

Independent Review Committee - 2021 IRC Annual Report to Securityholders

On February 8, 2013, Purpose Investments Inc. (“Purpose” or the “Manager”) appointed the first members of the independent review committee (“IRC”) of the Purpose funds listed in Schedule A at the end of this report (the “Purpose Funds”), as required under National Instrument 81-107 Independent Review Committee for Investment Funds (“NI 81-107”). This report

The following report describes the IRC and its related activities from January 1, 2021 to December 31, 2021 (the “Reporting Period”). The financial year ends for Purpose Funds occurred on October 31, 2021 and December 31, 2021.

The IRC is responsible for providing advice, approvals and recommendations to the Manager regarding potential conflict of interest matters referred to it by the Manager, in accordance with the provisions of NI 81-107. Its responsibility is to consider whether actions proposed by the Manager that have been brought to the IRC, which may pose potential conflicts of interest, are being conducted in a manner to ensure a fair and reasonable result for a fund and its unitholders. The IRC uses its combined experience and knowledge to provide such recommendations and approvals.

Membership and Composition

The IRC consists of the three members as initially appointed by Purpose. Each member of the IRC is independent of Purpose and the Purpose Funds, within the meaning of NI 81-107.

No changes in the composition or membership of the IRC occurred during the Reporting Period. No member of the Purpose IRC provides investment review committee services to another fund family in the jurisdiction of this report.

The following is a list of the current members of the IRC as of December 31, 2021 alongside their residence, position and length of service:

Name	Residence	Position	Length of Service
Douglas G. Hall	Halifax, Nova Scotia	Chairman	Since inception (February 8, 2013)
Randall C. Barnes	Las Vegas, Nevada	Member	Since inception (February 8, 2013)
Jean Fraser	Toronto, Ontario	Member	Since May 21, 2018

Holding of Securities

Purpose Funds

As of December 31, 2021, IRC members did not beneficially own more than 10% of the total voting or equity securities of any Purpose fund. The IRC collectively held 29.3% of Series XF of Purpose Tactical Hedged Equity Fund, with their total interest equalling approximately 3.1% of the fund’s total outstanding shares, and held 9.9% of Series XF of the Purpose Enhanced Dividend Fund, with their total interest equalling approximately 3.5% of the fund’s total outstanding shares.

The Manager

As of December 31, 2021, the percentage of securities of each class of voting or equity securities of Purpose, the Manager of the Purpose Funds, beneficially owned, directly or indirectly, in aggregate, by all members of the IRC was equal to 0.40 percent.

Service Providers

As of December 31, 2021, the percentage of securities of each class or series of voting or equity securities of any person or company that provides services to the Purpose Funds or Purpose beneficially owned, directly or indirectly, in aggregate, by all members of the IRC was less than 1 percent.

Compensation and Indemnities

The aggregate compensation paid by the Purpose Funds to the IRC for the Reporting Period was \$264,300.02. This amount was allocated on a *pro rata* basis among the Purpose Funds.

No indemnities were paid to the IRC during the Reporting Period.

At least annually, the IRC reviews the compensation of the IRC members considering the following:

- The best interests of the Purpose Funds;
- The number, nature and complexity of the Purpose Funds for which the IRC acts;
- The nature and extent of the workload of each member of the IRC, including the frequency of meetings required and the commitment of time and energy that is expected from each member;
- Industry best practices, including industry averages and surveys on IRC compensation;
- The result of the IRC's most recent annual assessment of compensation; and
- The recommendations of the Manager.

Conflict of Interest Matters

During the Reporting Period, the IRC was not aware of any instance in which Purpose acted in a conflict of interest matter referred to the IRC for which the IRC did not give a positive recommendation and/or did not otherwise meet a condition imposed by the IRC in its recommendation or approval. The Manager has an obligation to notify the IRC of any such instance.

The IRC did not opine on, and thus did not provide any recommendations nor approvals regarding, any conflicts of interest matter in the Reporting Period.

DocuSigned by:

B3E921F80D7D428...

Douglas G. Hall, Chairman
Independent Review Committee

5/16/2022

Date

Schedule A – Purpose Funds

Big Banc Split Corp.

Purpose Diversified Real Asset Fund

Purpose Multi-Strategy Market Neutral Fund

Purpose Credit Opportunities Fund

Purpose Select Equity Fund

Purpose Bitcoin ETF

Purpose Ether ETF

Purpose Bitcoin Yield ETF

Purpose Ether Yield ETF

Purpose Crypto Opportunities ETF

Purpose Canadian Preferred Share Fund

Purpose Canadian Equity Growth Fund

Purpose Canadian Income Growth Fund

Purpose Strategic Yield Fund

Purpose Core Dividend Fund

Purpose Tactical Hedged Equity Fund

Purpose Monthly Income Fund

Purpose Total Return Bond Fund

Purpose Best Ideas Fund

Purpose Real Estate Income Fund

Purpose Tactical Asset Allocation Fund

Purpose Core Equity Income Fund

Purpose Multi-Asset Income Fund

Purpose Marijuana Opportunities Fund

Purpose Global Climate Opportunities Funds

Purpose Emerging Markets Dividend Fund

Purpose High Interest Savings ETF

Purpose International Tactical Hedged Equity Fund

Purpose International Dividend Fund

Purpose US Dividend Fund

Purpose Behavioural Opportunities Fund

Purpose Premium Money Market Fund

Purpose Global Bond Fund

Purpose US Cash Fund

Purpose Premium Yield Fund

Purpose Canadian Financial Income Fund

Purpose Conservative Income Fund

Purpose U.S. Preferred Share Fund

Purpose Enhanced Dividend Fund

MLD Core Fund

Purpose Global Flexible Credit Fund (formerly Purpose Floating Rate Income Fund)

Purpose Gold Bullion Fund

PK Core Fund

Purpose Healthcare Innovation Yield ETF (formerly Purpose Biotech ETF)

StoneCastle Global Tactical Asset Allocation Fund

Purpose Structured Equity Growth Fund

Purpose Money Market Fund

Purpose Cash Management Portfolio

Foundation Wealth Equity Pool

Foundation Wealth Income Pool

Foundation Wealth Diversifier Pool

Purpose Structured Equity Yield Portfolio (formerly, Purpose Structured Equity Yield Portfolio II)

Purpose Silver Bullion Fund

Black Diamond Global Equity Fund

Black Diamond Distressed Opportunities Fund

Black Diamond Global Enhanced Income Fund

Purpose Structured Equity Yield Plus Portfolio

Longevity Pension Fund

Purpose Global Resource Fund

Purpose Global Innovators Fund

Purpose Global Bond Class

Purpose Special Opportunities Fund

Purpose Enhanced Premium Yield Fund