ANNUAL

FINANCIAL REPORT

year ended March 31, 2026

CALGARY FOUNDATION
FOR COMMUNITY, FOREVER

Annual Financial Report

Year ended March 31, 2026

Management's Discussion and Analysis
For the year ended March 31, 2026

Management's discussion and analysis ("MD&A") is provided to enable a reader to assess our financial condition and results of operations for the fiscal year ended March 31, 2026, compared to preceding years. This MD&A should be read together with our audited financial statements and related notes and Auditor's Report dated June 25, 2026.

The MD&A presented herein starts with an outline of the Calgary Foundation's (the "Foundation", "we", "our") Vision, Mission, and Values and addresses the 2026 financial results in the context of our strategy. The strategy is outlined for each of the five strategic "key result areas" and includes observations on the progress to date in each of those five result areas. Included is commentary on the Foundation's "capability to deliver those results" as well as observations on three key risks that have the highest potential negative impact on the Foundation's long-term ability to carry out its mission.

All financial amounts are based on financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Foundation operates in accordance with the Calgary Foundation Act (Alberta, 1955, 2000) and bylaws and within the regulatory framework of the Income Tax Act (Canada), Canada Revenue Agency guidelines, and the Charitable Fund-raising Act and Regulations (Alberta). The Foundation has chosen to adopt Volunteer Canada's Code for Volunteer Involvement and has sought, and obtained, accreditation under Imagine Canada's Standards Program.

Forward-looking statements
This report contains forward-looking statements about certain matters that are, by their nature, subject to many risks and uncertainties which may cause actual results to differ materially from the statements made herein. Forward-looking statements include, but are not limited to, objectives, strategies, initiatives, and the outlook for the Foundation. Risks and uncertainties include, but are not limited to, changing markets, technologies, legislation, demographics, and general economic factors or conditions, and other risks, known or unknown.

Background
Established in 1955, the Foundation is a permanent endowment held in perpetuity for the benefit of the community. The Foundation is a 360-degree grant maker distributing approximately $80 million annually to all facets of the charitable sector. Since inception, the Foundation has distributed over $1 billion to community at a very low service cost structure. It is one of the largest community foundations in Canada with assets in excess of $1.6 billion on March 31, 2026.

VISION, MISSION, AND VALUES

The Foundation's vision is to build a healthy and vibrant community where everyone belongs.

The Foundation inspires philanthropy, supports the charitable sector, and builds a permanent endowment to address the current and future needs of people in our community.

In undertaking our mission, the Foundation knows the community, engages citizens, makes grants in order to make change across all not-for-profit sectors, and connects donors with the needs they care about.

Our core values:

- Accountability – We are answerable to the community and our stakeholders for our practices and results.
- Compassion – We care about people and consider individual and community well being.
- Excellence – We aspire to exceptional performance and are committed to best practices.
- Inclusiveness – We embrace diverse knowledge, backgrounds, and perspectives and encourage collaborative communities.
- Integrity – We are trustworthy, honest, reliable, and ethical.

Strategy and 5 Key Result Areas

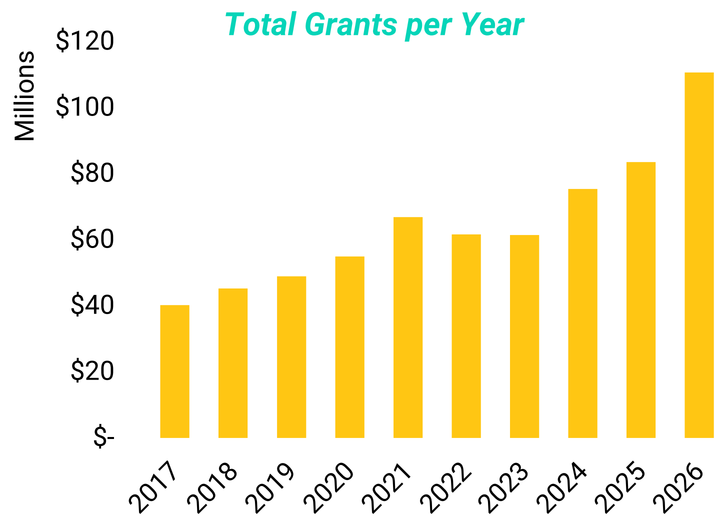
The Foundation's current strategy focuses on 5 areas – Leadership in Community Building, Philanthropic Support, Public Confidence and Reputation, Financial Sustainability and Organizational Effectiveness areas as described herein.

Leadership in Community Building

Desired Impact: Charitable sector is strengthened and citizens are engaged through the Foundation's grants, loans, and community initiatives.

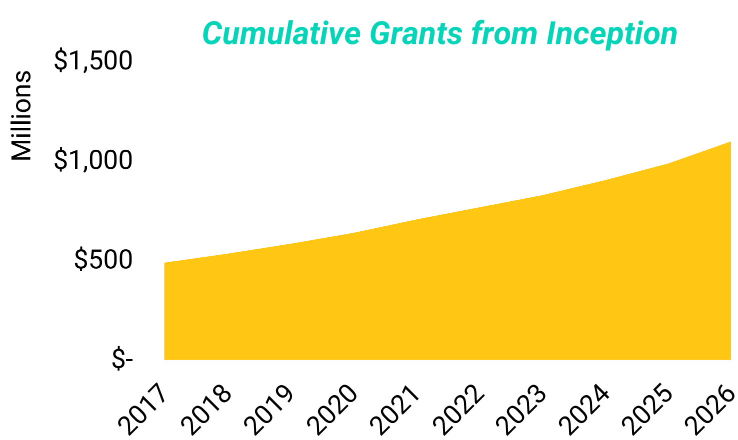
Grants

The Foundation provides grants to support all areas of the charitable community. Grants strengthen charitable organizations in their work to support communities.

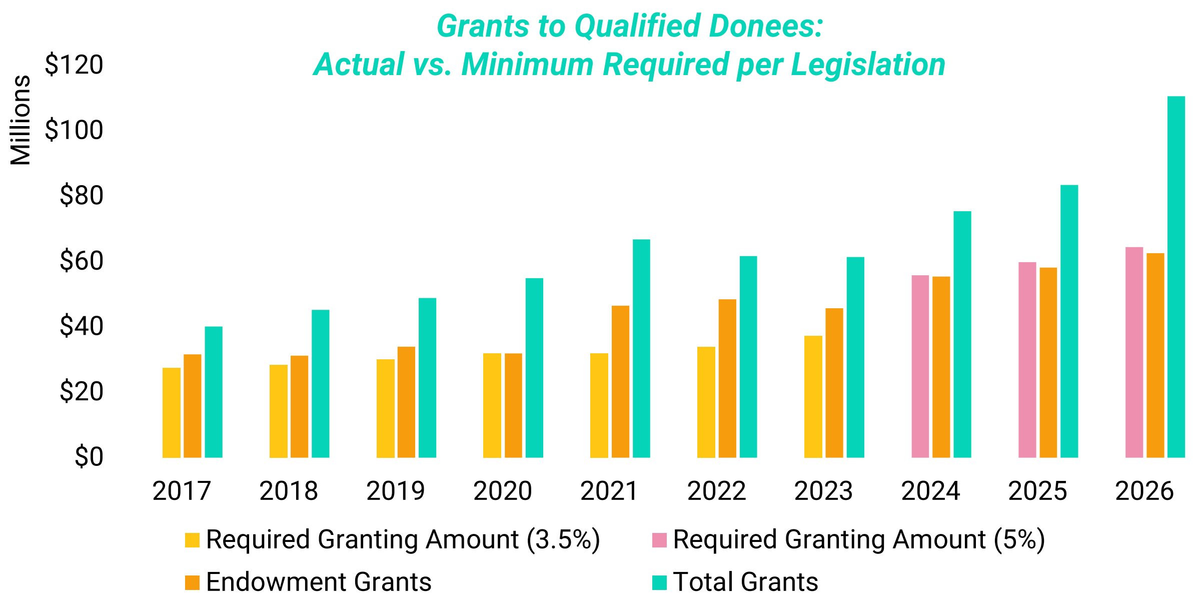


Endowments held in the Community funds (from which grants are made at the discretion of the Foundation) and Field of Interest funds (from which grants are restricted to an area, population, or region) allow the Foundation to be flexible and adaptive to emerging community needs responding to a need that may not have existed when the fund was created. Donor Advised funds (where the granting is recommended by the donor or their representatives) have flexibility to respond to changing community needs while Designated funds are, at the time of establishment, designated to benefit certain charities. While a majority of grants from Donor Advised and Designated funds support charities in Calgary, these funds also support provincial, national, and international qualified donees.

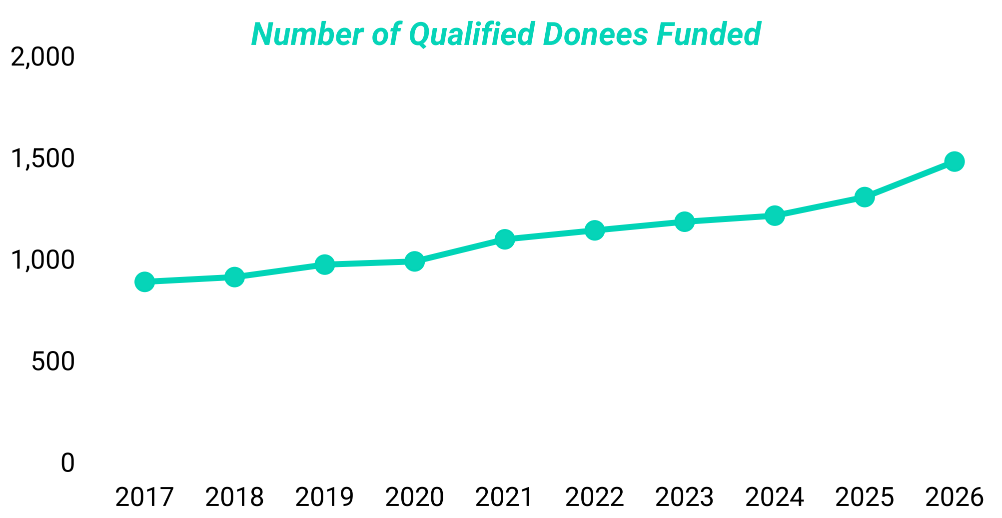
Since the Foundation's inception in 1955, the total dollar value of grants to the end of March 2026 is approximately $1,098.1 million (2025 – $987.5 million).



Leadership in Community Building



The Foundation makes grants to qualified donees, who are, in 95% (2025 – 96%) of the cases, registered charities. The Income Tax Act (Canada) legislates a minimum percentage of the Foundation's assets that must be spent on grantmaking and other charitable work. Currently, the aggregate amount of all grants in the fiscal year (whether from endowments or not) substantially exceeds the legislated minimum. The Foundation will continue to focus on preserving the purchasing power of endowments, maximizing financial support to the charitable community, and meeting the legislative requirements.



Leadership in Community Building

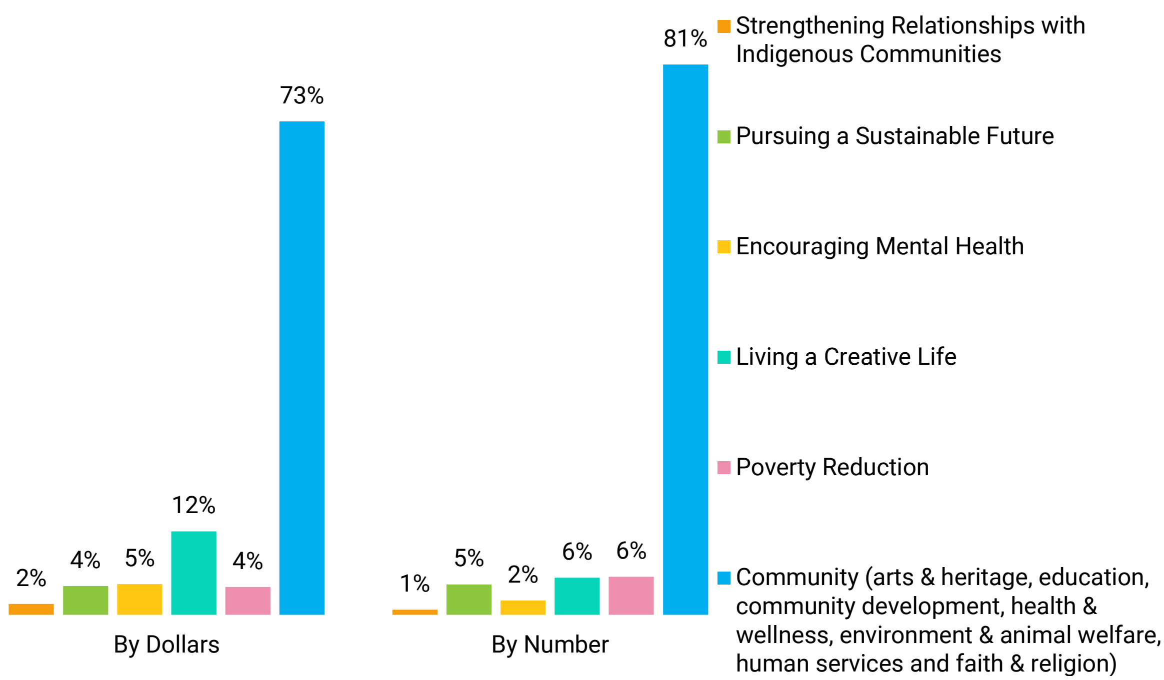
Community Priorities

Over the past decades, the generosity of Calgarians has been the driving force behind the Foundation's growth in the number and amount of grants. The Foundation believes that with growth comes a responsibility to lead change both through its granting, utilizing Community and Field of Interest funds, and in assisting Donor Advised funds in selecting their recommendations. The Foundation continues to evolve into an entity that will identify key issues in the community and rally resources around these issues. The annual Quality of Life Report informs these priorities.

Though the Foundation has identified areas that require greater leadership, the work in these areas is not siloed, nor are these areas of focus the same for all donors. There are connections and crossovers amongst the issues the community faces. Priorities help focus some, but not all, of the Foundation's work. The Foundation continues with its 360º grantmaking process to reach into numerous corners of the community.

The distribution of grants made last year to various community priorities is illustrated in the following graph.

Grants by Community Priority

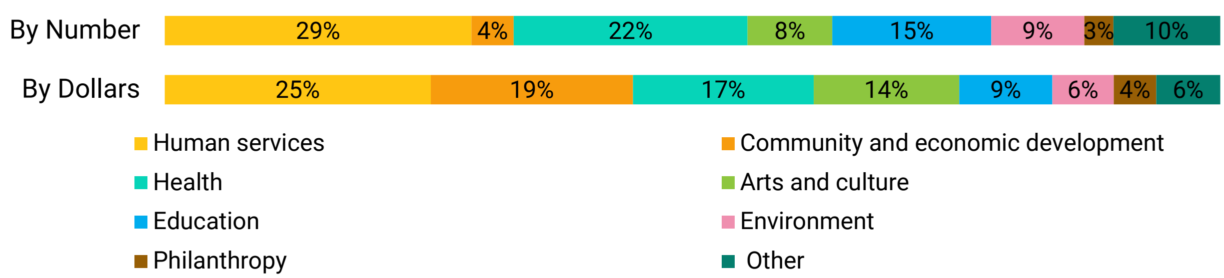


The majority of the granting to community priorities comes from the Community and Field of Interest funds which comprise approximately 1/3 of the aggregate of the endowment. The remaining 2/3 of granting is from Donor Advised, Designated, and Flow Through funds (Flow Through funds are not endowed). (See Grants by Fund Type on the next page.)

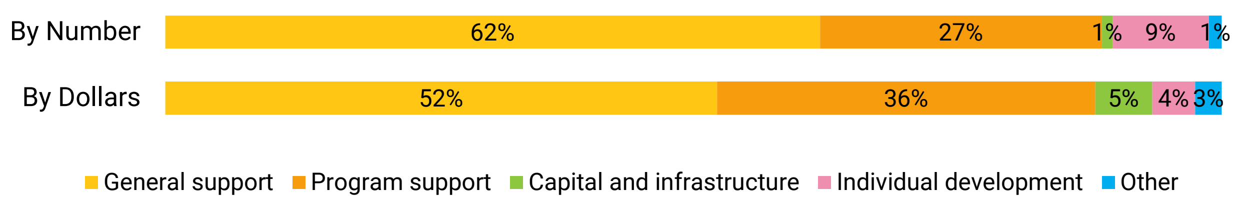
Leadership in Community Building

The following five sets of charts offer insight into the total amount granted across all sectors in fiscal 2026:

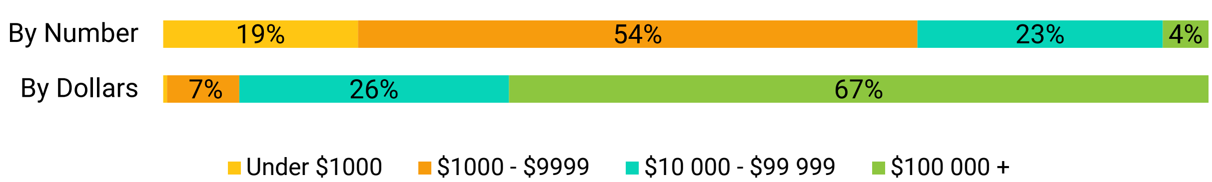
Grants by Sector



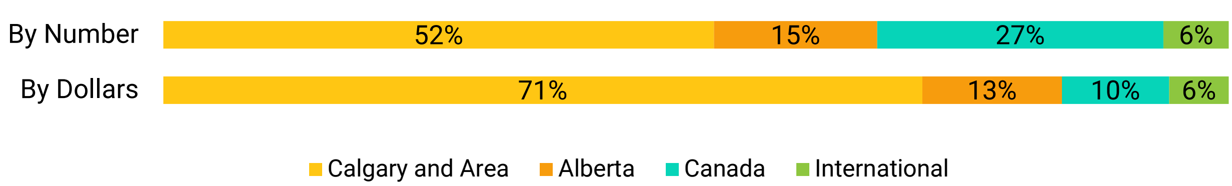
Grants by Type



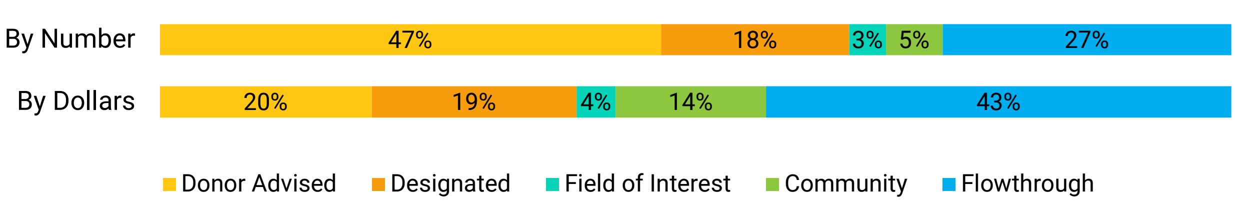
Grants by Dollar Amount



Grants by Geography



Grants by Fund Type

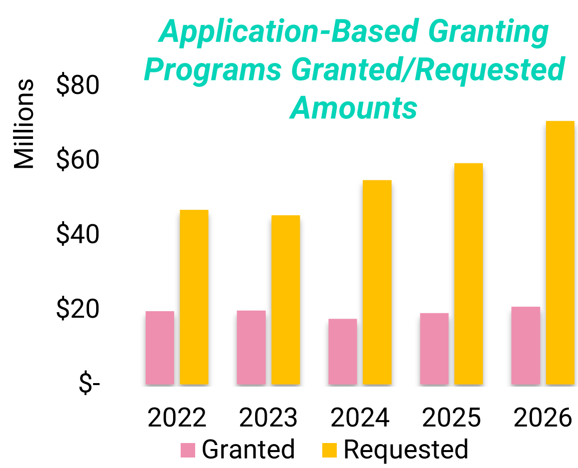


Leadership in Community Building

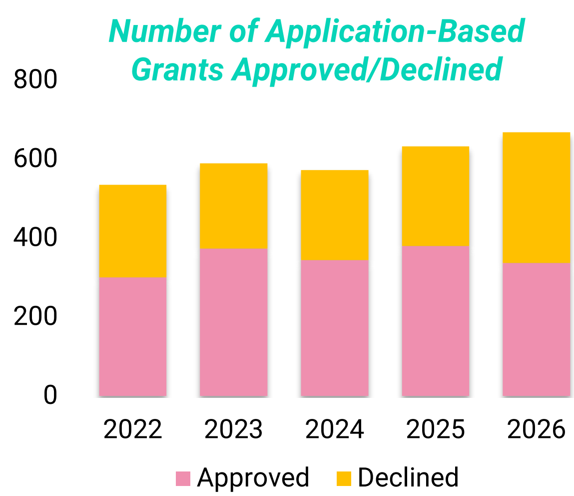
Application-based granting programs are typically funded by Community and Field of Interest endowment funds. Many of these programs are supported by committees of Foundation volunteers who, while representing the community, are responsible for reviewing applications and recommending grants. From time to time, additional financial resources from other available sources, such as Donor Advised, Designated, and Flow-through funds, may also contribute to these granting programs. Application-based granting programs generally, encompass the following:

- Major Grants to assist charitable organizations in all areas of the charitable sector by providing single or multi-year support for large-scale initiatives with transformational impact that broadly enrich the community.

- Community Grants to strengthen all parts of the charitable sector and engage citizens in building their Calgary and area communities, which include Banff National Park, Canmore, Rocky View County, the Municipal Districts of Big Horn, Foothills, Kananaskis and Wheatland, and the surrounding First Nations of Treaty 7 territory. Projects are new or represent significant strategic enhancements or expansion to existing programs or services.



- Daryl K. ("Doc") Seaman Amateur Sports Grants to support all aspects of amateur sports in Canada. Includes funding new initiatives that encourage young people to learn about, enjoy, and play amateur sport of all kinds as well as increase equal access and promote participation in community-based amateur sport. This program is open to charities across Canada.



- Strategic Opportunity Grants to support small charities with emerging needs in exploring and developing solution-based initiatives. These grants provide an opportunity to bring outside expertise into the organization to build internal capacity, support staff learning, or improve outcomes for internal clients.

- Grassroots Grants help people implement their own small acts of community, right in the communities where they live, by offering small amounts of money for project expenses.

- Sherling Animal Welfare Fund accepts applications from Canadian registered charitable organizations operating in Alberta with a mandate of caring for animals and finding new loving homes for each adoptable animal.

Leadership in Community Building

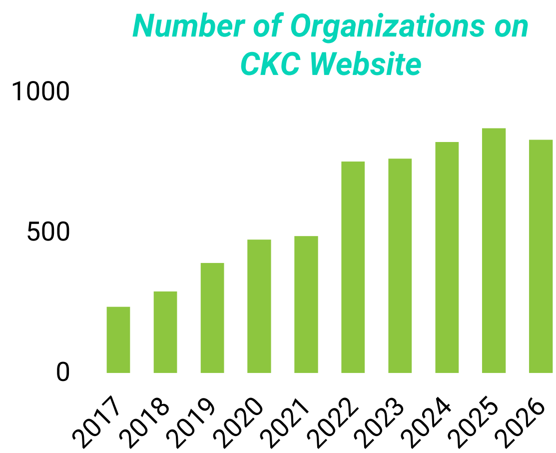
Capacity Building

The Foundation provides support to qualified donees beyond grantmaking. The Foundation recognizes the importance of evolving its role to address systemic issues for a healthier community. Our capacity building efforts aim to:

- Foster collaboration and communication
- Enhance sustainability of not-for-profits and charities
- Promote sharing over competition
- Support charities with revenue diversification using the Foundation's endowment model

Community Knowledge Centre

The Foundation's Community Knowledge Centre ("CKC") is an online directory of over 800 local charities and nonprofits. These organizations can upload their current needs, projects, and initiatives and highlight how donor support will help to address the greatest needs in our community. Since its inception in 2014, CKC has been a resource to share the Foundation's knowledge of community with donors, charitable organizations, media, and other key stakeholders. In February 2026, the newly designed CKC website was launched with the goal to enhance support for Calgary's not-for-profit and charitable community. Central to the refreshed site is 'CKC Members' Corner', a place for CKC member charities and not-for-profits to discover resources, connect with peers, and stay informed about the sector. The refreshed CKC also continues to serve as a public directory for Calgarians to discover, connect, and support the causes that matter most to them.



As of March 31, 2026, there are 831 (2025 – 872) charitable and not-for-profit organizations in the directory, a 5% decrease (2025 – 6% increase) from the previous fiscal year end. This decrease is due to the removal of profiles that no longer met CKC's updated criteria for membership (e.g. lost charitable status, ceased operations, or operated outside the Foundation's granting boundaries).

Calgary's Quality of Life

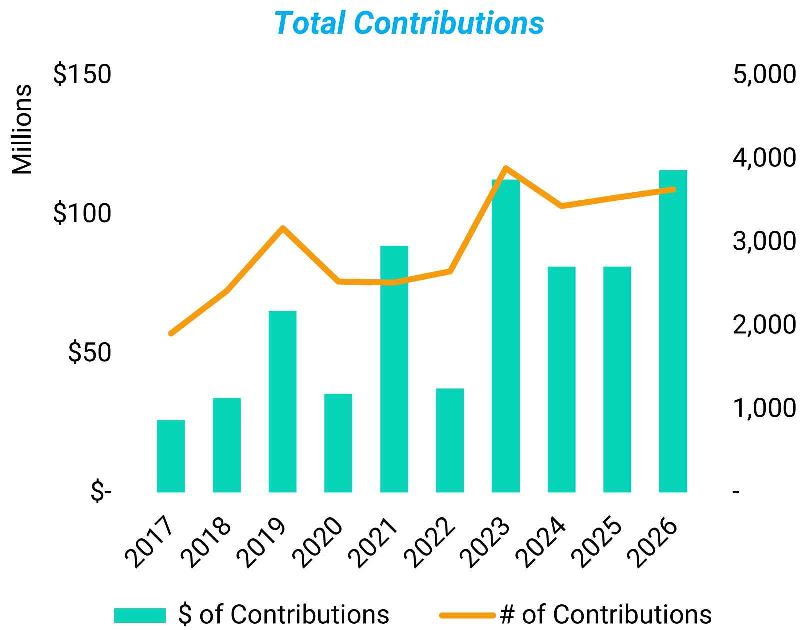
Over a decade ago, the Foundation launched a Quality of Life report to use as a key resource to inform our work. Calgary's Quality of Life report combines citizen perception and current research (a survey of 1,000 Calgarians).

The most recent Quality of Life report highlighted that the last few years have been difficult for Calgarians with rising costs causing stress and uncertainty. At the time of the release of the report in October 2025, the number of people who rated their quality of life as good or excellent had increased over the prior year. A similar upswing held for people reporting a positive economic outlook. Generally, people reported higher levels of happiness, stronger confidence in their financial footing, and a renewed sense of optimism about their lives here.

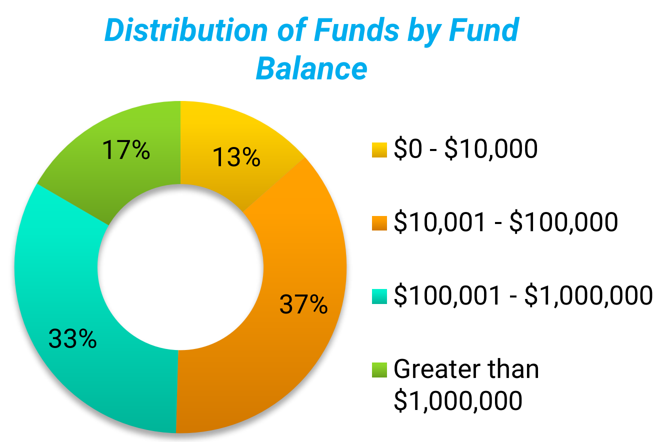
The survey also showed that not everyone is experiencing this recovery equally. While many are thriving, others report struggling to find their footing. Those on the economic margins continue to face persistent barriers to employment, housing, and food security. One group stood out – young people. Their voices reflected a deeper worry about what lies ahead. From climate change and housing affordability to questions about future careers.

Philanthropic Support

Desired Impact: The Foundation is a trusted philanthropic partner, where fundholders feel informed, supported, and empowered to achieve their philanthropic goals. Potential donors, professional advisors, and charities recognize our unique value and are inspired to engage with us.



The Foundation initially works with donors to establish funds and then continues the relationship with those donors and their families to support causes that are important to them year after year. To accomplish this the Foundation is committed to continuously building its expertise and service offerings. By growing our community knowledge, supporting charitable sector capacity building, and encouraging innovative philanthropy – such as impact investing – described in more detail below, we seek to scale and deepen the stewardship of fundholders. The Foundation's customized relationship management model offers each fundholder resources such as family philanthropy workshops, strategic philanthropy conversation starters and guides, as well as webinars and family newsletters depicting their experiences with multiple generations.

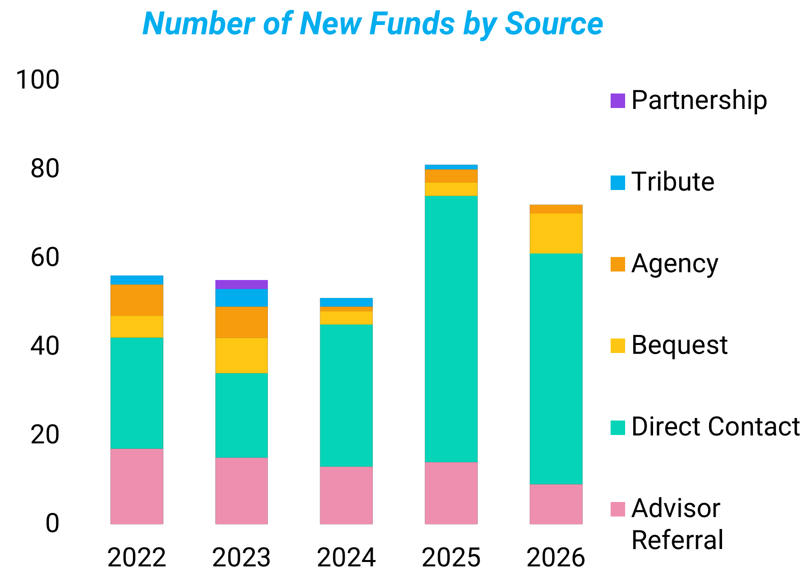


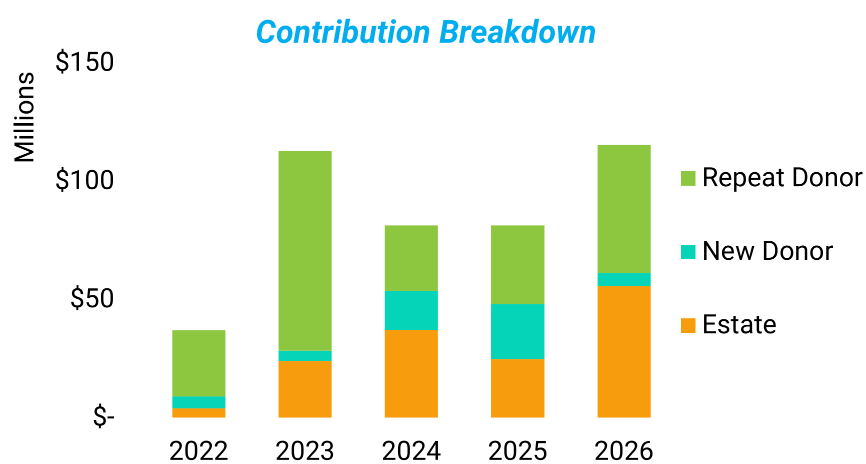
Professional advisors remain an important source of referrals of new donors. The Foundation is focused on growing relationships with professional advisors whose expertise in areas such as financial and estate planning, taxation, and wealth management might benefit from the added component of strategic philanthropic planning.

The Foundation welcomes gifts of any size, knowing that each gift – the impact multiplied when endowed – can further the mission. Gifts of any amount can build existing funds.

Philanthropic Support

Approximately $55.7 million from a number of estate gifts were received in the year (representing 48% of the total amount of contributions) as compared to $24.8 million in 2025 (31% of contributions).





To pay for the cost of operations, the Foundation recovers its service (administrative) costs from endowment funds established by donors. The amount recovered from individual endowment funds is set by the Foundation's Board of Directors and considers the actual annual costs incurred in operating the Foundation.

Beginning in fiscal 2027, the Foundation will allocate the actual investment costs to individual endowment funds on a *pro rata* basis, based on the market value of the endowment fund. Previously, these costs were recovered in the same way as service (administrative) costs. These costs support the professional management of the investments and include fees for: portfolio management, custody, performance measurement, investment consulting, and the Foundation's dedicated investment staff.

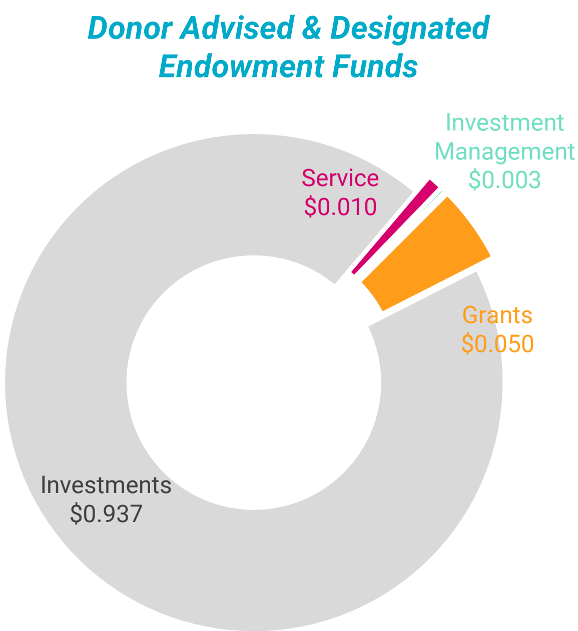
While service (administrative) costs are funded through cost recovery from all endowment funds and investment costs are allocated to individual endowment funds, the Foundation uses granting dollars from Community and Field of Interest funds to support the charitable activities of capacity building, administration of application-based granting programs, the Community Knowledge Centre, and the Quality of Life report.

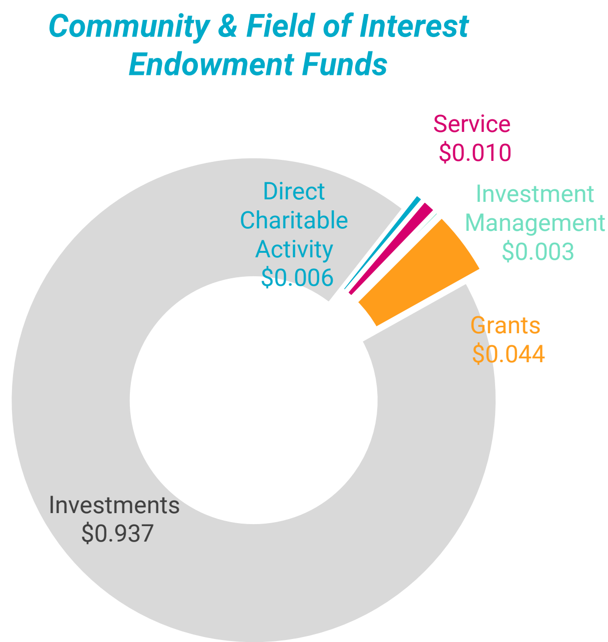
These charitable activities are not funded by Donor Advised or Designated funds.

Philanthropic Support

The following charts illustrate the annual use of each dollar of assets for a fund with, for example, a $10,000 balance.

- Donor Advised and Designated endowment funds
- Community and Field of Interest endowment Funds





As reflected above, the Service and Investment Management costs average 1.3% for funds of this size at the Foundation. A very small amount – 0.6% – is used to fund a small amount of Direct Charitable Activity out of the Community and Field of Interest endowment funds.

Public Confidence and Reputation

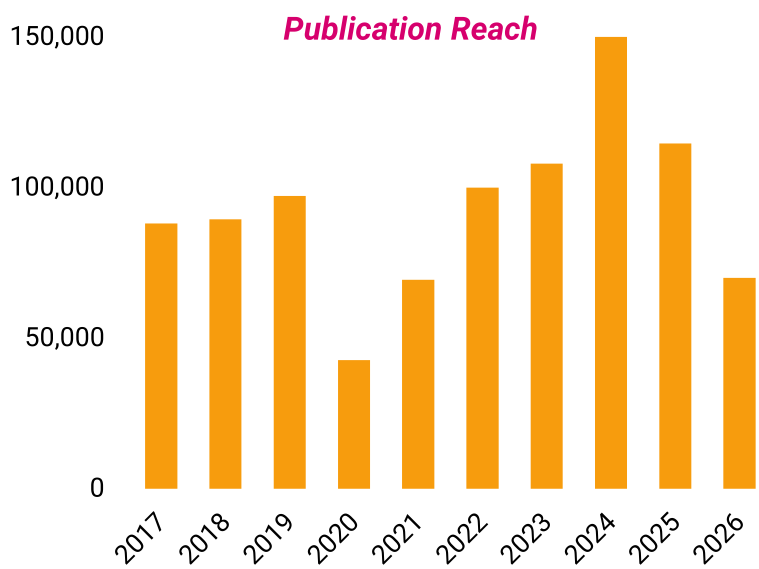
Desired Impact: Stakeholders and public know and value the Foundation as a strategic advisor in trust-based philanthropy, an impactful grant maker, and a knowledgeable community leader and convenor.

Events

As a leader and convenor, the Foundation regularly brings together community members, donors, community leaders, as well as not-for-profit and business organizations around issues important to community. The annual celebration event, Vital City, celebrates philanthropy and provides a Foundation year-in-review. The Foundation periodically brings together community members and partners to have conversations on various social and environmental challenges with the intention to inspire new ways of knowing, being and doing.

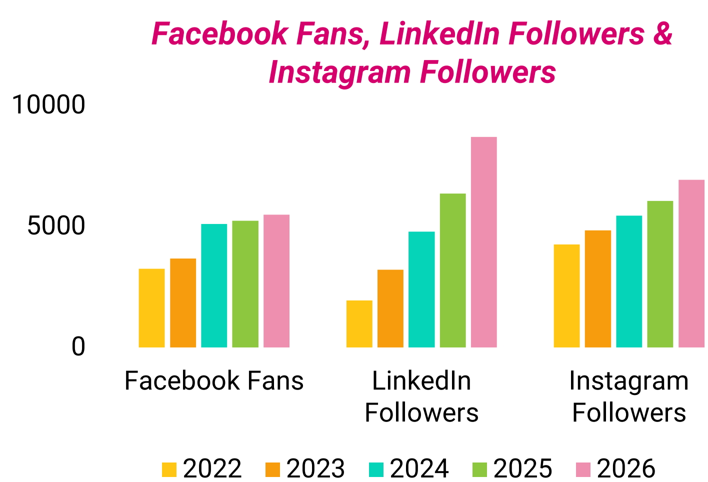
Publications

The Foundation's external publications include the Annual Report, spur magazine, Calgary's Quality of Life report, and professional advisors' e-newsletters, among others. The goal of all external publications is to grow the profile of the Foundation through compelling reporting. By sharing relevant research on timely topics, along with inspiring stories of impact, the Foundation works to elevate the profile of organizations and individuals who contribute to a strong, vibrant charitable sector.



Social Media

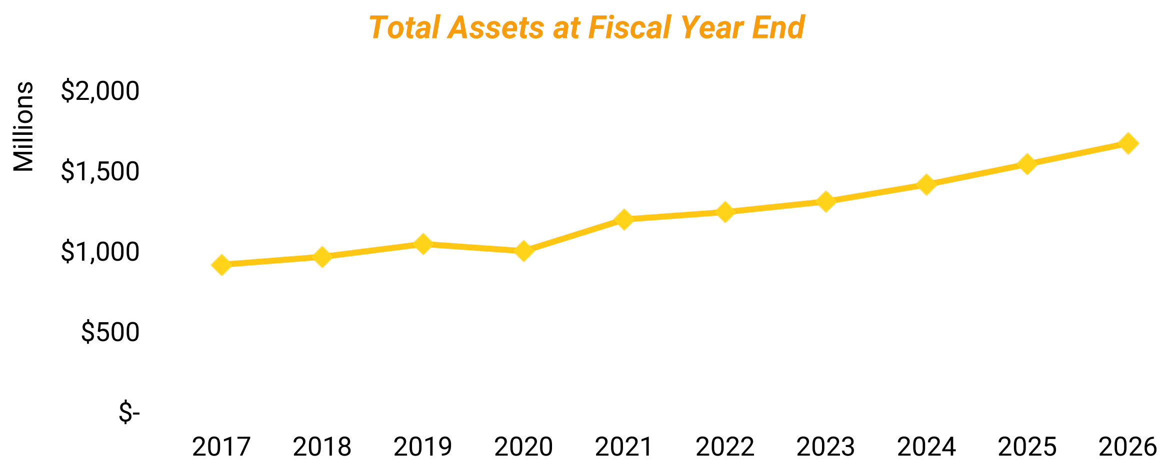
Social media platforms (Facebook, Instagram, and LinkedIn) are used for promotion and marketing of Foundation events, initiatives, and publications and are also tools to amplify the work of the charitable sector and broader community. The Foundation refines and customizes channels and content to meet the needs of the Foundation and the organizations it supports. The Foundation posts to these platforms daily to promote upcoming events, support partner organizations, and generate conversations with followers.



The role of the website in communicating the Foundation's role and impact has become increasingly important. Site visitors can access a fundholder and fund contact portal (DonorCentral), online grants and student awards portals, as well as make donations to existing funds.

Financial Sustainability

Desired Impact: A disciplined approach that preserves the purchasing power of the endowment, maintains stable and predictable granting capacity, and positions the Foundation to respond to evolving community needs.



Investments

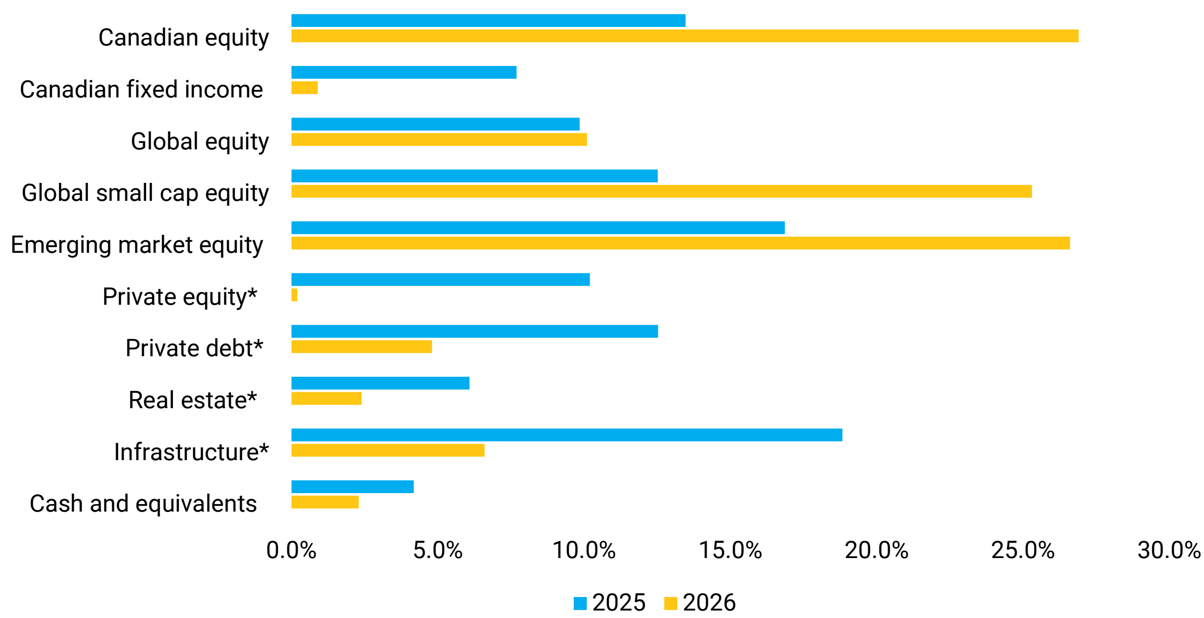
The Foundation maintains a disciplined governance and management framework to oversee the primary investment portfolio (the "Portfolio") of $1,515.3 million at March 31, 2026, which represents 90% of the charity's total assets (2025 – $1,386.6 million, 90%). The Foundation's primary objective is to earn a long-term rate of return that preserves the Portfolio's purchasing power while generating sustainable financial support to charities.

The Foundation recognizes that executing its strategy involves taking on some risks, given the uncertainties and complexities of investing in capital markets. Therefore, it uses the expertise of external investment managers who operate in accordance with the Statement of Investment Policy (the "Policy"). The Policy establishes the Portfolio's risk tolerance, return objectives, asset mix targets, and governance structure, and is reviewed annually to ensure continued alignment with the Foundation's mission and long-term obligations.

Environmental, Social, and Governance ("ESG") considerations and Diversity, Equity, and Inclusion ("DEI") principles continue to be integrated into the Foundation's investment oversight framework as tools for risk management. ESG and DEI analysis forms part of the manager selection and monitoring process, with annual reviews of managers' governance practices, responsible investment policies, and proxy voting activity. These reviews inform ongoing dialogue with investment managers and support continuous improvement in stewardship practices across the portfolio.

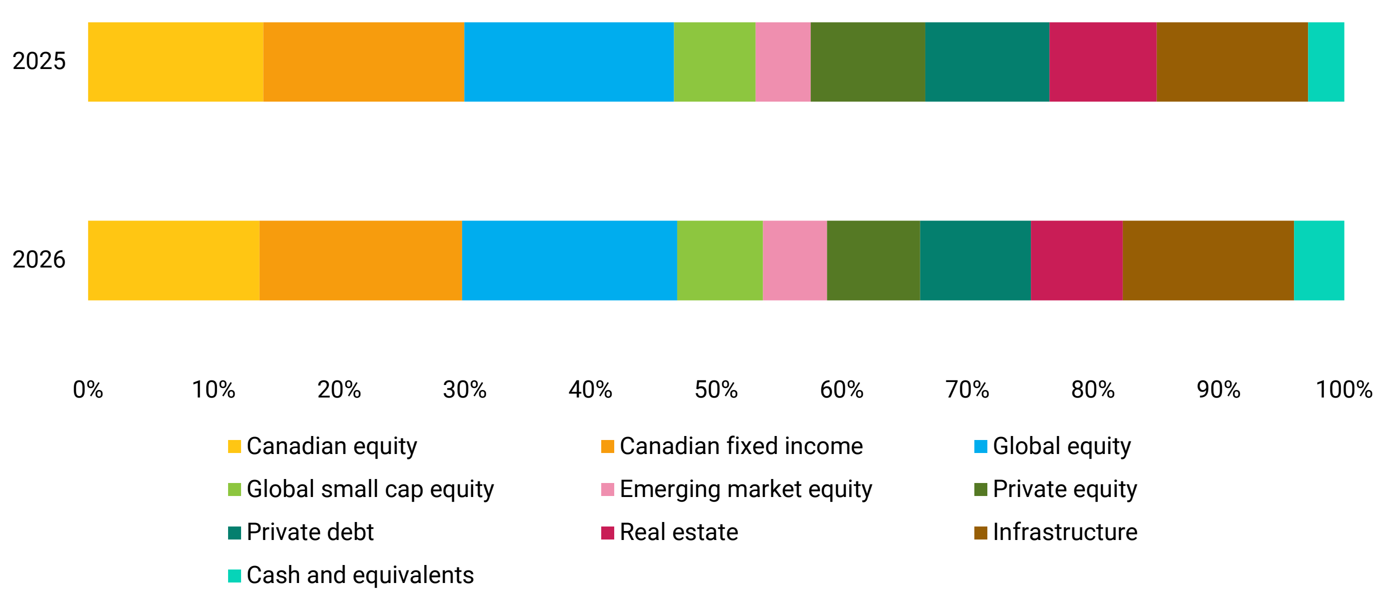
Financial Sustainability

Annual Performance



*Annual returns are net of investment management and performance fees in respect to the private investments in debt, real estate, infrastructure, and private equity.

Asset Allocation at Year End



Financial Sustainability

Portfolio Performance

The Portfolio's internal performance benchmark is a weighting of indices based on the strategic asset mix outlined by the Policy. The chart represents the one to ten-year annualized performance for the period ending March 31, 2026.

	1	2	3	4	5	6	7	8	9	10
Portfolio	9.7%	10.5%	10.0%	8.1%	8.1%	9.6%	8.3%	8.2%	8.1%	8.7%
Policy Benchmark**	11.7%	11.6%	11.8%	9.9%	9.1%	10.8%	9.0%	8.6%	8.3%	8.7%

Number of Years ended March 31, 2026

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Portfolio	13.7%	7.7%	7.1%	1.1%	17.2%	8.4%	2.6%	8.8%	11.4%	9.7%
Policy Benchmark***	12.9%	5.6%	6.2%	1.3%	19.4%	6.1%	4.5%	12.3%	11.4%	11.7%

For Years ended March 31

*Returns are net of investment management and performance fees in respect to the private investments in debt, real estate, infrastructure, and private equity.

/*Policy Benchmark: 10.0% S&P/TSX Capped Composite, 5.0% MSCI World Small Cap (net), 15.0% MSCI World (net), 5.0% MSCI Emerging Markets (net), 16.0% FTSE Canada Universe Bond, 25.0% Real Assets (CPI + 4%), 12% Private Equity (MSCI World Net +2%), 10% Private Debt (Blended Morningstar Leveraged Loan Indices 70.0% US and 30.0% European), and 2.0% FTSE Canada 91-Day T-Bill. Over the past decade, the Foundation's policy benchmark has changed as the investment strategy has evolved. The 10-year benchmark shown therefore reflects a series of benchmarks in place at the time, rather than today's benchmark applied retroactively. Changes over time have included greater global diversification, increased use of private assets, refinements to fixed income and credit, and a shift in private equity and private debt benchmarks from fixed return targets to market-based measures.

Financial Sustainability

For the fiscal year ending March 31, 2026, the Portfolio generated a return of 9.7%, calculated after alternative investment management and performance fees but before public market manager fees, reflecting strong absolute growth that continues to support the Foundation's long-term granting commitments. Over the past ten years, the Portfolio has earned an annualized return of 8.7%, preserving purchasing power while enabling consistent granting across market cycles.

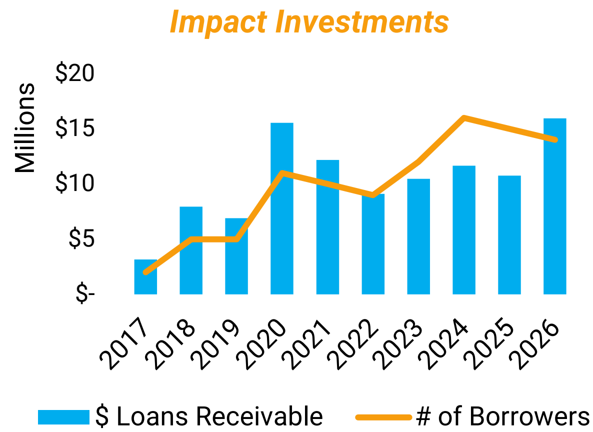
While returns trailed the Portfolio's policy benchmark for the year, this was primarily the result of narrow leadership in North American public equity markets. Market gains were particularly concentrated in a small group of large U.S. technology companies tied to artificial intelligence, whereas the Portfolio's equity exposure has been intentionally diversified across regions, company sizes, and investment styles. Over longer periods, this diversified approach has resulted in periods of modest relative underperformance during strong public market rallies, reflecting the policy benchmark's higher exposure to public equities, while continuing to support strong absolute returns and a more resilient portfolio across market cycles. Emerging market, global small-cap, and passive public equity strategies delivered robust returns during the year, while Canadian and global equity strategies with more diversified and valuation-sensitive approaches trailed benchmarks. Alongside public markets, the Portfolio benefits from investments designed to provide stability and income through different economic environments. Private infrastructure and private debt performed well during the year, supported by inflation-linked revenues and higher interest rates, and helped cushion the portfolio during periods of market volatility. Private equity and real estate experienced a more challenging environment as higher interest rates slowed investment activity and moderated valuations. These short-term conditions are a normal part of investing in long-term assets. Over time, both asset classes have played an important role in strengthening the Portfolio, providing diversification and resilience alongside public market investments. In particular, private equity has been a strong contributor to long-term results, helping support growth and stability across full market cycles. The Portfolio's Canadian fixed income allocation provided modest positive returns and continues to play an important role by supporting liquidity and balancing equity risk. Together, the Portfolio's diversified mix of public and private investments is designed to remain resilient through changing market conditions.

During the year, the Foundation also completed a comprehensive asset optimization study to ensure that the Portfolio remains well positioned to support the community over the long term. The study evaluated the Portfolio's current asset mix under a range of economic and market scenarios, with a particular focus on balancing long-term growth, risk management, and liquidity needs. The results of this work reaffirmed that the Portfolio is appropriately structured for its long-term purpose, with a diversified mix of public and private investments that supports sustainable growth while maintaining sufficient liquidity to meet granting commitments, even during periods of market stress. Importantly, the analysis confirmed that the Foundation's existing approach provides resilience across a wide range of potential outcomes. Building on this work, the 2027 fiscal year will focus on a detailed review of each asset class, including their underlying structures and investment strategies, to ensure they continue to align with best practices and evolving market conditions. Where appropriate, the Foundation will implement refinements identified through this review and the asset optimization study, taking a measured and deliberate approach that remains consistent with its long-term mission.

Through ongoing review and thoughtful evolution of the investment program, the Foundation remains committed to stewarding the Portfolio prudently, balancing opportunity and risk so it can continue to provide reliable support for the community today and for generations to come.

Financial Sustainability

Impact Investments



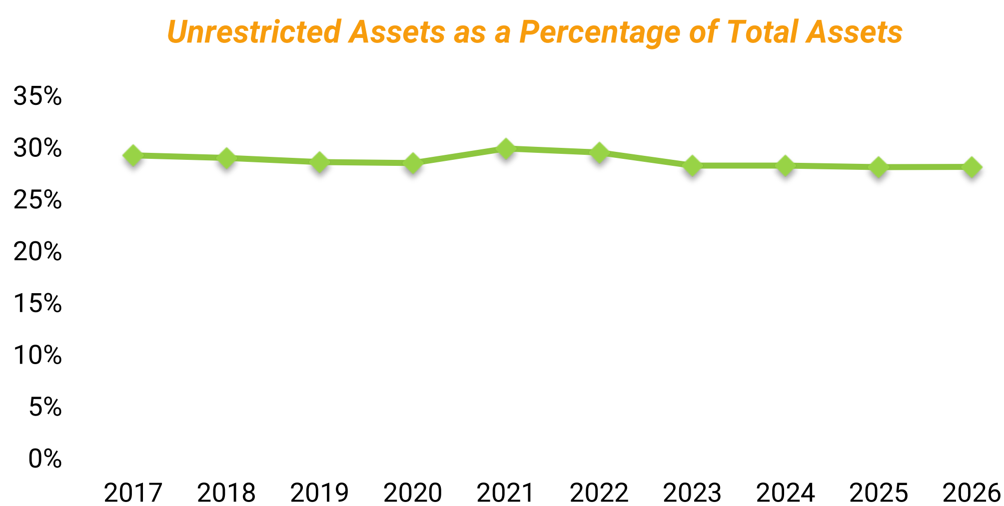
The Foundation's Impact Investment Program provides debt financing to Calgary and area charities and not-for-profit organizations working in all parts of the community. The program augments investments from traditional financial institutions or lends to organizations with credit capacity but who are unable to secure financing from a bank or other financial institution. The Foundation offers flexible terms, and repayment plans at interest rates proportional to risk.

As of March 31, 2026, the Foundation has loaned $37.6 million (2025 – $31.6 million) to Calgary charities and not-for-profits since the program's inception and has $15.9 million (2025 – $10.7 million) in loans outstanding. The Foundation has $0.5 million (2025 – $0.95 million) allocated for loans to specific charities and has received $24.5 million (2025 – $23.0 million) in principal and interest payments since the program's inception to this fiscal year end. There were no principal losses on any of the Impact Investments.

Loan application volume was in line with historical averages in 2026. Five applications were underwritten, resulting in three new loans and two financing offers in progress (funds expected to be issued in 2027). Four loans were repaid in full – two early repayments, and two loans that were extended by prior restructurings. Activities to build awareness of the program in the fiscal year have supported a higher volume of interest in early 2027.

Unrestricted endowed funds

Attention is paid to the distribution of assets across the various types of funds. Community and Field of Interest funds, which are not restricted and are granted at the full discretion of the Foundation, have historically represented a significantly smaller percentage of the total assets than funds established to support a designated charitable organization or in which the advice of donors is sought.



Organizational Effectiveness

Desired Impact: Sound management, strong governance, healthy workplace, and continuous learning support the achievement of goals where employees and volunteers work as a team and thrive.

As a community foundation, the Foundation is committed to building a society where everyone feels they belong. This means the Foundation has a responsibility to learn and implement beneficial change across the organization, as well as to influence change more broadly within our community. Recommendations from the 2021 racial equity audit continue to be implemented, with the goal to embed racial equity and reconciliation in the culture of the Foundation.

Service Costs

The financial statement 'Service Costs' are distinguished for management purposes between service costs (e.g. donor engagement, communications, accounting, computer support, general and administrative, and related management), investment costs (e.g. investment management fees for publicly traded securities, custodian, performance measurement, and human resource costs of the internal investment management team), and direct charitable activity costs (e.g. capacity building, addressing community priorities, application-based granting programs, Community Knowledge Centre, Quality of Life report, and related management). Combined, these costs totalled $14.7 million ($13.6 million in 2025).

	($ in thousands)			
	2026	**%**	**2025**	**%**
Service	$8,077	55	$7,393	54
Investment	4,198	29	3,855	29
Direct charitable activity	2,379	16	2,325	17
	$14,654	100	$13,573	100

Financial statement 'Service Costs' summary:

	($ in thousands)			
	2026	**%**	**2025**	**%**
Salaries and benefits	$6,993	48	$6,654	49
Investment management and custodial fees	3,169	22	2,895	21
Development and communications	1,412	10	1,140	9
Other	3,080	20	2,884	21
	$14,654	100	$13,573	100

Investment management fees for private investments in debt, real estate, infrastructure, and private equity are not included in the investment management and custodial fees disclosed in the financial statements (as these fees are levied within the investment vehicle rather than charged directly to the Foundation). These fees total approximately $6.5 million or 1.32% of the average value of the private investments (prior year – $5.7 million or 1.07%).

The Foundation's contractual arrangements with its private investment managers include a performance fee payable only when the managers' return performance exceeds an agreed upon benchmark return. Similarly, these fees are not included in the investment management and custodial fees disclosed in the financial statements due to being levied within the investment vehicle. These performance incentive fees total $3.3 million or 0.7% of the average value of the private investments (prior year – $6.9 million or 1.30%).

These costs are reported in the financial statements of each underlying partnership and are netted against the revenues reported on the Foundation's Consolidated Statement of Operations and Changes in Foundation Funds. The Foundation reports the net asset value and performance figures for each private asset class.

Organizational Effectiveness

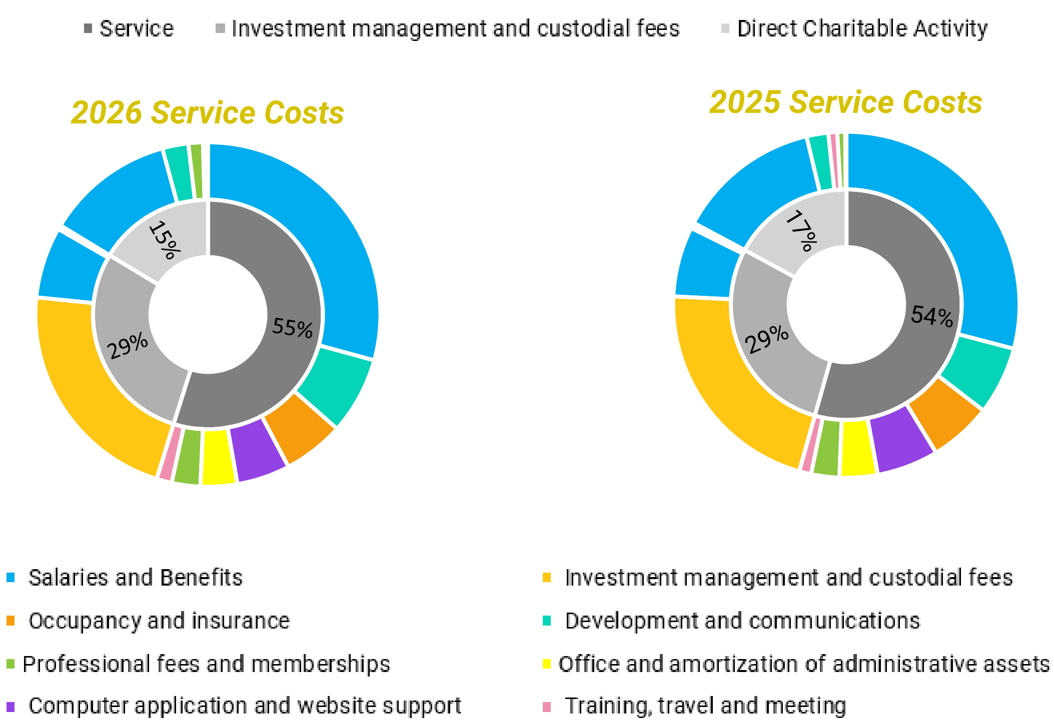
The service (e.g. donor engagement, communications, accounting, computer support, general and administrative, and related management) costs incurred to operate the Foundation that are not directly attributable to a particular gift are recovered from the funds. A tiered cost recovery schedule is applied to the market value of the individual endowment funds to pay for these costs.

The investment costs (e.g. investment management fees for publicly traded securities, custodian, performance measurement, and human resource costs of the internal investment management team) incurred to operate the Foundation that are not directly attributable to a particular gift are deducted from the individual endowment funds on a pro rata basis based on market value.

Direct charitable activity costs (e.g. capacity building, addressing community priorities, application-based granting programs, Community Knowledge Centre, Quality of Life report, and related management) are funded from the grant amounts available to spend from Community and Field of Interest funds.

The costs of administration of funds administered for others are recovered from the funds.

Interest earned on the money market instruments and fixed income securities, in which flow-through contributions are invested, totalled $2.1 million (2025 – $3.5 million). The reduction was driven by the drop in interest rates. The majority of this interest revenue will be used to augment the funds available for application-based granting programs.



Capability to deliver results

Assets

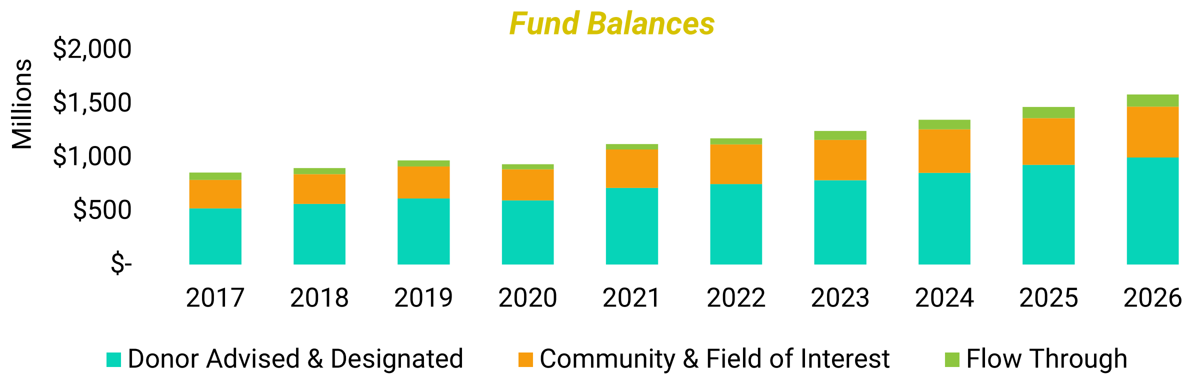
The Foundation's total assets under administration as at March 31, 2026 totalled $1,679.9 million as compared to $1,551.7 million at March 31, 2025. The majority of total assets are comprised of investments (93%, 2025 – 92%).

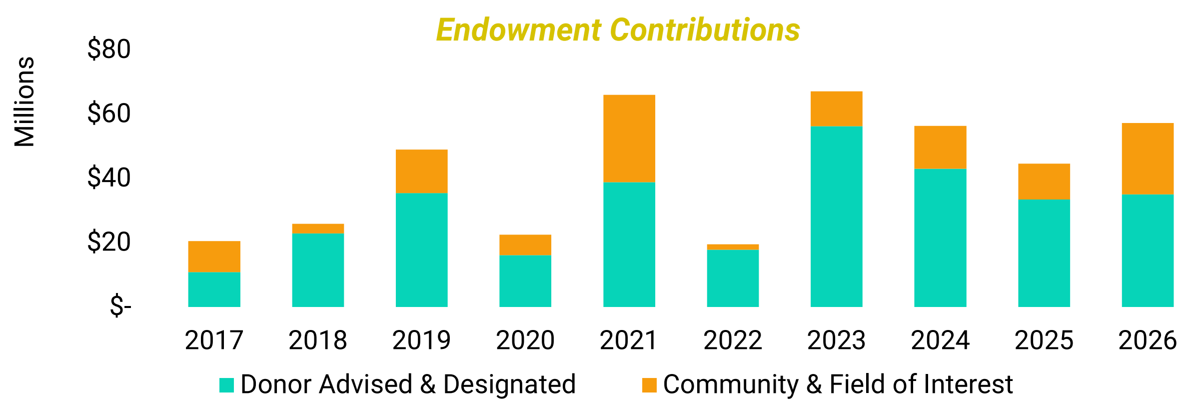
The Foundation has a strong financial position at March 31, 2026 and is capable of continuing to work towards its vision and executing on its strategy, even in the face of significant economic and market volatility. The Board of the Foundation has approved an internal reserve fund balance to provide protection if market volatility impairs investment returns.

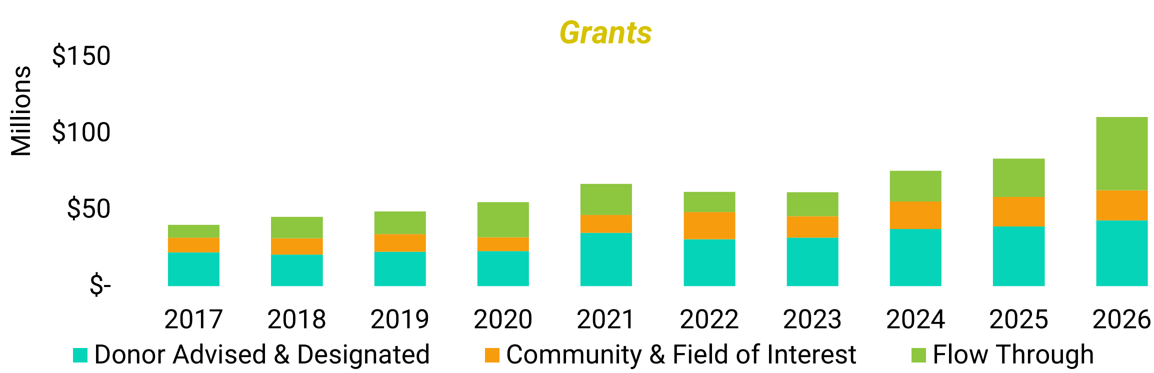
Contributions and Grants

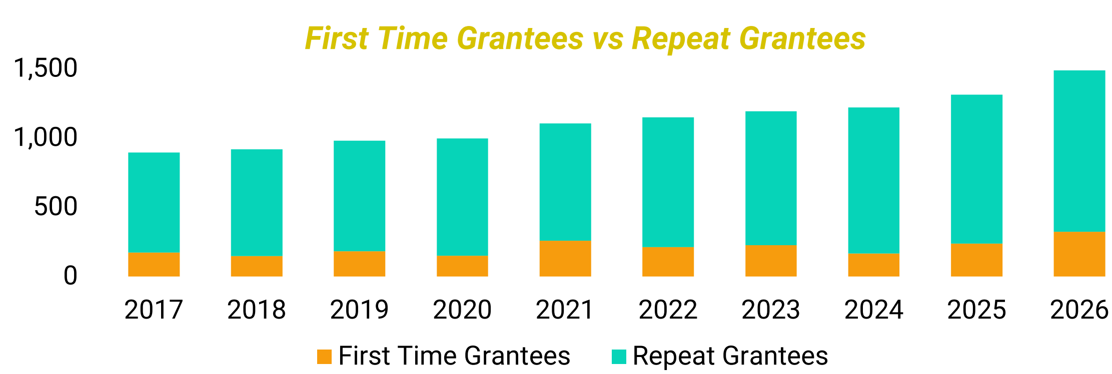
Further analysis of fund balances, or equity, endowment contributions and grants illustrates the allocation by Community (from which grants are made at the discretion of the Foundation) & Field of Interest (from which grants are restricted to an area, population, or region), Donor Advised & Designated from which grants are directed to charitable organizations with the advice of donors or designated at the time the fund is established, respectively, and non-endowed Flow-through funds from which grants are also directed to charitable organizations with the advice of donors.

Endowment contributions in 2026 were $12.6 million more than the prior year. Contributions are variable year-to-year as they are subject to the timing decisions of donors and life events.


Fund Balances
Millions
$2,000
$1,500
$1,000
$500
$-
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
Donor Advised & Designated
Community & Field of Interest
Flow Through


Endowment Contributions
Millions
$80
$60
$40
$20
$-
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
Donor Advised & Designated
Community & Field of Interest


Grants
Millions
$150
$100
$50
$-
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
Donor Advised & Designated
Community & Field of Interest
Flow Through


First Time Grantees vs Repeat Grantees
1,500
1,000
500
0
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
First Time Grantees
Repeat Grantees

Enterprise risk management and top risks

In the normal course of business, the Foundation follows a structured approach to enterprise risk management. Each year, the Foundation updates a risk register as to consequence and likelihood and focuses on the top ten risks and ensures that mitigation plans are in place for the risks.

Considering existing mitigating factors such as strong investment and financial controls, resource allocation to technology, organization-wide attention to strategic planning and governance oversight, three specifically identified risks have been rated as having the highest potential negative impact on the Foundation's long-term ability to carry out its mission:

Reputational Risk: Polarization and Politicization

Increasingly, issues in the community are being politicized and debates are polarizing people. As a community foundation, we exist to serve all people. Our "Big Tent" approach leaves us vulnerable to criticism from both ends of the spectrum. Some stakeholders may view our approach as doing too little while others consider the same approach to be doing too much. To mitigate the risk that our community work becomes ineffectual because of this schism, we strive to bridge gaps and build mutual respect across all groups. We clearly articulate and communicate our vision, mission, and values and remain committed to allowing those values to drive our actions. Administratively, a governance policy on 'influencing public policy' was recently adopted that outlines parameters and guidelines for influencing public policy when it falls within the scope of the Foundation's business. Otherwise, with the intention to stay non-partisan and apolitical, the Foundation provides funding to qualified donees doing policy work. A policy offering guidance on political activity for staff has been in place for a number of years.

Reputational Risk: Failure to Meet Public Expectation for Equity, Diversity, and Inclusion

Our stated vision is a "Community where everyone belongs". Embedded in this vision is inclusion. There has been a significant change in the public's expectation for all organizations and businesses in terms of diversity, inclusion, and equity. Failure to adequately address equity needs may result in individuals or groups who will not think about 'doing business' with the Foundation. On the other hand, too much focus on equity needs may draw criticism and alienate other groups. The risk is that we are perceived as doing too much by some, or not doing enough by others, resulting in missed opportunities for innovation, community partnerships, or sector relevance, or failure to attract prospective new donors. To mitigate this risk four strategies have been implemented:

- Governance: a Board policy outlines our beliefs and approach to equity and inclusion. Progress on implementing the recommendations of the 2021 racial equity audit is reviewed annually by the Board.
- Communications: our equity statement is publicly disclosed and lists our 4 specific equity commitments. Intentional use of language and representation of diverse groups served in all communication vehicles seeks to open doors, rather than close them.
- Education: equity training is offered to staff, Board, and volunteers annually with an expectation of 100% participation
- Service: we do not fund raise directly, instead our growth strategy centers on engaging professional advisors. Diversity in the professional advisor groups is sought which will in turn achieve diversity of the audience reached. In grantmaking, we seek to foster genuine connections with grass

roots equity deserving groups to deepen understanding of our mission and community needs, opening the door for grants to diverse groups.

Financial Risk: Investment Market

Given that the investments represent 93% of the total assets at March 31, 2026 (2025 – 92%), market volatility (and changes in economic conditions) is one of the highest rated risks faced by the Foundation. The Foundation understands that market risks are necessary to ensure the preservation of the purchasing power of the primary endowment portfolio by seeking returns from financial assets that are greater, in the long run, than the minimum percentage of the Foundation's assets that must be spent on grantmaking and other charitable work, an allocation of expenses, and the rate of inflation. The Foundation attempts to mitigate outsized fluctuations by portfolio design, governance and operational policies, and active oversight by the Investment Committee and management.

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INDEPENDENT AUDITOR'S REPORT

To the Directors of the Calgary Foundation

Opinion

We have audited the consolidated financial statements of the Calgary Foundation (the Entity), which comprise:

- the consolidated statement of financial position as at March 31, 2026
- the consolidated statement of operations and changes in foundation funds for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at March 31, 2026, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Comparative Information

We draw attention to Note 16 to the financial statements ("Note 16"), which explains that certain comparative information presented for the year ended March 31, 2025 has been restated.

Note 16 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended March 31, 2026, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended March 31, 2025. In our opinion, such adjustments are appropriate and have been properly applied.

Other Information

Management is responsible for the other information. Other information comprises the information other than the financial statements and auditor's report thereon, included in "Management's Discussion and Analysis".

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in Management's Discussion and Analysis as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants

Calgary, Canada

June 25, 2026

THE CALGARY FOUNDATION

Consolidated Statement of Financial Position

As at March 31, 2026, with comparative figures for 2025
(thousands of dollars)

		2026		2025 (Restated) (note 16)
Assets (note 3)				
Current assets:				
Cash and cash equivalents	$	107,510	$	112,649
Prepaid expenses		387		211
Accrued investment income		753		838
Current portion of loans receivable (note 5)		2,659		961
		111,309		114,659
Investments (note 4)		1,554,119		1,425,862
Loans receivable (note 5)		13,279		9,788
Other assets (note 6)		1,158		1,406
	$	1,679,865	$	1,551,715
Liabilities and Foundation Funds				
Current liabilities:				
Accounts payable and accrued liabilities	$	2,329	$	1,972
Grants payable		10,985		10,807
Funds administered for others (note 7)		95,570		79,944
		108,884		92,723
Non-current grants payable		386		1,083
Foundation funds:				
Community		368,102		342,055
Field of Interest		92,748		82,452
Donor Advised		583,980		556,464
Designated		411,700		374,102
Flow-through		114,065		102,836
		1,570,595		1,457,909
Commitments and guarantee (notes 8 and 10 (c))				
	$	1,679,865	$	1,551,715

See accompanying notes to the consolidated financial statements.

On behalf of the Board:

_______________________ Director   _______________________ Director

THE CALGARY FOUNDATION

Consolidated Statement of Operations and Changes in Foundation Funds

Year ended March 31, 2026, with comparative figures for 2025
(thousands of dollars)

	Community & Field of Interest	Donor Advised & Designated	Flow-through	Total 2026	Total 2025 (Restated) (Note 16)
Revenue					
Contributions	$ 22,223	$ 35,052	$ 58,533	$ 115,808	$ 81,224
Interest and dividends	10,885	19,850	731	31,466	38,423
Realized capital gains, net	11,889	32,033	64	43,986	25,136
Unrealized capital gains, net	14,370	31,278	11	45,659	72,798
Other (note 7)	1,082	–	–	1,082	949
Total revenue	60,449	118,213	59,339	238,001	218,530
Expenditures					
Grants	(19,595)	(43,019)	(48,047)	(110,661)	(83,502)
Service costs, net (note 9)	(4,625)	(9,545)	(484)	(14,654)	(13,573)
Total expenditures	(24,220)	(52,564)	(48,531)	(125,315)	(97,075)
Transfers	114	(535)	421	–	–
Change during the year	36,343	65,114	11,229	112,686	121,455
Balance, beginning of year	424,507	930,566	102,836	1,457,909	1,336,454
Balance, end of year	$ 460,850	$ 995,680	$ 114,065	$ 1,570,595	$ 1,457,909

See accompanying notes to the consolidated financial statements.

THE CALGARY FOUNDATION

Consolidated Statement of Cash Flows

Year ended March 31, 2026, with comparative figures for 2025
(thousands of dollars)

	2026	2025 (Restated) (Note 16)
Cash provided from (used in):		
Operating activities:		
Change in Foundation funds	$ 112,686	$ 121,455
Change in funds administered for others (note 7)	15,626	5,755
Change in funds	128,312	127,210
Change in non-current grants payable	(697)	90
Items not involving cash:		
Realized capital (gain), net on sale of investments	(47,030)	(26,705)
Unrealized capital (gain), net on investments	(48,352)	(77,222)
Contributions of non-cash gifts	(31,053)	(21,397)
Amortization of leasehold improvements and administration assets (note 9)	347	344
	1,527	2,320
Changes in non-cash working capital:		
Prepaid expenses	(176)	3
Accrued investment income	85	689
Accounts payable and accrued liabilities	357	(124)
Grants payable	178	9
	1,971	2,897
Investing activities:		
Proceeds of life insurance policy	101	675
Purchase of leasehold improvements and administration assets	(53)	(34)
Loans receivable	(6,050)	(760)
Repayment of loans receivable	861	1,160
Gifted corporation dividend	–	4,000
Proceeds from sale of endowment investments	151,765	191,756
Proceeds from sale of flow-through investments	21,000	19,400
Purchase of endowment investments	(130,670)	(177,815)
Purchase of flow-through investments	(44,064)	(10,020)
	(7,110)	28,362
Net (decrease) increase in cash and cash equivalents	(5,139)	31,259
Cash and cash equivalents, beginning of year	112,649	81,390
Cash and cash equivalents, end of year	$ 107,510	$ 112,649

See accompanying notes to the consolidated financial statements.

1. Calgary Foundation (the "Foundation")

(a) Description of the Foundation

The Foundation was incorporated in 1955 by The Calgary Community Foundation Act (now the Calgary Foundation Act) of the Legislative Assembly of Alberta. The Foundation is a registered charity classified as a public foundation under the Income Tax Act (Canada) and accordingly is exempt from income taxes and can issue donation receipts for income tax purposes.

The Foundation's financial statements are prepared using Canadian accounting standards for Not-For-Profit Organizations in accordance with part III of the Chartered Professional Accountants ("CPA") Canada Handbook.

(b) Foundation funds

The capital of the Foundation is comprised of funds for which the Board seeks varying degrees of donor input on grant distribution.

Community & Field of Interest

These are endowment funds from which grants are directed to new and emerging needs of the community at the discretion of the Foundation. Field of interest fund grants are restricted by the donor to a charitable area, population, or region at the time the fund is established.

Donor Advised & Designated

Donor advised funds are endowment funds from which grants are directed to charitable organizations with the advice of donors. Designated funds are endowment funds from which grants are directed to charitable organizations designated by the donor at the time the fund is established.

Flow-through

These are funds from which grants are directed to charitable organizations with the advice of donors. These funds are not endowment funds.

(c) Funds administered for others

These are funds owned by other charitable organizations and pooled with Foundation assets for investment purposes.

2. Significant accounting policies

(a) Principles of consolidation

The consolidated financial statements include the financial statements of the Foundation and The Calgary Foundation Investment Trust. The Calgary Foundation is the sole beneficiary of The Calgary Foundation Investment Trust, a trust established on August 6, 2009. On consolidation, all transactions and balances between the Foundation and The Calgary Foundation Investment Trust have been eliminated.

The Foundation is the owner of all of the shares of two for-profit companies. The investments in the companies are accounted for using the equity method as prescribed by part III of the CPA Handbook.

The Foundation is the beneficial owner of all of the shares of certain other registered charities. The Foundation has the ability to appoint the majority of these organizations' boards of directors. The accounts of these controlled organizations have not been consolidated with the accounts of the Foundation in these financial statements. Instead, the Foundation discloses financial information about these controlled organizations as prescribed by part III of the CPA Handbook (note 10). These controlled organizations follow the deferral method of accounting for contributions.

(b) Financial instruments

Financial instruments are recorded at fair value on initial recognition. Financial instruments trading on a recognized public stock exchange are initially recognized at the transaction price and subsequently measured at fair value as established by the closing price. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. Alternative investments (private investments in debt, real estate, infrastructure, and private equity), typically structured as limited partnerships, are subsequently measured at fair value as determined by the external investment manager using accepted industry valuation methods approved by the general partner and reported on the limited partnership's annual audited financial statements in the local currency.

When the date of an alternative investment's audited financial statements does not coincide with the Foundation's fiscal year end, the fair value recorded by the Foundation includes adjustments for the cash flows for the intervening period including capital called, capital returned, income received, gains (losses) realized, and fees and expenses paid. The change in fair value, if any, between the date of the audited financial statements for the alternative investments and the Foundation's fiscal year end is recognized to the extent such changes are known and can be quantified.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

2. Significant accounting policies (continued)

(b) Financial instruments (continued)

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(c) Foreign currency translation

Investments and accrued investment income denominated in foreign currencies are translated to Canadian dollars at the exchange rate in effect on the date of the statement of financial position. Investment income denominated in foreign currencies is translated to Canadian dollars at the exchange rate in effect when realized.

(d) Revenue recognition

Interest on bonds and short-term notes is recorded as earned on an accrual basis. Dividends that have been declared are recorded as income on the date of record set for the dividend. Realized capital gains and losses are recorded in the statement of operations when earned. Unrealized capital gains and losses are calculated and recorded in the statement of operations at year end.

(e) Contributions

The Foundation follows the restricted fund method of accounting for endowment and flow-through contributions. Contributions are recognized when the amount can be reasonably estimated and collection is assured.

(f) Leasehold improvements and administrative assets

The Foundation amortizes leasehold improvements and administrative assets as follows:

Administrative assets	3 to 5 years
Leasehold improvements	10 years

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and temporary investments with original maturities of three months or less.

(thousands of dollars)

2. Significant accounting policies (continued)

(h) Use of estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Estimates include the valuation of investments and the recoverability and useful life of administration and leasehold improvement assets. Consequently, actual results may differ from those estimates.

(i) Contributed services

A substantial number of volunteers contribute a significant amount of time each year. Because of the difficulty of determining the fair value of these services, contributed services are not recognized in the consolidated financial statements.

3. Assets by fund

	Community & Field of interest	Donor Advised & Designated	Flow-through	Funds Administered for Others	Total
Cash and cash equivalents	$ 23,465	$ 39,180	$ 41,049	$ 3,816	$ 107,510
Prepaid expenses	387	–	–	–	387
Accrued investment income	220	229	282	22	753
Current portion of loan receivable	–	–	2,659	–	2,659
Investments, at fair value	447,924	956,838	57,625	91,732	1,554,119
Loan receivable	–	–	13,279	–	13,279
Other assets	391	767	–	–	1,158
March 31, 2026	$ 472,387	$ 997,014	$ 114,894	$ 95,570	$ 1,679,865
March 31, 2025	$ 437,133	$ 931,213	$ 103,425	$ 79,944	$ 1,551,715

(thousands of dollars)

4. Investments

The Foundation records its investments at fair value except for the value of gifted corporations which are accounted for using the equity method and are not fair valued. The following table is a summary of the value of the Foundation's investments by region.

	Canada	United States	International	Total 2026	Total 2025
Bonds and debentures Investment grade	$ 311,807	$ 2,115	$ –	$ 313,922	$ 275,575
Private debt	384	86,245	47,409	134,038	126,265
Public equity	219,467	230,214	206,688	656,369	568,054
Real estate	48,181	35,081	27,587	110,849	114,937
Infrastructure	4,008	134,194	70,778	208,980	194,191
Private equity	2,560	70,517	38,509	111,586	126,205
Gifted corporations	18,375	–	–	18,375	20,635
	$ 604,782	$ 558,366	$ 390,971	$1,554,119	$1,425,862

During 2021, the Foundation accounted for a gift being 100% of the shares of a private, for-profit real estate holding company, as a contribution with an estimated fair value of $24,778. The Foundation subsequently applies the equity method to recognize the investee's net income or losses after the date of the gift, less any distributions received. The Foundation intends to liquidate the company in an orderly manner.

	Gifted corporation (unaudited)	
As at and for year ended	March 31, 2026	March 31, 2025
Revenues	$ 4,666	$ 3,298
Expenses	4,318	3,268
Net Income	348	30
Assets	10,208	14,484
Liabilities	2,227	6,847
Shareholder's equity	7,981	7,637

(thousands of dollars)

5. Loans receivable

The loans receivable relate to the Foundation's Community Impact Investment program ("the program"). The program provides debt financing to Calgary and area charities and not-for-profit organizations. The program augments investments from traditional financial institutions or provides lending to organizations with credit capacity but who are unable to secure financing from a bank or other financial institution. Substantially all the loans, by dollars, to these organizations are secured by real property pledged as collateral.

	2026	2025
National Music Centre. Bears interest at 2.2% per annum with principal plus interest payments to maturity in December 2031.	$ 5,000	$ 5,000
HomeSpace Society. Bears interest at 4.25% per annum with quarterly payments of interest only and a balloon payment of principal on maturity in July 2027.	5,000	–
cSPACE Projects. Bears interest at 5.0% per annum until February 2027, at which time the interest rate will be reset based on prevailing market conditions, with monthly interest only payments through to maturity and a balloon payment of principal in January 2028.	2,261	2,270
Knox United Church. Bears interest at 3.5% per annum with quarterly interest only payments and annual principal payments through to maturity in April 2030.	600	660
The Association of the Inside Out Integrated Theatre Project. Bears interest at 7.5% per annum with monthly interest only payments and periodic principal payments through to maturity in November 2028.	600	–
Youth Singers. Bears interest at 6.25% per annum with quarterly interest only payments and a balloon payment of principal on maturity in December 2026.	580	600
Seeds Connections. Bears interest at 8.25% per annum with quarterly interest only payments until December 2026. Thereafter, annual principal and quarterly interest payments through to maturity in March 2029.	500	500
Calgary Quest Children's Society. Bears interest at 6.0% per annum with monthly payments of interest only and a balloon payment of principal on maturity in December 2026.	450	–
Eleanor Luxton Historical Foundation. Bears interest at 4.5% per annum with quarterly payments of principal and interest through to maturity in September 2030 (note 10(b)).	253	302
Theatre Calgary. Bears interest at 4.0% per annum with monthly payments of principal plus interest through to maturity in September 2027.	243	407

(thousands of dollars)

5. Loans receivable (continued)

	2026	2025
Various loans to other organizations with interest of 4.0% to 9.0% per annum and repayment terms as outlined in the respective loan agreements and maturity dates ranging from December 2026 to December 2032.	451	1,010
Current portion of loans receivable	(2,659)	(961)
	$ 13,279	$ 9,788

Bad debt expense related to loans receivable was $nil (2025 – $nil).

6. Other assets

	2026	2025
Cash surrender value of donated life insurance policies	$ 767	$ 722
Leasehold improvements, net of accumulated amortization of $2,962 (2025 – $2,653)	296	605
Administrative assets, net of accumulated amortization of $813 (2025 – $775)	90	74
Miscellaneous	5	5
	$ 1,158	$ 1,406

(thousands of dollars)

6. Other assets (continued)

The Foundation is the beneficiary named under whole life and term life insurance policies as follows:

	2026			2025
	Premiums paid	Cash surrender value	Face value	Face value
Whole life policies	$ 125	$ 767	$ 15,599	$ 15,426
Term life policies	8	–	1,000	1,100
	$ 133	$ 767	$ 16,599	$ 16,526

The cash surrender value of donated life insurance policies is recorded as an asset. The Foundation will record the realizable amount in excess of the cash surrender value when the receipt of the proceeds can be estimated and collection is reasonably assured.

7. Funds administered for others

Funds administered for others are the assets owned by 36 (2025 – 33) other charitable organizations. The change in funds administered for others is as follows:

	2026	2025
Increases		
Deposits	$ 10,849	$ 2,703
Interest and dividends	1,875	2,115
Realized capital gains, net	3,044	1,569
Unrealized capital gains, net	2,693	4,424
Total increases	18,461	10,811
Decreases		
Withdrawals	(1,753)	(4,107)
Service costs (note 9)	(1,082)	(949)
Total decreases	(2,835)	(5,056)
Change during the year	15,626	5,755
Balance, beginning of year	79,944	74,189
Balance, end of year	$ 95,570	$ 79,944

(thousands of dollars)

8. Commitments

The Calgary Foundation Investment Trust has unfunded investment commitments relating to private investments in debt, real estate, infrastructure, and private equity.

	Currency		
	March 31, 2026		
Asset class	Canadian dollar	US dollar	Euro
Commitments	$ 2,553	$ 297,537	€ 25,355
Private debt	2,553	54,820	21,126
Real estate	–	16,956	–
Infrastructure	–	109,839	–
Private equity	–	115,922	4,229

	Currency		
	March 31, 2025		
Asset class	Canadian dollar	US dollar	Euro
Commitments	$ 4,232	$ 235,536	€ 32,653
Private debt	4,232	14,821	28,424
Real estate	–	17,312	–
Infrastructure	–	83,886	–
Private equity	–	119,517	4,229

At March 31, 2026, the unfunded investment commitments denominated in U.S. dollars are $297,537 (2025 – $235,536), translated into Canadian dollars in the amount of $415,228 (2025 – $339,007). The unfunded investment commitments denominated in Euros are €25,355 (2025 – €32,653), translated into Canadian dollars in the amount of $40,772 (2025 – $50,765). The unfunded amounts may be called by the managers of the private investments in debt, real estate, infrastructure, and private equity on demand.

(thousands of dollars)

8. Commitments (continued)

The Foundation has entered into an agreement with a controlled organization, the Kahanoff Centre for Charitable Activities, to rent office space under an operating lease. Additionally, the Foundation has entered into agreements with a local educational institution to sponsor an ongoing event, a publisher to produce an annual publication, and a service provider for the delivery of a capacity building program. The future annual payments are estimated to be:

2027	$ 435
2028	90
2029	20
	$ 545

9. Service costs

	2026	2025
Salaries and benefits	$ 6,993	$ 6,654
Investment management and custodial fees	3,169	2,895
Development and communications	1,412	1,140
Occupancy and insurance	812	771
Computer application and website support	724	777
Professional fees	557	355
Office	494	438
Amortization of leasehold improvements and administration assets	347	344
Memberships	95	148
Premiums to maintain life insurance policies	133	127
Contributions to pay premiums to maintain life insurance policies	(82)	(76)
	$ 14,654	$ 13,573

Investment management and custodial fees do not include investment management fees related to private investments in debt, real estate, infrastructure, and private equity. The investment returns from these private investments are net of the associated investment management fees.

The Foundation recovers service costs from Community, Field of Interest, Donor Advised, and Designated funds by way of a cost recovery based on the market value of each fund. A portion of the service costs are recovered from Funds administered for others in accordance with their agreements. Expenses incurred for a specific fund are generally charged to that fund.

(thousands of dollars)

10. Controlled organizations

(a) Esther Honens International Piano Competition Foundation

The Foundation is the beneficial owner of all the shares of the Esther Honens International Piano Competition Foundation ("Competition Foundation") which is responsible for a piano competition normally held every three years. The Competition Foundation was incorporated under the Companies Act and has been granted tax exempt status as a registered charity under paragraph 149(1)(f) of the Income Tax Act. The Foundation's Esther Honens International Piano Competition Foundation Fund, Honens Future Growth Fund, American Friends of Canada Fund and Honens Legacy Partner Fund are endowment funds that provide annual revenue to the Competition Foundation. At March 31, 2026, the market value of the four funds totalled $18,838 (2025 – $18,289).

Esther Honens International Piano Competition Foundation		
As at and for the year ended	December 31, 2025	December 31, 2024
Revenues	$ 2,495	$ 1,865
Revenues from the endowment funds	896	828
Expenses	3,296	1,943
Assets	1,081	1,800
Liabilities	311	229
Unrestricted net assets	362	530

In 2026, the Competition Foundation made a deposit of $250 to establish the Honens Account, a Fund Administered for Others (Note 7). The deposit is included in the assets presented in the table above.

(b) Eleanor Luxton Historical Foundation

The Foundation is the beneficial owner of all the shares of the Eleanor Luxton Historical Foundation ("Luxton Foundation"). The Luxton Foundation was incorporated under the Companies Act and has been granted tax exempt status as a registered charity under paragraph 149(1)(f) of the Income Tax Act. The purpose of the Luxton Foundation is to preserve and promote the historical real estate and artifacts relating to the original settlements of the Banff area. The Foundation holds the Luxton Historical Foundation Fund, an endowment fund which provides annual funding to support the Luxton Foundation. At March 31, 2026, the Luxton Historical Foundation Fund had a market value of $6,842 (2025 – $6,657).

(thousands of dollars)

10. Controlled organizations (continued)

(b) Eleanor Luxton Historical Foundation (continued):

The Luxton Foundation financial statements are subject to a review engagement.

Eleanor Luxton Historical Foundation		
As at and for the year ended	(unaudited) December 31, 2025	December 31, 2024
Revenues	$ 490	$ 445
Revenues from the endowment fund	326	302
Expenses	343	312
Assets	2,396	2,335
Liabilities	296	382
Unrestricted net assets	(8)	304

As part of the Foundation's Community Impact Investment program, the Foundation has loaned funds to the Luxton Foundation (Note 5). The loan has been used for renovations to develop market-rate rental units and is included in the liabilities presented in the table above.

(c) Kahanoff Centre for Charitable Activities

The Foundation is the beneficial owner of all the shares of the Kahanoff Centre for Charitable Activities ("Kahanoff Centre"). The Kahanoff Centre provides office and conference space to Calgary not-for-profit organizations at discounted rates, to the benefit of the Calgary community. The Kahanoff Centre was incorporated under the Companies Act and has been granted tax exempt status as a registered charity under paragraph 149(1)(f) of the Income Tax Act.

Kahanoff Centre for Charitable Activities		
As at and for the year ended	December 31, 2025	December 31, 2024
Revenues	$ 4,636	$ 4,886
Expenses	5,115	4,959
Assets	31,835	33,160
Liabilities	27,884	28,730
Net assets	3,951	4,430

10. Controlled organizations (continued)

(c) Kahanoff Centre for Charitable Activities (continued):

The Foundation has guaranteed up to $37,500 of financing related to the mortgage on the facility. As of March 31, 2026, the Kahanoff Centre has an outstanding mortgage balance with the lender of $26,645 (2025 – $27,978).

Additionally, as part of the Foundation's Community Impact Investment program, the Foundation has loaned funds to the Kahanoff Centre (Note 5). The loan has been used for leasehold improvements for tenants and is included in the liabilities presented in the table above.

During the year, the Foundation paid $723 (2025 – $716) in lease payments to the Kahanoff Centre (Note 9) which is included in Service costs on the statement of operations.

11. Significantly influenced organizations

The Foundation is the beneficial owner of one of the two authorized, issued, and outstanding shares of the Calgary Stampede Foundation ("Stampede Foundation"). The Stampede Foundation was incorporated under the Companies Act and has been granted tax exempt status as a registered charity under paragraph 149(1)(f) of the Income Tax Act. The Foundation has a right to appoint a minority of the Stampede Foundation's board of directors. The Stampede Foundation's objective is to establish programs for the benefit of young residents of Southern Alberta to advance their knowledge and understanding of the history, heritage, traditions, and culture of Alberta.

In the Foundation's fiscal year ended March 31, 2026, grants totalling $56 (2025 - $1,036) were approved and paid from Donor Advised and Flow-through funds to the Stampede Foundation.

12. Fund-raising expenses and other

The Foundation is required to disclose, under Section 7(2) of the Regulations of the Charitable Fund-raising Act of Alberta, that the service costs incurred for the purposes of soliciting contributions was $nil (2025 - $nil) and the Foundation has no employees whose principal duties involve fundraising.

A flow-through grant of $14,952 to a private foundation for its charitable work exceeded 10% of the gross contributions received for the year ended March 31, 2026 (2025 – $nil.)

(thousands of dollars)

13. Financial instruments

The Foundation's financial instruments included in the consolidated statement of financial position are comprised of cash and cash equivalents, accrued investment income, loans receivable, accounts payable and accrued liabilities, grants payable and investments.

Fair values of financial assets and liabilities

The Foundation classifies its financial instruments at fair value, except for the gifted corporations, which are accounted for using the equity method as described in Note 2 (a) and loan receivable, which is accounted for using amortized cost, according to the following hierarchy based on the amounts of observable inputs used to value the instrument. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy.

• Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
• Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
• Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying values of cash and cash equivalents, accrued investment income, accounts payable and accrued liabilities, and grants payable approximate their fair value due to the relatively short periods to maturity of the instruments. There have been no transfers between levels during the year.

The fair value of the private investments in debt, real estate, infrastructure, and private equity is calculated as described in Note 2 (b). The following is a summary of the Foundation's investments using the fair value hierarchy.

	Investments as at March 31, 2026			
	Level 1	Level 2	Level 3	Total
Bonds and debentures, Investment grade	$ –	$ 313,922	$ –	$ 313,922
Private debt	–	–	134,038	134,038
Public equity	656,369	–	–	656,369
Real estate	–	–	110,849	110,849
Infrastructure	–	–	208,980	208,980
Private equity	–	–	111,586	111,586
	$ 656,369	$ 313,922	$ 565,453	$ 1,535,744

(thousands of dollars)

13. Financial instruments (continued)

	Investments as at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Bonds and debentures, Investment grade	$ –	$ 275,575	$ –	$ 275,575
Private debt	–	–	126,265	126,265
Public equity	568,054	–	–	568,054
Real estate	–	–	114,937	114,937
Infrastructure	–	–	194,191	194,191
Private equity	–	–	126,205	126,205
	$ 568,054	$ 275,575	$ 561,598	$ 1,405,227

14. Financial risk management

The Foundation has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Foundation adheres to Statements of Investment Policy, approved by the Board of Directors, which outline the objectives, policies and measures related to its investing activities. These policies prescribe qualitative and quantitative parameters around the investments held by the Foundation in its segregated investments, pooled funds, and impact investments in order to moderate the financial risks. The Board of Directors is accountable for the establishment and oversight of the Foundation's risk management framework.

(thousands of dollars)

14. Financial risk management (continued)

(a) Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment resulting in a financial loss to the Foundation. The fair value of a publicly traded financial instrument takes into account the credit rating of its issuer. The fair value of a privately held financial instrument may take into account valuation models that include some level of management estimation and judgment. The Foundation’s financial instruments of cash equivalents, accrued investment income, loans receivable, bonds and debentures and private investments in debt are subject to credit risk. The maximum exposure to credit risk on these instruments is their carrying value. The private investments in debt are largely comprised of unrated, non-investment grade, senior secured loans. The maximum exposure to credit risk related to these investments is their fair value as presented in the consolidated statement of financial position and note 4. Credit exposure is mitigated by the underlying collateral, covenant protections and other credit enhancements that were underwritten by the external private debt managers. Additionally, the Foundation manages the risk by ensuring compliance with the limits to the credit exposure for the publicly traded pooled funds, engaging a professional investment manager to actively evaluate the creditworthiness of the borrowers of private debt and charging Foundation management with the periodic review of the financial strength and ability to service the loan of impact investment borrowers. Cash is held at financial institutions regulated by the federal Bank Act or Trust and Loan Companies Act. Cash equivalents are substantially all Government of Canada Treasury Bills. As at year end, the Foundation’s credit exposures in its publicly traded fixed income portfolios were as follows:

	Percentage of the market value of the publicly traded fixed income portfolios	
	Investment grade bonds	
Credit rating	2026	2025
Bonds and debentures, at fair value	$ 313,922	$ 275,575
AAA	49.6%	46.1%
AA	25.2%	26.2%
A	15.4%	16.9%
BBB	9.5%	10.7%
<BBB	0.3%	0.1%

The Foundation’s exposure to, and management of, credit risk has not changed materially during the year.

14. Financial risk management (continued)

(b) Liquidity risk:

Liquidity risk is the risk the Foundation will not be able to meet its liabilities as they fall due. Liquidity requirements of the Foundation are met through cash generated from investments, donor contributions, and by investing in pools that hold publicly traded liquid assets that transact in active markets and that are easily sold and converted to cash. Private investments in debt, real estate, infrastructure, and private equity have limited sale or redemption options. These investments are subject to gates, lockups, and other restrictions on investors' ability to readily sell or redeem their interests in the investment. The majority of the investments are publicly traded liquid assets and therefore the Foundation's liquidity risk is considered minimal. Additionally, the Foundation aims to retain sufficient cash positions to manage liquidity. The Foundation's exposure to, and management of, liquidity risk has not changed materially during the year.

(c) Market risk:

Market risk is the risk that changes in market prices, as a result of changes in foreign exchange rates, interest rates, and equity prices, will affect the Foundation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

(i) Currency risk:

Currency risk is the risk that investments in securities denominated in foreign currencies will fluctuate in reported value due to fluctuations in foreign exchange rates. The Foundation is exposed to currency risk on its foreign market investments, as the prices denominated in foreign currencies are converted to Canadian dollars in determining fair value. The objective of the Foundation's Statements of Investment Policy is to control currency risk by limiting the allocation to non-Canadian denominated securities and maintaining a geographically diversified portfolio.

(thousands of dollars)

14. Financial risk management (continued)

(c) Market risk (continued):

(i) Currency risk (continued):

Currency	Percentage of the market value of investments	
	2026	2025
Investments, at fair value	$ 1,554,119	$ 1,425,862
Canadian dollar	41.0%	40.5%
US dollar	40.5%	40.9%
Euro	8.2%	9.8%
Japanese yen	1.8%	1.3%
British pound	1.2%	1.2%
Other	7.3%	6.3%

Total unhedged investments held in foreign currencies as at March 31, 2026 were $917,222 or 59.0% of investments (2025 – $848,164, 59.5%). The most significant exposure to currency risk is $628,478 or 40.5% of investments (2025 – $582,450, 40.9% of investments) denominated in US dollars and not hedged to the Canadian dollar. A hypothetical 10 percent weakening (strengthening) of the Canadian dollar against the US dollar at March 31, 2026 would have increased (decreased) net assets and investment income for the year by $62,848 (2025 – $58,245). This analysis assumes that all other variables, in particular interest rates, remained constant.

(ii) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of interest-bearing financial instruments held by the Foundation. Duration is a common measure of the sensitivity of the price of a bond to a change in interest rates. At fiscal year end, the publicly traded bonds had an average duration as follows:

(thousands of dollars)

14. Financial risk management (continued)

(c) Market risk (continued):

(ii) Interest rate risk (continued):

	2026	2025
Bonds and debentures, at fair value	$ 313,922	$ 275,575
Duration (years)	5.7	6.2
Assumed increase in interest rates	+1%	+1%
Approximate resulting decrease in value	$ (17,894)	$ (17,086)
Approximate resulting percentage decrease	(5.7%)	(6.2%)
Assumed decrease in interest rates	–1%	–1%
Approximate resulting increase in value	$ 17,894	$ 17,086
Approximate resulting percentage increase	5.7%	6.2%

The Foundation also holds private investments in debt that are made up largely of non-investment grade, senior secured loans that have a shorter duration than the publicly traded debt. The value of these loans is not as impacted by changes to interest rates because of floating coupon rates that vary in line with the underlying reference rate. Loans may also include call protection and pre-payment penalties which reduce repayment risk by preventing borrowers from retiring loans within a few years of issuance. Furthermore, floating coupon rate loans normally have contracted lower limits on the reference rate, offering some protection when interest rates decline.

(iii) Equity price risk:

Equity price risk is the risk that the value of a financial instrument will fluctuate due to changes in equity markets. The Foundation is exposed to equity price risk on its equity investments. The Statements of Investment Policy apply to all investments held in the Foundation's pooled funds and it includes restrictions regarding the minimum and maximum amount of various asset classes. The diversification across various asset classes is expected to decrease the volatility of portfolio returns due to the lack of correlation between returns. The assumed increase in market prices is based on the Foundation’s expectations for long-term nominal rates of return.

(thousands of dollars)

14. Financial risk management (continued)

(c) Market risk (continued):

(iii) Equity price risk (continued):

	2026
Public equity, at fair value	$ 656,369
Assumed increase in market prices	+8%
Approximate resulting increase in value	$ 52,510
Assumed decrease in market prices	–8%
Approximate resulting decrease in value	$ (52,510)

	2025
Public equity, at fair value	$ 568,054
Assumed increase in market prices	+8%
Approximate resulting increase in value	$ 45,444
Assumed decrease in market prices	–8%
Approximate resulting decrease in value	$ (45,444)

The Foundation holds private investments in real estate, infrastructure, and private equity that are externally managed. By their nature, these investments can be exposed to equity price risk. Private equity investments involve the buying and selling of privately held companies. While the valuation of these investments is typically not susceptible to daily market fluctuations, there can still be equity price risk when exiting the investments through an initial public offering or a sale to another investor. Direct real estate and infrastructure investments can be exposed to equity price risk, which refers to the potential for the value of the property to fluctuate due to changes in the overall equity market. The Foundation manages equity price risks by conducting thorough due diligence in the selection of external managers and incorporating diversification strategies that mitigate exposure to any single investment, sector, or geography.

15. Government remittances

The Foundation has no significant outstanding government remittances as at March 31, 2026 (2025 – $nil).

(thousands of dollars)

16. Restatement of comparative figures for correction of accounting presentation

The Foundation has restated the financial statements as at and for the year ended March 31, 2025 to correct for the following:

(i) Deferred flow-through grants has been reclassified as a flow-through foundation fund in accordance with the restricted fund method of accounting for contributions made to the Foundation. Grants from the flow-through foundation fund are directed to charitable organizations with the advice of donors.

(ii) Funds administered for others has been reclassified as a current liability as, although prior years' experience has been that a large majority of these amounts are held for more than one year, the contractual terms of the agreements with the other charitable organizations allow for withdrawal of the funds administered for others within one year from the date of the consolidated statement of financial position.

The impact on the comparative figures is as follows:

Consolidated Statement of Financial Position, March 31, 2025	As Originally Presented	Restatement	Restated
Deferred flow-through grants (current liability)	$ 102,836	$ (102,836)	$ –
Funds administered for others (current liability)	–	79,944	79,944
Total Current liabilities	115,615	(22,892)	92,723
Funds administered for others (non-current liability)	79,944	(79,944)	–
Flow-through foundation fund	–	102,836	102,836
Total Foundation funds	1,355,073	102,836	1,457,909

Consolidated Statement of Operations and Changes in Foundation Funds, Year ended March 31, 2025	As Originally Presented	Restatement	Restated
Total Increase in deferred flow-through grants	$ 13,220	$ (13,220)	$ –
Total Change during the year	108,235	13,220	121,455
Total Balance, beginning of year	1,246,838	89,616	1,336,454
Total Balance, end of year	1,355,073	102,836	1,457,909

Consolidated Statement of Cash Flows, Year ended March 31, 2025	As Originally Presented	Restatement	Restated
Change in Foundation funds	$ 108,235	$ 13,220	$ 121,455
Change in deferred flow-through grants	$ 13,220	$ (13,220)	$ –