

LAWSON
FOUNDATION



2018 Annual Report

Contributing to the healthy development of children and youth.

Contents

Leadership Message	3
Convening for Impact	4
Influencing Public Policy	6
Our Reach at a Glance	8
Investing for Social Change	10
Financial Highlights	12
Our People	14

Leadership Message

This annual report highlights some of our achievements from the past year with a particular focus on activities and outcomes related to our work in convening for impact, influencing public policy and investing for social change.

What an exciting year to look back on. This year was productive on many fronts, but most significantly it was the year that we launched our work focusing on Youth and the Environment. This initiative focuses on tying youth leadership development together with opportunities to connect to nature.

Knowing that youth have unique assets that can be harnessed for environmental action in order to contribute to a healthy and sustainable environment, a new cohort of youth-driven projects in communities from across the country will get underway in 2019 and we're excited to follow their progress over the next three years.

While granting is what we are primarily known for, it is important to recognize and celebrate the many ways that the Foundation is active in supporting the healthy development of children and youth. Here are a few highlights from the past year:

We hosted important convening events to bring people together to learn, share and improve their practices, including the Outdoor Play and Early Learning Policy Research Symposium and the National Workshop on Child and Youth Diabetes.

We influenced and informed public policy in our areas of interest - included a concerted focus on diabetes in the North - as we believe that policy shifts are the best way to bring about transformative change.

We used our networks and influence with stakeholders, funders and governments to open doors and make connections for a number of grantees.

We supported several grantees in their efforts to strengthen their governance in order to achieve better impact.

We used some of our assets for social change through our impact investing work.

We undertook our first-ever Grantee Perception Survey to seek guidance on how to improve our practices as a foundation.

We continued to deepen our efforts and actions in our commitment to reconciliation with Indigenous communities, primarily through significant work in the areas of diabetes prevention and food security.

This annual report highlights some of these achievements with a particular focus on activities and outcomes related to our work in convening for impact, influencing public policy and investing for social change.

In closing, we would like to thank our growing number of volunteers, including members of our board of directors, and our wonderful and committed staff, who are all working diligently to make Canada a place where all children and youth can flourish and contribute meaningfully to society.



Susie Osler
Board Chair



Marcel Lauzière
President & CEO

Want to learn more?

While this report provides some key highlights from the past year at the Foundation, we invite you to visit our website for more information about our work, our grants and our impact.

www.lawson.ca

Convening for Impact

Creating space for learning, exploration and innovation

Bringing together people and ideas is a core part of our approach to philanthropy and impact at the Lawson Foundation. We've seen the incredible opportunities, relationships and results that emerge when we help create and hold space for learning, exploration and innovation.

Whether it's an intimate retreat, a learning tour, or a large symposium, convening provides opportunities to foster and deepen relationships between us and our grantees and partners.

Convening allows us to be more active and connected to the communities, leaders and champions that we are working with. It provides opportunities to advance our learning, to adapt our approaches and to consider new ideas to drive our work forward.



Engaging the 5th Generation: A Digital Approach

While we understand the value and power of coming together in person, we also recognize that sometimes it isn't feasible or practical (or affordable!) to convene in this way.

With members peppered across the globe, it would be nearly impossible and prohibitively expensive to find a time and place that could work to bring together the 5th Gen, a network of young philanthropists who are engaged in the Foundation's work, on a regular basis.

Understanding this reality, the Foundation has harnessed the power of technology, including video conferencing, social media groups and other online collaboration tools, to allow the 5th Gen to meaningfully contribute to our work wherever and whenever that might be!



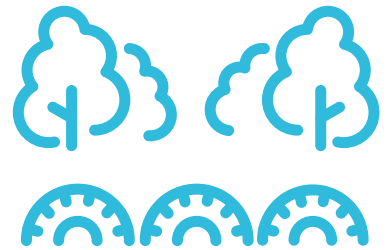
Lessons from European Philanthropy

In collaboration with The Philanthropist, the Foundation commissioned a series of articles exploring what the philanthropic sector in Canada could learn from European philanthropy. Curated by the Foundation, the series included features on impact investing in France, social entrepreneurship in Italy and lessons learned from a study tour organized by the Chagnon Foundation.

The series garnered so much interest that we were invited to moderate the opening plenary session as well as a deep-dive workshop on the topic at the Philanthropic Foundations Canada conference in October.

As the series and the interest demonstrate, there is clearly value in learning and sharing our approaches to philanthropy with our friends and colleagues in other parts of the world.

Visit www.thephilanthropist.ca to check out the article series.



Outdoor Play & Early Learning Research Symposium

In October we convened 125 practitioners, researchers, policy-makers, funders, consultants and advocates from multiple sectors for two days of learning and networking in the outdoor play and early learning ecosystem.

Participants came from six countries, 11 Canadian provinces and territories, and several Indigenous communities to build relationships; to share and connect research, policy and practice; to showcase international exemplars and emerging initiatives in Canada; and to engage in critical reflection all with the goal of advancing outdoor play and early learning across the country.

The Foundation has published a discussion paper highlighting some of the themes presented at the symposium with the intent of raising awareness, sparking discussion about outdoor play in local communities of practice, and ongoing work across sectors to advance outdoor play and early childhood education.

Northern Food Security Roundtable

In February, we collaborated with Aki Foods, an Indigenous social enterprise, to convene a diverse group of people and organizations to discuss food security in Indigenous communities in northern Canada at Foundation House. Our goal was to spark a conversation about how to better engage governments in transformative solutions to support food security and independence and improve health outcomes in Indigenous communities in the North.

The facilitated process was designed to engage participants in a frank and open discussion on a vision for healthy food initiatives that would have a real impact on diabetes and other chronic diseases in the North. It also sought to develop specific goals that could be realistically accomplished by participants, individually or collectively.



Northern Food Security Roundtable

Outdoor Play Symposium



“I cannot say enough about the whole overall experience. The richness of the variety in speakers and experiences, the depth of presenters and participants, as well as the location and the atmosphere this created.”

- Outdoor Play Symposium Participant

Influencing Public Policy

Activating our knowledge, networks and influence for change

We believe that funders and grant makers, charities and nonprofits, and other mission-driven organizations all have a role in driving change in our communities. For any organization wishing to fundamentally improve outcomes for individuals or communities, whether through systemic change or otherwise, public policy is an important lever.

We know that shifting public policy is critical. The Foundation plays an active role as an advocate and champion to influence public policy, including by supporting and encouraging our grantees to engage in meaningful public policy dialogue.

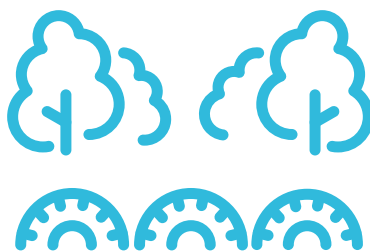


Indigenous Solutions Lab on Diabetes Reduction

Overcoming food insecurity is an ongoing challenge for many Indigenous communities. Food insecurity has led to a legacy of negative health impacts, including increased rates of diabetes, which collectively undermine individual well-being and disrupt the social fabric of Indigenous communities.

The Foundation is working in collaboration with the First Nations and Inuit Health Branch at Indigenous Services Canada, the Raven Indigenous Impact Foundation, and Aki Foods on an innovative Indigenous Solutions Lab that will aim to reduce diabetes in Indigenous communities.

The goals of the lab approach are to develop innovative solutions to diabetes, including non-government approaches, local entrepreneurship, and social finance models that promote local health outcomes and build economic prosperity.



Shaping Public Policy on Outdoor Play

The Canadian Public Health Association (CPHA) has taken a leadership role in public policy and children's outdoor play. A grant through our Outdoor Play Strategy enabled three years of research and thoughtful consultation with municipalities, schools, child care centres, and other stakeholders to develop a comprehensive toolkit to support decision makers and administrators to provide opportunities for outdoor play. The toolkit provides research briefs, infographics, decision-making tools, and promising practices. In addition, CPHA has published a Position Statement on Children's Unstructured Play with a series of recommendations to government and other stakeholders, as well as a provocative discussion document raising some of the wicked problems around risk aversion and liability that influence children's access to outdoor play.



Supporting our Grantees in Getting the Word Out

Many of our grantees are doing cutting-edge work that has important implications for shaping both policy and practice in the field of diabetes. However sometimes getting the word out to policy makers and the broader public can be a challenge.

In November, we brought together 47 researchers and practitioners in Toronto for our Child & Youth Diabetes National Workshop, with a focus on equipping our grantees with practical skills to do just that through a series of how-to sessions on getting the word out, telling their stories and engaging with policy makers. The convening event was a resounding success, bringing us closer to better showcasing the impact of the work of our grantees by connecting them to those who need to hear about their work.



Garden Hill First Nation is one of the Indigenous Communities in Northern Manitoba where we are collaborating to tackle food insecurity and increased rates of diabetes.

Our Reach at a Glance

Whether it's through our grants, our events or our investments, the work of the Foundation makes an impact in communities across Canada in ways big and small. Here are a few highlights of our reach over the past year by the numbers.

68

Number of small grants
(<\$25,000) awarded
in 2018, totalling
\$511,450



\$59,794

Average size of a
Lawson Foundation
Grant in 2018

20

Number of large grants
(>\$25,000) awarded
in 2018, totalling
\$4.75 million

2,241



Number of
people who follow
@Lawson_FDN
on Twitter



Number of provinces
and territories where
we have supported
projects in 2018

11



274

Number of leaders, practitioners, grantees and partners convened by the Foundation for learning, development and knowledge exchange activities

Miggsie Grants

19

totalling \$466,000

17

Community Grants

2

Opportunity Grants



2,340

Number of organizations impacted by our support for the charitable and nonprofit sector



\$123.2 million

Invested in communities since 1956

77

Members

39

Birthright

38

Invited

11

Third Generation

38

Fourth Generation

20

Fifth Generation

8

Community

3

The number of granting and awarding initiatives the 5th Gen have been engaged in since 2015

\$4.1 million

Amount committed in Impact Investments since 2014, with a median investment of

\$325,000

Investing for Social Change

Leveraging our assets to create impact in communities

In addition to our traditional grantmaking and our convening work, we see the potential and value of leveraging our assets to create social good through impact investing. Unlike grants, impact investments are investments made into social enterprises, organizations, and funds with the intention to generate social and environmental benefits alongside a financial return.

In 2011, we signalled our intention to commit an initial 3% of Fund #1 to impact investments. In 2014, we made our first two impact investments, and since that time our portfolio has grown to include ten initiatives totalling \$4.1 million in committed capital.

In 2018, the Foundation played a leadership role along with other funders in launching a pilot Mission-Related Investment Advisory Committee to share resources and expertise in impact investing. The Board also renewed the Foundation's commitment to impact investing, signalling the importance and value of this approach to investing for social change.

2018 Impact Investments

Evergreen Brick Works \$200,000

Evergreen is a demonstration hub in Toronto that engages Canadians in creating flourishing cities. This investment will be directed at redeveloping the 53,000-square foot Kiln Building at the Don Valley Brick Works site into the Future Cities Centre. The Centre will be a physical hub for the activities of the Future Cities Network, harnessing the power of collective actions to build capacity and scale solutions across the country.

Raven Indigenous Impact Fund I - \$250,000

The Raven Fund provides equity and equity-like financing to Indigenous enterprises operating in four priority sectors: sustainable food / food security and fisheries; clean energy; media and information and communications technology; and eco-tourism.

Raven Indigenous Community Outcomes Contract (Energy) - \$250,000

This is an investment in the installation of 125 residential geothermal units in four on-reserve communities in southern Manitoba. The structure of the overall investment is an innovative social finance tool – a Community-Driven Outcomes Contract. The key actors in this Outcomes Contract are: the communities of Fisher River, Sagkeeng, Long Plains and Peguis First Nations; Raven Capital Partners (financial intermediary); Aki Energy (Indigenous social enterprise); investors including the Lawson Foundation; and Community Foundations of Canada (outcomes buyer).

Total Returns on a Windmill Bond

FOR
INVESTORS

2% Interest
rate

The interest rate is just the tip of the iceberg for the economic and social returns on an investment in Windmill's Community Bond.

FOR
OUR CLIENTS



Average income
increase: \$15K to \$45K



Unemployment drops
from 40% to 10%



74.5% work in
their field by
repayment time

FOR
CANADA



Labour market
shortages are filled



Social inclusion
is improved



Taxes paid
by newcomer
increase

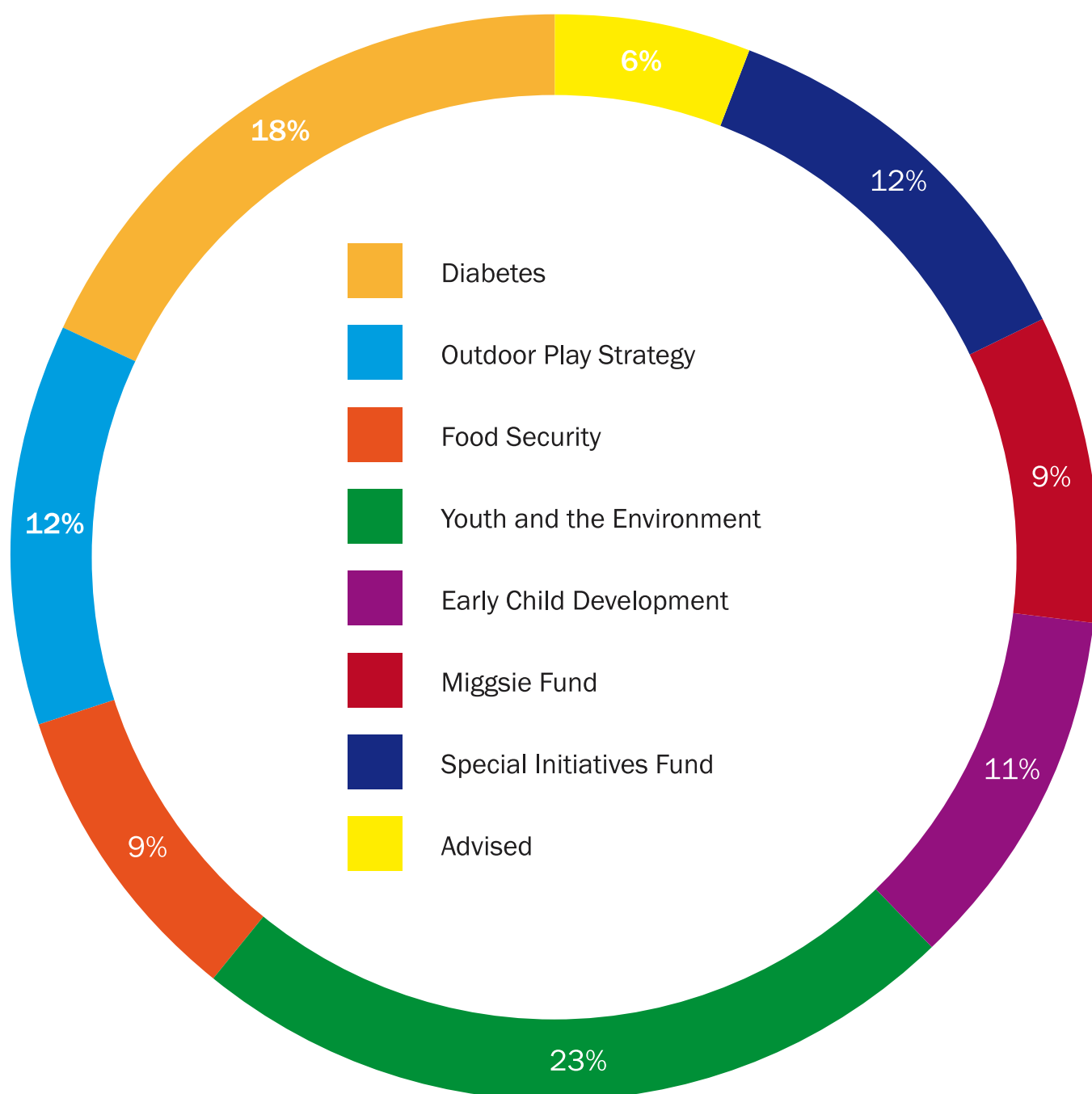


SPOTLIGHT ON IMPACT INVESTING

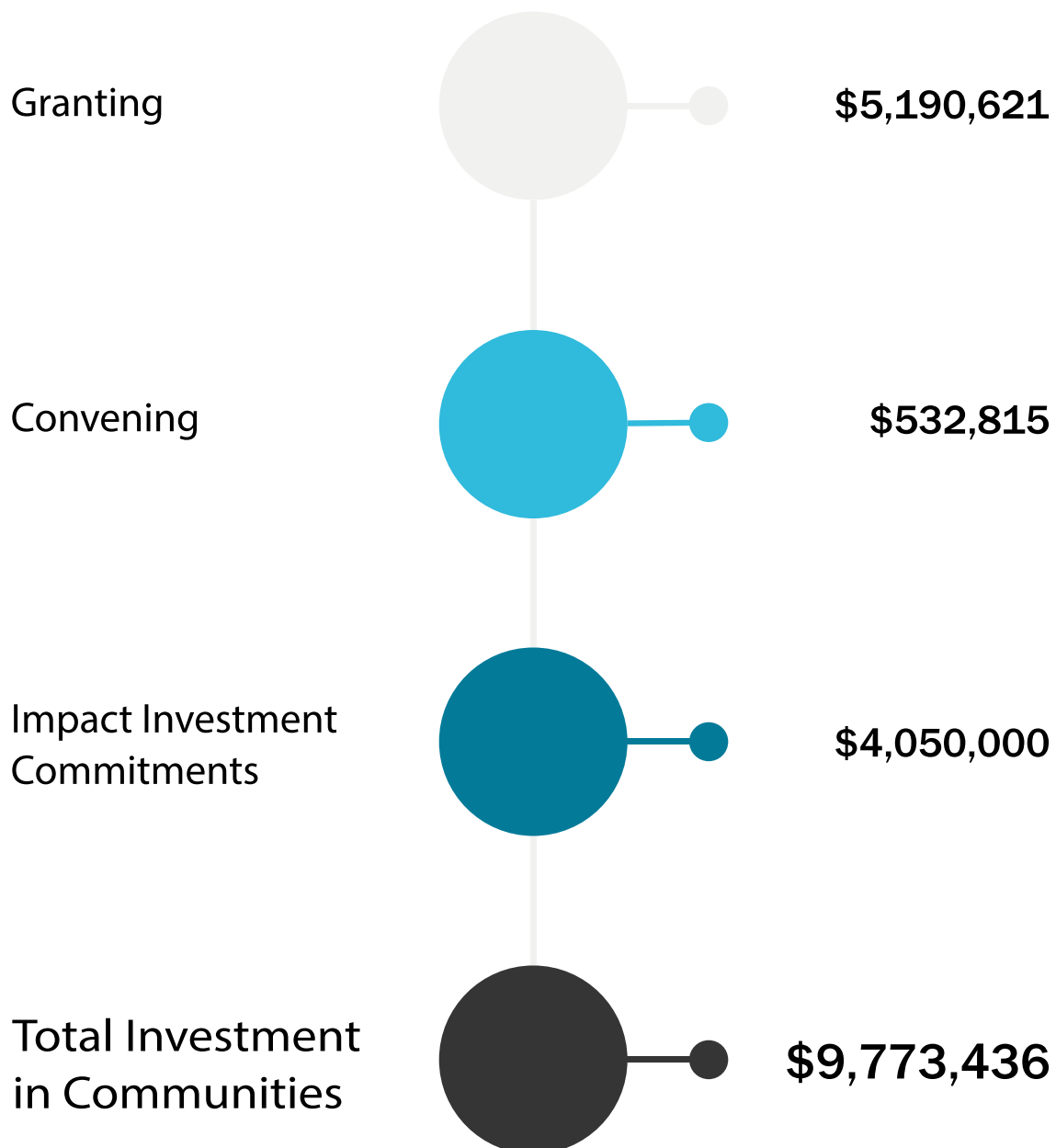
Provided by one of our investees, Windmill MicroLending, this graphic helps demonstrate the power of impact investing as a tool for affecting social change. Community bonds like the ones offered by Windmill MicroLending are just one example of impact investments that the Lawson Foundation is making in communities across Canada. Visit our website to learn more.

Financial Highlights

2018 Grant Allocation



Investment in Communities



The information presented for the year ending December 31, 2018 is derived from our 2018 Financial Statements which were audited by PwC LLP. The statements are available on our website.

Our People

From our board of directors to our standing committees, from our volunteers to our staff team, people are at the heart of our philanthropy. We'd like to recognize and thank the following individuals for their contributions to the Foundation in 2018.

Board of Directors

David Gardiner
Director

Patrick Johnston
Director

Barb Lawson Miller
Secretary-Treasurer* to Vice-Chair**

Neil Miller
Director

Chris Osler
Director

Susie Osler
Chair

Tony VanDuzer
Secretary-Treasurer**

Jeremy Wood
Director**

Jonathan Wood
Vice-Chair*

Wynne Young
Director

Audit Committee

John Callaghan (Chair)
David Gardiner
Susie Osler
Bob Paterson
Tony VanDuzer**
Evan Wood
Wynne Young

Governance Committee

Michelle Chui
Holly Henning Wood
Patrick Johnston (Chair)
Barb Lawson Miller
Sarah VanDuzer
Christine Wood**
Jeremy Wood
Jonathan Wood*
Alexander Wood
Wynne Young**

Impact Investment Committee

Nancy Gardiner
Patrick Johnston
Neil Miller (Chair**)
Chris Osler (Chair*)
Susie Osler
Monica Patten
Peter VanDuzer
Taylor VanDuzer
Tony VanDuzer
Jonathan Wood
Wynne Young

Investment Committee

Anish Chopra
George Gardiner
Tim Gardiner
Neil Miller
Barb Lawson Miller**
Susie Osler
John Pepperell (Chair)
Tony VanDuzer**
Jonathan Wood

Staff

Christine Alden
Program Director

Caitlin Blacklaws
Governance & Communications Manager

Marcel Lauzière
President & CEO

Amanda Mayer
Governance & Communications Director

Sanja Pavlovic
Events Coordinator

Karen Pischredda
Grants Manager

Karen Shelstad
Program Director / Director, Social Finance

* Board or committee term or officer position ended in June 2018.

** Board, chair or committee term or officer position started in June 2018.



Board of Directors

LAWSON FOUNDATION

Staff





The Lawson Foundation

c/o Foundation House
2 St. Clair Avenue East, Suite 300
Toronto, Ontario M4T 2T5

www.lawson.ca
CRA BN 11924 1727 RR0001