



Independent Review Committee – 2022 IRC Annual Report to Securityholders

Purpose Investments Inc. and Purpose Investment Partners Inc. (collectively referred to as “Purpose” or the “Manager(s)”) have appointed an 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**”).

The following report describes the IRC and its related activities from January 1, 2022 to December 31, 2022 (the “**Reporting Period**”). The financial year ends for Purpose Funds occurred on either October 31, 2022, or December 31, 2022, depending on the specific Fund.

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 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, 2022, 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, 2022, no individual IRC member beneficially owns more than 10% of the total voting or equity securities of any Purpose fund. Certain members of the IRC held an aggregate of 3.7% of Series XF of Purpose International Tactical Hedged Equity Fund, with their aggregate holdings equalling approximately 3.2% of the fund's total outstanding shares, 2.3% of Series XF of Purpose Premium Yield Fund, with their aggregate holdings equalling approximately 0.6 of the fund's total outstanding shares, 0.1% of Series F, 9.3% of Series XF of Purpose Enhanced Dividend Fund, with their aggregate holdings equalling approximately 2.5% of the fund's total outstanding shares, 31.7% of Series XF of Purpose Tactical Hedged Equity Fund, with their aggregate holdings equalling approximately 3.3% of the fund's total outstanding shares, and 1.8% of Series XF of Purpose Real Estate Income Fund, with their aggregate holdings equalling approximately 1.3% of the fund's total outstanding shares

The Manager

As of December 31, 2022, 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 0.3 percent.

Service Providers

As of December 31, 2022, 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 \$257,098. This amount was allocated on a pro rate 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 its 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;
- The result of the IRC's most recent annual assessment of compensation; and
- The recommendations of the Managers.

IRC Recommendations

The IRC is obligated to provide a summary of any recommendation or approval relied upon by the Managers during the Reporting Period.

In May 2022, the IRC provided standing instructions to the Managers regarding whether a sub-adviser portfolio management firm that is affiliated with Purpose, and that manages a Purpose

fund, can take and/or hold positions in a security of any entity that is affiliated with the Manager and its CEO, provided any potential conflict of interest is adequately managed with pre- and post-trade controls. The Manager relied on these instructions in one instance in May 2022.

DocuSigned by:

B3E921F80D7D428...

3/31/2023

Douglas G. Hall, Chairman

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 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 Fund
Purpose International Tactical Hedged Equity Fund
Purpose International Dividend 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 Fund
(formerly 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
Black Diamond Impact Core Equity Fund
Purpose Structured Equity Yield Plus Fund
(formerly 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
Apple (AAPL) Yield Shares Purpose ETF
Amazon (AMZN) Yield Shares Purpose ETF
Tesla (TSLA) Yield Shares Purpose ETF
Berkshire Hathaway (BRK) Yield Shares Purpose ETF
Alphabet (GOOGL) Yield Shares Purpose ETF
Microsoft (MSFT) Yield Shares Purpose ETF
Exxon Mobil (XOM) Yield Shares Purpose ETF
JPMorgan Chase (JPM) Yield Shares Purpose ETF
Johnson & Johnson (JNJ) Yield Shares Purpose ETF
UnitedHealth Group (UNH) Yield Shares Purpose ETF