culture with others, and represents that within her art. Reconnecting with her culture is an important aspect of her art.

The digital and graphic design of this report was produced by non-Indigenous designers, Loop: Design For Social Good, who worked in collaboration with Bada Jean to highlight her artwork alongside the report's other graphic features.



Communities

"In this artwork, a Jingle Dress Dancer is centered in the image, with growing flowers around her. The dancer represents community. We come together as a community for pow wows and ceremonies, to watch each other dance and sing and to be together. In Indigenous culture, community is important because it is what supports us and keeps us strong. The flowers growing represent our community extending out, welcoming and helping others."

—Bada Jean

Reconciliation

"I wanted to show the strength of Indigenous people in this piece. After the attempted genocide of Indigenous people, they are still here reclaiming their culture. In my artwork, I want the beauty of Indigenous culture to shine through and show how special it is. Indigenous people never deserved their culture to be taken from them. Reconciliation of Indigenous culture is important to heal our communities. The land we live on all across Turtle Island (North America) is all Indigenous land, so we must educate ourselves on the history, and help repair what has happened to Indigenous people."

—Bada Jean



Climate

"In this artwork is a paswâw mostos, or bison in English. This image represents climate. Bison in the prairies of Canada are at risk, and this shows the importance of protecting our climate. The white bison is known in many cultures as being very special and sacred. In this image, I wanted to represent the contrast of beauty and the fragility of our climate."

—Bada Jean





Capacity Strengthening

"In this artwork, I wanted to represent growth and the appreciation for our plants. Plants have a special place in our lives and can help us with our mind, body and spirit. Plants are medicine to our people and we must treat them with respect. In our culture, if we take something from the earth, we must leave an offering as a sign of respect and to give thanks. We believe in taking care of our earth, so it can remain healthy and grow."

—Bada Jean



Investments

"In this artwork, I wanted to represent a round dance. The circle in Nêhiyaw culture is very significant as it represents the medicine wheel, which has four colours on it. This represents the four directions, four seasons, four stages of life, etc. It represents a cycle that never ends. The round dance connects us as a community and often is a way to celebrate. At a round dance, anyone is invited; Indigenous and non-Indigenous. I wanted to show a round dance to symbolize that to invest in reconciliation, means to also be involved and invested in our community."

—Bada Jean

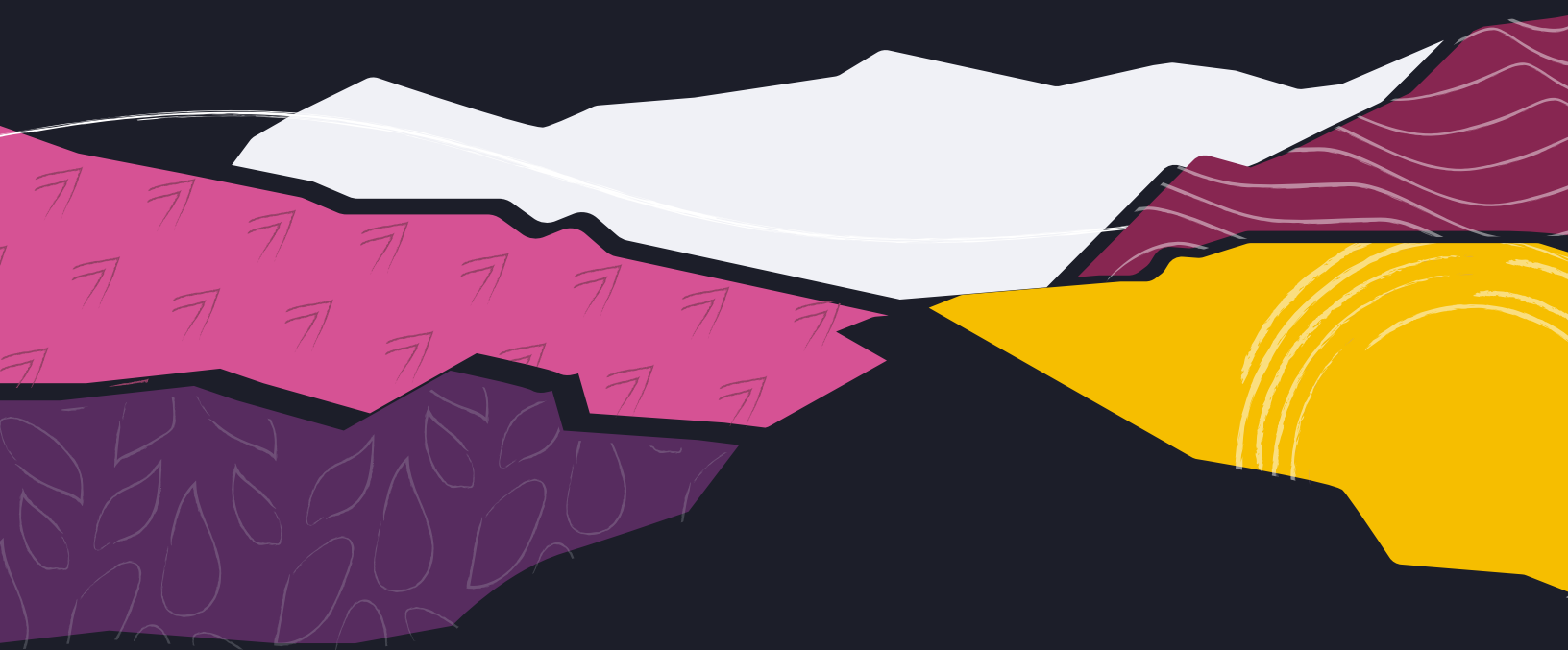
Thank You

We would like to thank Bada Jean for the artwork she created for this report. View more of her artwork at www.badajeans.com

 [@bada_jean](https://www.instagram.com/bada_jean)

 [@badajeansvisualartist](https://www.facebook.com/badajeansvisualartist)

We would like to thank Sébastien Aubin for permission to adapt his artwork for the Reconciliation icon used in this report.



Contact us

Suite 1800
1002 Sherbrooke Street West
Montreal, QC
H3A 3L6
514-288-2133

mcconnellfoundation.ca

 [@jwmccconnell](https://twitter.com/jwmccconnell)

 [@mcconnellfoundation](https://www.facebook.com/mcconnellfoundation)

 [@McConnell Foundation](https://www.linkedin.com/company/McConnell-Foundation)

Fondation

McConnell
Foundation