



September 15, 2022

Mrs. Sharon Bradwell
Sian Bradwell Fund
1312 Rosseau Place
Burlington ON L7P 3N2

Dear Mrs. Bradwell:

Thank you for your endowed gift to SickKids, which helps ensure the sustainability of SickKids vision of Healthier Children. A Better World. I am pleased to report on your endowment's investment performance and current market value.

Regrettably, the value of the Sian Bradwell Endowment Fund for Children with Cancer is below the amount you originally contributed to establish the fund because its payout exceeded market returns over previous years. We take seriously our role in stewarding your gift and will continue to make decisions to increase the long-term value of your endowment fund.

The financial statement for your fund also shows no granting in the 2021-22 fiscal year. Due to an administrative delay, the hospital did not make a grant request before March 31. However, two grants have since been approved for the upcoming year. Your endowment will help purchase a medication fridge. It will also enable the cancer team to provide our young patients with Gus Gear Vests, to help kids remain active while protecting their central catheter from accidental pulls and tears. These grants will be on next year's financial statement, and we look forward to providing an update then on the impact of your gift.

For the last fiscal year, which ended on March 31, 2022, SickKids endowed investment funds had a total return of 3.2%. Since inception over 30 years ago, SickKids endowed funds have had compounded annual returns of 9.4%, making SickKids a market leader for long-term growth in value of endowed funds.

The SickKids Investment Committee oversees the Foundation's investment of endowed assets and continues to believe that a value-based investment approach remains the best strategy to preserve your fund's value and weather market changes from year to year. In parallel, our Audit & Finance Committee reviews and recommends the amount that may be spent annually. This year, the Committee recommended reducing the Hospital payout rate from 4.5% to 3.5% and the allocation to the General Fund from 1.5% to 0.75% to promote sustainability of endowment values and to be more consistent with the payout rates of peer institutions nationally. The new total payout rate of 4.25% was approved by the Board of Directors and took effect for the year ended March 31, 2022.

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Canada Revenue Agency
Charitable Business Number:
10808 4419 RR0001



In 2021 we saw a major increase in endowment market values, while this year, with the total payout rate of 4.25% slightly exceeding returns to March 31, 2022, of 3.2%, closing market values declined somewhat. We are confident that with our investment approach and reduction in payout rates, the market value will rise, allowing you to see the impact of your philanthropy enhanced year over year.

You can reach your staff partner, Courtney McFadden, at 416-209-4371 or at Courtney.McFadden@sickkidsfoundation.com. She will be in touch with you to review your statement and answer any questions you may have, as well as speak to the inspiring stories of impact in the Endowment Report.

Thank you for your enduring support.

Sincerely,

A handwritten signature in blue ink that reads "Ted Garrard". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Ted Garrard, C.M.
Chief Executive Officer

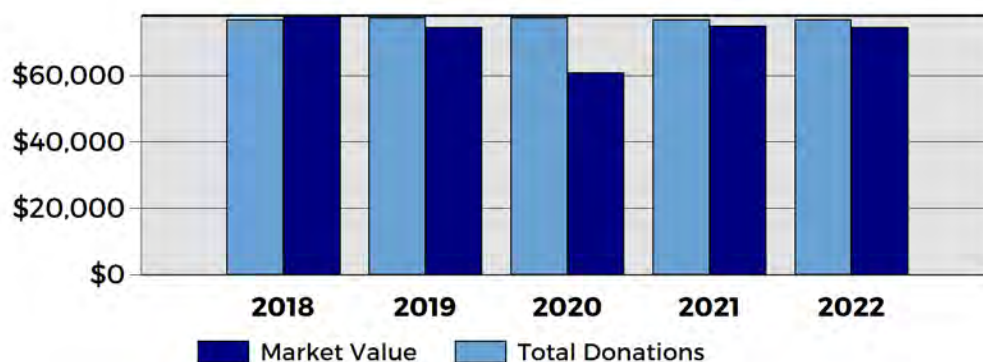
Fund activity between April 1, 2021 and March 31, 2022

	Endowment Fund	Available to be spent
Opening Balance (April 1, 2021)	\$75,190	\$7,006
Donations made in year	50	-
Investment income (loss)	2,370	-
Transfers to Foundation's general fund ¹	(516)	-
Made available for Hospital spending ²	(2,384)	2,384
Actual Hospital spending	-	-
Reinvestment of unused funds ³	-	-
Ending Balance, end of year (March 31, 2022)	\$74,711	\$9,390

Cumulative fund activity (since inception)

	Endowment Fund	Available to be spent
Lifetime donations	77,103	-
Investment income (loss)	29,129	-
Transfers to Foundation's general fund ¹	(10,864)	-
Made available for Hospital spending ²	(23,440)	23,440
Actual Hospital spending	-	(11,267)
Reinvestment of unused funds ³	2,783	(2,783)
Ending Balance, end of year (March 31, 2022)	\$74,711	\$9,390

5-Year Endowment Performance



* For definitions and more detail, please see back of page

Endowment Fund Activity Report

This Endowment Fund Activity Report provides details on the value of the endowment capital and spending from the endowment's income. Your endowment is invested in the Foundation's Managed Investment Fund⁴, which is a unitized pool. Each individual endowment is a distinct Fund within the unitized pool and holds units of the Managed Investment Fund, similar to a mutual fund. By investing in the same pool of assets your endowment benefits from diversification. It is our objective that the rate of growth in the capital value of endowment funds matches or exceeds the rate of inflation over time.

Notes

¹**Transfers to Foundation's general fund:** Transfers made to the general fund support the highest priority needs of SickKids Foundation, including capital, equipment, research and education as well as Foundation operations. This amount is calculated monthly as a percentage (currently 10%) of all new donations made to the endowment fund and a percentage, approved annually by the Board of Directors, (currently 0.75%) of the average value of the Fund in the current and previous two fiscal years.

²**Made available for Hospital spending:** Annually, this amount is made available to the Hospital. This amount supports the specified purpose of your endowment. The amount is calculated based on a set percentage, approved annually by the Board of Directors, (currently 3.5%) of the average value of the Fund in the current and previous two fiscal years.

³**Reinvestment of unused funds:** In limited circumstances, monies made available for spending are reinvested in the capital of the Endowment Fund. Reasons for reinvestment include endowments not yet fully funded and where there is no immediate need by the Hospital.

⁴**Managed Investment Fund:** This fund is an actively managed, pooled investment fund utilizing multiple investment managers with different investment strategies. Pooling funds takes advantage of diversification, economies of scale, lower transaction costs and better risk management.

"Foundation" is The Hospital for Sick Children Foundation.

"Hospital" is The Hospital for Sick Children.

How to Read Your Endowment Financials

SickKids Foundation values our donors and is committed to the highest standards of accountability and transparency. Your endowment financial report is your update on the transactions within the endowment you established or contributed to at SickKids Foundation. Transactions are provided for the Foundation's last fiscal year (April 2021 to March 2022).



SAMPLE ENDOWMENT REPORT

ABC123

Fund activity between April 1, 2021 and March 31, 2022

	Endowment Fund	Available to be spent
Opening Balance (April 1, 2021)	\$1,757,783	\$206,717
Donations made in year ¹	-	-
Investment income (loss) ²	529,451	-
Transfers to Foundation's general fund ³	(29,189)	-
Made available for Hospital spending ⁴	(87,568)	87,568
Actual Hospital spending ⁵	-	(96,544)
Reinvestment of unused funds ⁶	-	-
Ending Balance, end of year (March 31, 2022)	\$2,170,476	\$197,742

¹ Donations to an endowment fund are invested in the Foundation's investment pool.

² Investment earnings/losses are attributed to a fund according to its share of the investment pool.

³ Transfers to the Foundation's general fund refers to the small percentage of the endowment that is transferred annually to the Foundation's general fund to support the highest priority needs of the Hospital and Foundation, such as support for equipment, research, programs to enhance patient experience, new facilities and Foundation operations.

⁴ Every year, a percentage of the fund's market value is removed as income payout. Income payout is available for granting to the Hospital for the endowment's defined purpose.

Over the long-run, both the transfer to the general fund and the payout will be supported by investment returns, and it is anticipated that an excess of returns will be built up to protect the real value of the fund over time and grow its capacity to support the designated purpose.

⁵ Actual Hospital spending shows how accumulated balances made available for granting were drawn upon in the reporting period by the Hospital.

⁶ In limited circumstances, income payout previously made available for use is reinvested in the capital of the fund (reinvestment of unused funds). Reasons for reinvestment include endowments not yet fully fundraised and when there is no immediate need for the payout.

SickKids®

ENDOWMENT REPORT

2021-2022



Dear Friends,

Thanks to the continued dedication of donors like you, we have had another year of exemplary fundraising success. I am pleased to report that the Foundation has achieved record fundraising revenues of \$198.5 million, making major headway towards our \$1.5-billion Campaign goal.

As you know, endowments are vitally important to SickKids as they create permanent pools of capital and fund annual income to support critical needs such as the recruitment of the best medical professionals in the world, and importantly, help SickKids weather uncertain times and unforeseen needs.



TED GARRARD, CM
SickKids Foundation CEO

And times are, indeed, uncertain. Economic volatility, the ongoing effects of the pandemic, and global conflict have all had an impact on our investments. But through it all SickKids Foundation remains committed to our vision of a healthier future for children and youth. Despite our ever-changing world, we remain a market leader, with a total fund value of more than \$1.1 billion and returns of almost 10 per cent since inception.

Thanks to our team of knowledgeable financial experts, we continue to manage our endowments in a way that ensures the long-term capital preservation of our endowments while providing the Hospital with a reasonable funding stream. After careful consideration with our Board Committees, this year we have decided to adjust the annual payout rate to 4.25% rather than the previous payout rate of 6.25% to ensure the sustainability of your investments and better align with payouts of peer institutions. I would like to express my continued thanks to the leadership of SickKids Foundation Board of Directors, especially its Investment Committee, Prem Watsa (Chair), Sonia Baxendale, John Francis, Derek Neldner, Katie Taylor and Erol Uzumeri for their tremendous oversight.

In this report, you will learn about some of the incredible people behind some of our endowments—families with extraordinary resilience, who have suffered the unimaginable and created a legacy to honour their loved one. Their funds support our greatest needs at a time when healthcare demands are growing. You will also read about the impact of endowments—how one donor fund fueled a revolution in medicine, creating the hospital's first-ever chair in biomedical informatics and artificial intelligence.

I cannot thank you enough for your ongoing support of SickKids.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ted Garrard". The signature is fluid and cursive.

Ted Garrard, C.M.
Chief Executive Officer

2021-22 ENDOWMENT HIGHLIGHTS

\$1,524,357

GRANTED
FOR FELLOWSHIPS

32%

OF TOTAL FUNDS
GRANTED WERE DERIVED
FROM ENDOWMENTS

92%

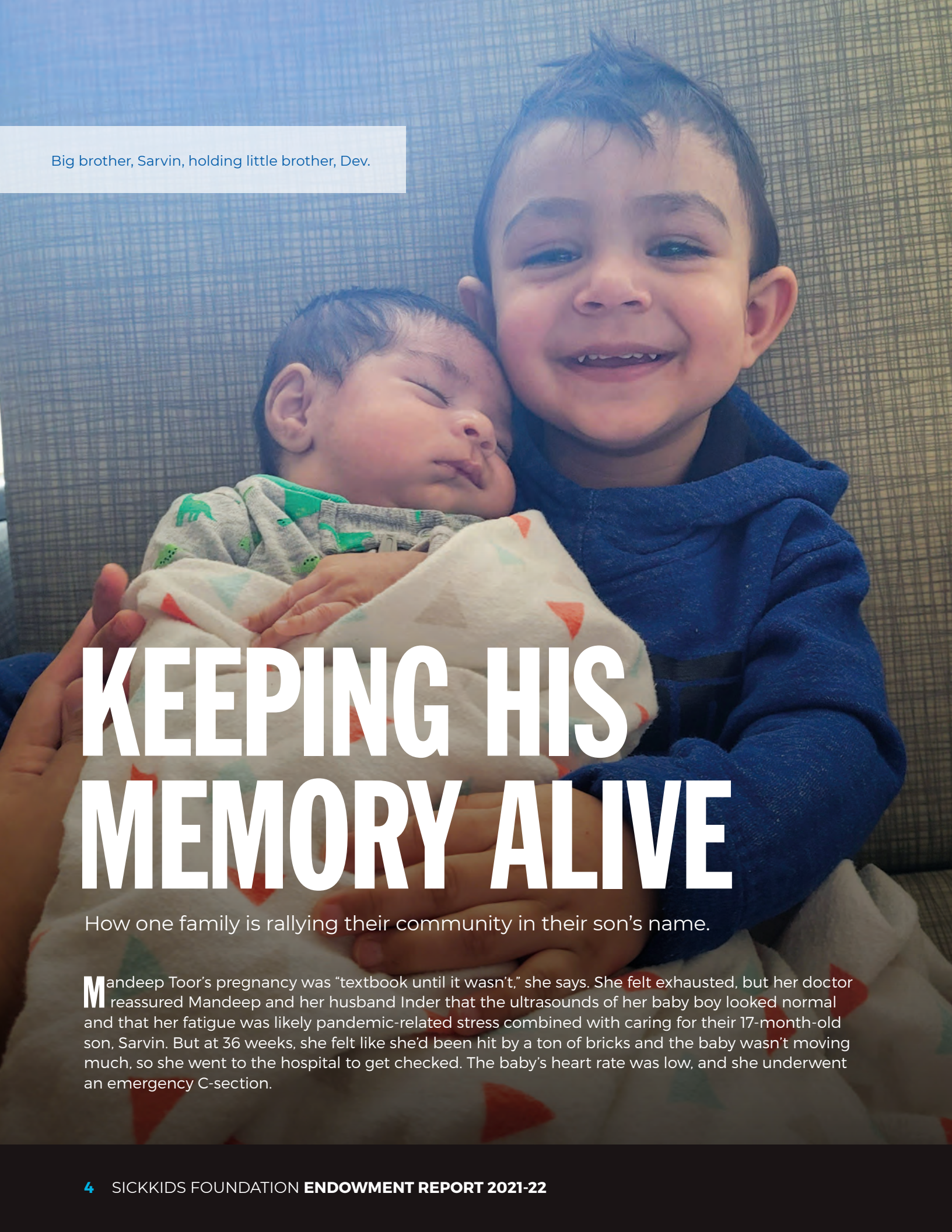
OF GRANTS FROM ENDOWMENTS
SUPPORTED RESEARCH

\$432,071

INVESTED IN SEED FUNDING
RESEARCH AWARDS

60

TOTAL ENDOWED CHAIRS
AT SICKKIDS



Big brother, Sarvin, holding little brother, Dev.

KEEPING HIS MEMORY ALIVE

How one family is rallying their community in their son's name.

Mandeep Toor's pregnancy was "textbook until it wasn't," she says. She felt exhausted, but her doctor reassured Mandeep and her husband Inder that the ultrasounds of her baby boy looked normal and that her fatigue was likely pandemic-related stress combined with caring for their 17-month-old son, Sarvin. But at 36 weeks, she felt like she'd been hit by a ton of bricks and the baby wasn't moving much, so she went to the hospital to get checked. The baby's heart rate was low, and she underwent an emergency C-section.

Devraj Singh Toor was born January 21, 2021, at Brampton Civic Hospital—a beautiful baby boy. But four hours after he was born, doctors were concerned about his high blood pressure and respiratory issues and transferred him to SickKids.

At SickKids, an MRI confirmed why his body was under so much stress. Dev was diagnosed with Generalized Arterial Calcification of Infancy (GACI), a rare genetic disease which causes a buildup of calcium in the walls of the blood vessels. It has no cure. Infants with GACI are at risk for heart attacks, stroke, or kidney failure, and without treatment, most infants don't live past six months.

The SickKids medical team worked to stabilize Devraj and coordinate his complicated medications so the family could take him home. Mandeep and Inder were so happy—they finally felt like a normal family. But it only lasted four days. One evening, Dev wasn't feeding normally, and they were worried, so they called 911. His heart stopped twice on the way back to the hospital, but he made it to SickKids, where doctors discovered his heart was failing. "He fought so hard," says Mandeep. But on March 15, Dev died in his parents' arms.

"SickKids has a special place in our hearts. That's why we created an endowment and why we want to contribute to SickKids moving forward." –INDER TOOR



"We only had him for a short time, and we tried to spend all the time we had with him," says Inder. Dev's big brother Sarvin was totally in love with him. "He misses him today, too. It surprises us, he'll say where's Dev? We just tell him, he's in the sky."

Despite their grief, the family started a GoFundMe campaign and rallied their community to donate to SickKids in Dev's name.

"SickKids has a special place in our hearts. The team there did a phenomenal job with everything, all his treatments. We never felt that we were alone or that our son was alone," says Inder. For the family, it's about creating a legacy and keeping Dev's memory alive for them, and for his older brother. "He was here, and he mattered, and he still does matter," says Mandeep.

The family's initial fundraising goal was \$20,000 but within the first 24 hours they surpassed \$10,000. When the donations started to slow, the family promised to match donations dollar for dollar. The Devraj Singh Toor Endowment Fund, created in November 2021, is now worth more than \$50,000.

"There's no better way to give back and now people know his story," says Mandeep.

To donate to Dev's GoFundMe, or learn more about their story, visit devtoor.com.



FUNDING THE FUTURE

A donor's vision enables long-term impact.

Amar Varma wanted to make a difference in healthcare—but he wanted to support something big with a long-term impact. Amar's son had surgery as a newborn at SickKids, and the experience really reinforced the idea of investing in health care, not sick care. "If you catch something early as a child, you can impact that person's life in a positive manner," he says. "I really wanted to give the ability for the industry to investigate how they could make improvements that aren't incremental but step changes," says the Toronto tech entrepreneur.

This vision led Amar to make a significant gift towards such a change. In 2019, the inaugural Varma Family Chair in Bioinformatics and Artificial Intelligence (AI) was created, funded in part by Varma's \$1.75 million donation and matched by SickKids Foundation. The Chair was awarded to Dr. Anna Goldenberg, a senior scientist in genetics and genome biology at the SickKids Research Institute, whose work focuses on computer science, artificial intelligence and machine learning.

"I was super excited after meeting her," says Amar. "I had a real sense that Anna and her team could make a difference."

One of the projects Amar was most excited about was Dr. Goldenberg's work that uses patient data and AI to predict cardiac arrest before a child's heart stops – a model that's come a long way since his initial investment. Working with SickKids critical care physician Dr. Mjaye Mazwi, Dr. Goldenberg is currently implementing the project as a simulation with medical fellows. Her lab is also working in collaboration with paediatric oncologist Dr. David Malkin on using



“If you take a long-term view of things, you can have a much bigger impact.”

– AMAR VARMA

wearable tech to help detect stress in Li-Fraumeni patients, who are at high genetic risk for developing cancers early. Another project, with emergency medicine physician Dr. Devin Singh, uses Emergency Department data to better forecast patient surges to ensure staff coverage.

Being appointed the Chair catapulted Dr. Goldenberg’s work forward. “When you have Chair funds you can start to implement the high-risk, high reward research projects that granting agencies don’t fund,” she says. “It really enabled my forward-thinking research and has been critical to support training the new generation.”

The Varma gift has had a ripple effect beyond Dr. Goldenberg’s Lab and her team. With the creation of the Chair, SickKids also launched AI in Medicine for Kids (AIM), which brings together SickKids clinicians and data scientists to develop AI and machine-learning tools to solve clinical problems across the hospital. AIM continues to expand across cancer, inflammatory bowel disease, nephrology, and others areas—growth that wouldn’t have been possible without groundfloor supporters like the Varma family.

“The work being performed by Dr. Goldenberg and the team represents the impact of what can be done when intelligent people are driven to make a positive impact on humanity,” says Amar.

“We are moving the needle to help the Hospital be more efficient,” says Dr. Goldenberg. “It will happen, and I want to give hope to patients that their care will just get better with time.”



Puerto Río Tranquilo, Chile, December 27, 2018

GIVING BACK IN A BIG WAY

This donor family went to the ends of the earth to raise money.

In 2013, Bruce Johnson and his 12-year-old daughter Holly embarked on an epic motorcycle trip from Toronto to Costa Rica—a staggering 9,500 kilometres. They called it Motorcycle for Miracles and used it as a vehicle to begin fundraising for Children's Miracle Network (CMN), which supports children's hospitals across Canada, including SickKids. Their initial goal was \$25,000. They surpassed that in just a few weeks, eventually raising \$107,000.

Bruce and his wife Mary wanted to give back to SickKids in memory of their daughter Alyssa, who would be 24 years old this year. Alyssa was born with multiple congenital anomalies, including an omphalocele, a condition in which the abdominal organs grow outside the body. Alyssa was transferred to the SickKids NICU and died of complications when she was just 20 days old.

"It's always helpful to find some catharsis, some way to give back, because we do feel like we have received so much, regardless of whether the outcome was what we hoped for or not," says Mary, who credits the SickKids team for providing compassionate care for their family during a terrible time.

Years passed and the couple had two more daughters. After a routine visit to the hospital years later with his daughter Holly, Bruce visited the NICU again. He remembers thinking they could do so much more.

"Families need better places to be. We have one of the best children's hospitals in the world, but we have one of the older facilities," says Bruce. "We couldn't sleep in Alyssa's room. There wasn't space for us in the NICU. That's why we are so proud to support the new SickKids."



"To me, endowment means legacy.
And that's a gift back to us."

– MARY JOHNSON

The family created the Alyssa Rae Johnson Endowment Fund to support the hospital's greatest needs, and Motorcycle for Miracles was born. Bruce, Mary and their daughters Holly and Jocelyn (who have each joined Bruce on one of his tours) are tireless advocates for CMN and SickKids. As a RE/MAX agent in Wasaga Beach, Bruce raises awareness by visiting brokerages along his journeys, and encouraging agents to make contributions. Bruce has since embarked on two other epic motorcycle tours, which have literally taken him to the ends of the earth. The tours have inspired communities far and wide to raise more than \$750,000 in support of CMN, channelling more than \$600,000 towards the Alyssa Rae Johnson endowment fund.

Bruce embarked on his fourth miracle ride in August 2022 and set his goal high, calling it "Road to a Million." He rode into remote areas of northern Labrador and returned along the east coast of Canada, visiting children's hospitals and local RE/MAX offices to fundraise along the way. The family puts a lot of energy into organizing the rides, but they also get a lot out of it.

"To me, endowment means legacy," says Mary. "And that's a gift back to us."

To learn more and donate to the journey check out motorcycleformiracles.com.

FINANCIALS

FOR THE YEAR ENDED MARCH 31, 2022: SickKids Foundation is committed to the highest standards of accountability and transparency. We were among the first nationally accredited charities under Imagine Canada's Standards Program.

Total Fundraising Revenue Endowed	\$10.1 million
Total Endowment Investment Earnings	\$34.0 million
Total Payouts from Endowments	\$38.9 million
Total Endowments	\$1,113.1 million

INVESTMENT RETURNS

	1 Year	3 Years	5 Years	10 Years	Since Inception*
Annualized Rate of Return	3.2%	4.7%	4.1%	6.6%	9.4%
Percentile Ranking*	Top 76%	Top 100%	Top 100%	Top 90%	Top 1%

*Inception date: March 31, 1995

INVESTMENT MANAGEMENT AND PHILOSOPHY

Endowment funds at SickKids Foundation provide an important base of funding for child health initiatives. These funds largely consist of externally restricted contributions and internal resources, transferred by the Board of Directors, where the capital is required to be maintained intact over the long term. Each year, the Board approves the rate of payout, or distribution from the funds.

The SickKids Foundation Board of Directors, through its Investment Committee, manages the Foundation's endowed funds using a long-term, value-oriented investment philosophy.

This philosophy best enables the Committee's objectives of preserving capital, enabling approved distribution (or payout), and realizing an average annual real total return after inflation of at least five per cent over a 10-year period. The Investment Committee regularly monitors the performance of the investment managers, selecting, appointing and releasing managers as required.

The endowment fund continues to be among the top one per cent of performers when assessing returns since inception.

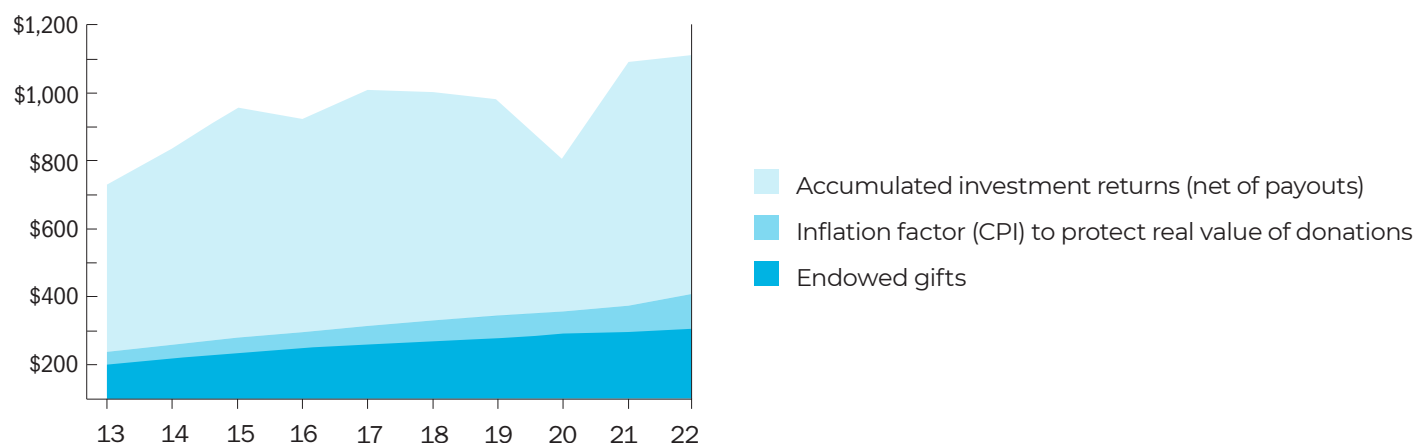
INVESTMENT ASSET GROWTH SUMMARY SINCE 1995

(IN MILLIONS)

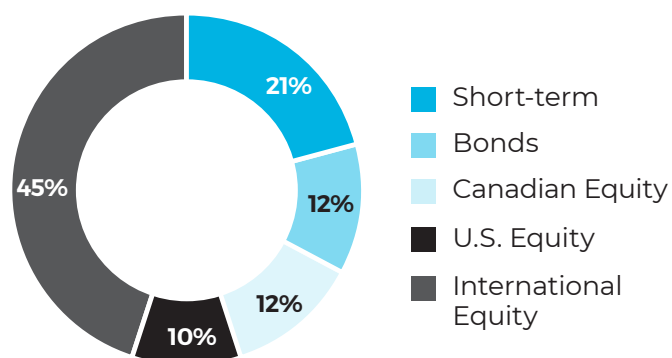
Opening Market Value, March 31, 1995	\$148
Net Contribution (Withdrawal)	(\$64)
Investment returns, Realized gains and Unrealized appreciation	\$1,300
Ending Market Value, March 31, 2022	\$1,384

Total investments include endowments and other funds.

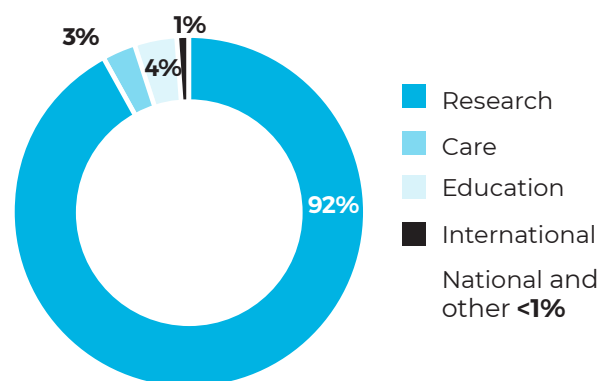
ENDOWMENT OUTPACES INFLATION (IN MILLIONS)



INVESTMENT ASSET MIX



INVESTMENTS IN CHILD HEALTH FROM ENDOWMENTS



THANK YOU

for being part of this valued community and giving to SickKids
in such a significant way. Your gift will help support
and sustain SickKids for generations to come.

ABOUT SICKKIDS

Healthier Children. A Better World.™ — a vision everyone at SickKids shares. It will continue to guide us as we look to the future of SickKids. By working together and with our partners in the community, we can lead transformational change that will improve the lives of children everywhere and create a better world for all of us.



SickKids Foundation is accredited by Imagine Canada.
The above Standards Program Trustmark is a mark of
Imagine Canada under license to SickKids Foundation.

Charitable Business Number: 10808 4419 RR0001

