



ASIA PACIFIC
FOUNDATION
OF CANADA

FONDATION
ASIE PACIFIQUE
DU CANADA

ANNUAL REPORT

DISRUPTION & RESILIENCE

2020 - 2021

“ *By demonstrating resilience in the face of disruption, I am confident that Canada – its governments, businesses, and people – will benefit immensely from continued engagement and collaboration with like-minded partners in the Asia Pacific.* ”

The Hon. Pierre Pettigrew, Chair
of the APF Canada Board

TABLE OF CONTENTS

STRATEGIC PILLARS	4
YEAR AT A GLANCE	5
LETTER FROM THE CHAIR OF THE BOARD	6
LETTER FROM THE PRESIDENT & CEO	8
01 THE YEAR IN REVIEW	10
02 OUR IMPACT	34
03 IN THE NEWS	54
04 FINANCIAL STATEMENTS	60
05 SUPPORTERS	66
06 GOVERNANCE	70
07 FINANCIAL ANNEXES	84

STRATEGIC PILLARS

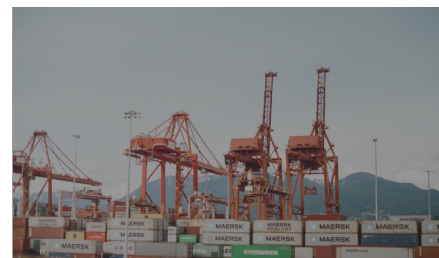
CROSS-CUTTING THEMES

Education

Increasing young Canadians' awareness and understanding of Asia by enhancing curriculum and promoting study abroad and internships in Asia.

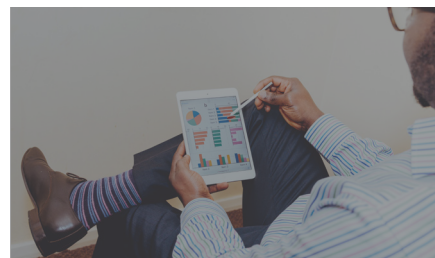
Networks

Supporting transpacific organizations that convene business, government, and academic stakeholders.



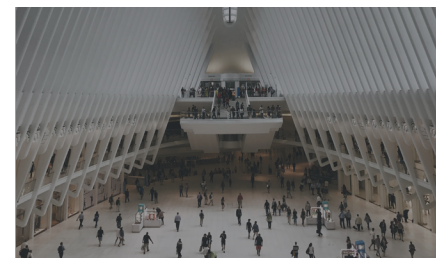
BUSINESS ASIA

Analyzing key economic trends in trade, investment, and global value-chains that matter to Canada and the Asia Pacific.



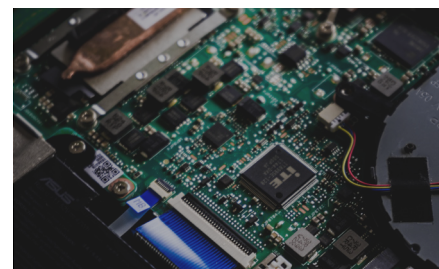
PERSPECTIVES ASIA

Synthesizing perspectives on Canada-Asia engagement through surveys and big data analytics.



STRATEGIC ASIA

Examining strategic and security related events and trends in the Asia Pacific and their impact for Canada.



DIGITAL ASIA

Exploring how technologies of the Fourth Industrial Revolution impact Canada's current and future engagement with the Asia Pacific.



ENGAGING ASIA

Providing research and analysis on Asia's importance to Canadians directly engaged with the Asia Pacific.



SUSTAINABLE ASIA

Examining sustainable development in Asia from economic, social, and environmental dimensions and its implications for Canada.

YEAR AT A GLANCE

▲ 40%

Increase in website visits

▲ 14%

Increase in website pageviews

▲ 13%

Increase in Twitter followers

▲ 28%

Increase in LinkedIn followers

▲ 4%

Increase in Facebook followers

▲ 11%

Increase in Instagram followers

▲ 42%

Increase in Youtube views

▲ 23%

Increase in Asia Watch subscribers

📅 29

Virtual events

📄 3

Major reports

📖 3

Case studies

👤 2

Virtual women's business missions

📄 4

Policy briefs

📊 3

Major surveys

📄 19

Published op-eds

📄 71

Blogs

📺 34

Youtube Videos

👤 6,144

E-publication subscribers

🤝 5

New institutional partners

LETTER FROM THE CHAIR OF THE BOARD

The Hon. Pierre Pettigrew

Beyond the tragic human cost, the COVID-19 pandemic has battered the global economy, fractured international supply chains, and brought into sharp relief the disparities in wealth and resources between developed and developing economies, particularly those in the Asia Pacific that have struggled with vaccine acquisition and implementation amid stressed health-care systems.

As our dedicated staff at the Asia Pacific Foundation of Canada have demonstrated this 2020-2021 fiscal year through their tracking and analysis of Asia's responses to the pandemic, for every successful containment and mitigation strategy, there is a policy failure with dire consequences – and lessons from both for Canada as it navigates its way out of this unprecedented global health crisis.

At the close of the 2019-2020 fiscal year, however, I cannot help but notice the light at the end of this long tunnel illuminating a pathway toward social and economic recovery. For Canada, that pathway must connect to the Asia Pacific and its dynamic economies, deep pool of STEM talent, and the green, innovation-driven growth that underlies so many of the region's post-pandemic economic stimulus packages.

Indeed, in every conceivable way – from GDP, consumption, demographics, and geostrategic influence – the 'Asian Century' has arrived. The pandemic notwithstanding, by 2040, Asia is on track to account for 50 per cent of global GDP, 40 per cent of the world's consumption, and 57 per cent of the global population.

There will undoubtedly be challenges ahead, including rising nationalism and protectionism in many parts of the world and Asia and, of course, the ongoing trade tensions between the U.S. and China and Canada's own deteriorating bilateral relations with Beijing. But if the pandemic has taught us anything, it is that we are all part of an interconnected global community where gains, losses, and setbacks impact us all.

By demonstrating resilience in the face of disruption, I am confident that Canada – its governments, businesses, and people – will benefit immensely from continued engagement and collaboration with like-minded partners in the Asia Pacific. Brighter days lay ahead for all of us, and Canada must take a leading role in post-pandemic engagement with the diverse economies of dynamic Asia to ensure its future prosperity.

As you will read in the pages of this Annual Report, APF Canada's drive to support Canadian private and public sector stakeholders in taking advantage of opportunities and navigating potential obstacles for engagement in Asia has never been stronger. The time to engage more deeply in the region is now, and the Foundation is uniquely positioned to provide the research, analysis, policy advice, and business intelligence to help Canada and Canadians gain economic and political traction in the region.

On a final note, our President and CEO, Stewart Beck, will be leaving his role in August after seven years leading our organization. On behalf of the Board of Directors, I would like to wish Stewart all the best and thank him for his many years of service to Canada, the Foundation, and the advancement of Canada-Asia relations.



The Hon.
Pierre Pettigrew

LETTER FROM STEWART BECK, PRESIDENT AND CEO

Asia Pacific Foundation of Canada

As APF Canada's 2020-2021 fiscal year began, the Foundation's 'pandemic pivot' was underway, with a revised strategy to break with our 'regular programming' and refocus our research to track Asia states' COVID-19 experiences and, through our publications and virtual presentations, translate them back to the Canadian context.

As Canada's preminent Asian research centre, this all-of-organization realignment was a natural fit. Our multifaceted teams in Vancouver and Toronto united behind the effort to re-prioritize our work to support the Canadian government's ongoing efforts to mitigate the pandemic's whole-of-society effects and prepare Canadian businesses for the challenges – and opportunities – of a disrupted global order and economy.

Fortunately, as a knowledge-based organization, this pivot was seamless, and I am proud to say this has been a banner year for APF Canada in terms of new projects, fresh and vital research, networking, convening, and partnership-building – activities you will find detailed in the pages of our 2020-2021 Annual Report: Disruption & Resilience.

Uncertainty and fear around the pandemic have fuelled a worrying backlash to globalization, not only in Europe and the Americas but also across many Asia Pacific economies, where the disruption has fragmented supply chains, aggravated existing tensions, and given rise to new security concerns. Indeed, now more than ever, we must double down

on our efforts to create a future of equitable and sustainable progress, one in which Canada plays an active and leading role, particularly in Asia, the new centre of global growth and innovation.

Central to these efforts is education and the need to improve the 'Asia Competence' of Canadians – from the classroom to the boardroom – so they are better informed and prepared for the 'Asian Century,' which is now well underway.

At the Foundation this year, we continued to develop our Asia Pacific Curriculum program, providing resources for Canadian teachers to infuse Asia and Asian Canadian history and experiences into their classroom teaching. And while our work and study abroad programs and our youth councils in Vancouver and Toronto were suspended this year due to travel restrictions, our youth cohorts continued to engage in virtual spaces to discuss the importance of the Asia opportunity and activities beyond the pandemic.

If there are any silver linings in a pandemic, for the Foundation, it was the ability to convene speakers and stakeholders from across the Asia Pacific in virtual settings. I am particularly proud of the high-value online events we hosted this year connecting friends and partners around the world with Asia's government, business, and cultural thought-leaders, and our Toronto team's ability to pivot two women's business missions to multi-lingual virtual conference settings for Canadian women entrepreneurs

interested in engaging with markets in South Korea and Taiwan.

Our other networking activities continued unabated this year, including our annual Asia Business Leaders Advisory Council convened virtually to discuss strengthened Canada-Asia engagement after COVID-19, and the APEC Business Advisory Council's digital symposium that we hosted to explore innovations aimed at helping re-open APEC economies and mitigate the impact of the pandemic.

Elsewhere this year, the Foundation expanded its institutional partnerships, seeking like-minded organizations working in similar spaces with complementary objectives. We formalized partnerships with the trade-focused Chile Pacific Foundation, India's IITM-Pravartak Technologies Foundation, Canada's Digital Technologies Supercluster, the New Zealand-based global Indigenous professionals' network, INDIGI-X, and the Korea Artificial Intelligence Ethics Association. In the fall, we held a series of workshops on regenerative agriculture with IITM Pravartak Foundation and DSI – a catalytic series of panel discussions on sustainability, emerging technologies, and big data that resulted in ongoing collaborations between innovators in Canada and India. These partnerships enable us to widen our networks, inform our research, and solidify our position as the primary resource for Canada-Asia research and policy advice.

Our APEC-Canada Growing Business Partnership, a jointly implemented, multi-year initiative by the Foundation, the APEC Secretariat, and funded by the Government of Canada to build the capacity of MSMEs in developing APEC economies, focused its energies this year on fellow APEC economy, Peru. The team delivered three research papers and published a survey of entrepreneurs in that country in August, hosting the well-received 'Scaling up MSMEs and Social Entrepreneurship in Peru: A Virtual Roundtable' in October in partnership with

the APEC Directorate at the Ministry of Foreign Affairs of Peru and Kunan Peru. The team will host a capstone conference next May and deliver a final report for the Government of Canada in the summer encapsulating its work with entrepreneurs and MSMEs in the project economies of Indonesia, the Philippines, Vietnam, and Peru.

As the fiscal year ended, we had established new research project partnerships with the Public Health Agency Canada and the Government of Vietnam, exploring Asia's pandemic experiences as lessons for Canada and the advantages of mutual engagement opportunities through the CPTPP, respectively.

While the future remains uncertain, we know that our next state is economic recovery in a post-pandemic world. This year, we have learned that no state can act alone to offset the high economic, political, security, and social costs that inevitably come from global disruption.

But we can be resilient. And as we look forward to economic and social recovery, the Asian region, with its economic dynamism, its disparate political institutions, its varying degrees of economic development, and its large, diverse populations, will be waiting for us to reach out, and engage.

[Press play to watch this video](#)



President & CEO,
Stewart Beck

01

THE YEAR IN REVIEW

Disruption and Resilience

2021 Summary Report

Business Development

APEC-Canada Growing
Business Partnership

Education & Youth

Highlights from Our Research
Verticals

Women-only Business
Missions

The Way Forward

Convening During COVID-19

DISRUPTION AND RESILIENCE

The coronavirus pandemic touched all our lives this year, disrupting the global order and economy, and upending our workplaces and established business plans. Beyond the tragic human toll, COVID-19 has had an injurious effect on globalization and our efforts to create a future of equitable and sustainable progress. Uncertainty and fear, fomented by the borderless health crisis, have created a backlash to globalization – from Europe to the Americas, and, indeed, across many economies of the Asia Pacific.

Faced with the realization that ‘business as usual’ was no longer a tenable option during this period of heightened global disruption, at the beginning of this fiscal year, APF Canada quickly realigned its research priorities and outcomes to begin tracking Asian states’ pandemic responses and experiences and translate them back to the Canadian context, particularly for Canadian policy-makers and business leaders.

More than any other Canadian institution, APF Canada – with its knowledgeable researchers and extensive Asian network – is uniquely positioned to monitor Asian pandemic-related outcomes with reference back to Canada’s ongoing public health challenges. While the Foundation continued its work in line with its 2020-25 Five-Year Strategic Plan and its 2020/21 Annual Work Plan, both appended to this report, this year it concurrently re-prioritized its research outputs and programming activities to support ongoing Canadian government efforts to mitigate the pandemic’s whole-of-society effects. This strategic ‘pivot’ not only demonstrated the Foundation’s continuing value as Canada’s premier Asian research centre but also its institutional resilience at a time of national emergency.

The Asia Pacific is, and will remain, the world’s most dynamic region in terms of economic growth and opportunity, security issues, political developments, climate change challenges, and demographic trends. As articulated in our Five-Year Strategic Plan, Canadian companies will benefit from the region’s growing economy with regard to trade, investment, and innovation. Our involvement in strategic issues will allow Canada to influence regional security and defence development and to show leadership through engagement. On environmental issues, Canada can demonstrate the value of our globally-leading technology in addressing issues like water treatment and clean transportation and lead discussions around climate change. Similarly, Canadian businesses and policy-makers can position themselves at the



forefront of the region’s care economy by proactively engaging with Asian industry to provide services to the region’s aging populations.

These trends and touchpoints continued to inform our work this year. The Foundation continued to leverage its research to support government and business in engaging more effectively with Asia Pacific countries and in Asia Pacific markets, provide the Canadian public with the ‘Asia competence’ needed to address the unique opportunities and challenges unfolding in the region, and to use our institutional expertise and diverse network to educate the next generation of Canadian Asia scholars and practitioners.

But the profound impact of the pandemic quickly infused every aspect of our work in the 2020-21 fiscal year, from our Asia Watch news intelligence service and ‘COVID Conversations’ dispatch series tracking the latest developments in Asia, to our new interactive story maps, research partnerships, opinion polls, and virtual events with high-value stakeholders from across the Asia Pacific.

What follows is an overview of the Asia Pacific Foundation of Canada’s programming, activities, and outputs for the 2020-2021 fiscal year, from April 1, 2020, to March 31, 2021, and our continuing efforts to support Canadian private and public sector stakeholders to take advantage of opportunities and to navigate potential obstacles for engagement in Asia while concurrently demonstrating our resilience in the face of disruption.

REALIGNMENT

APF Canada’s 2020-21 fiscal year fell within the ‘Refocus’ stage (2020-22) of the Foundation’s **2020-25 Five-Year Strategic Plan** to widen our engagement across multiple sectors and identify areas where the Foundation can have the greatest impact and lead Canada’s thinking on and engagement with the Asia Pacific. (Subsequent stages include ‘Strengthen’ (2022-23) and ‘Market’ (2024-25).) The ‘Refocus’ stage saw the Foundation move its research efforts last year into six new pillars built around thematic areas where APF Canada can add unique analytical value and ultimately generate marketable research: Business Asia, Engaging Asia, Perspectives Asia, Sustainable Asia, Strategic Asia, and Digital Asia. This year, each of these research pillars – along with the Foundation’s cross-cutting Education and Networks programs – was redirected in an all-of-organization effort to support the realignment of our priorities and outcomes to track and translate Asia’s pandemic responses and experiences.



Asia Watch

Central to the Foundation's COVID-19 'pivot' early this fiscal year was the redeployment of our twice-weekly **Asia Watch** newsletter to track Asian states' pandemic containment and mitigation efforts and translate them back to the Canadian experience continuing to cover non-COVID related news of importance for Canada in Asia. Written by our team of researchers and featuring unique, country-by-country analysis – and carrying promotional links to our latest reports, polls, dispatches, and events – Asia Watch was instrumental in positioning APF Canada as a central voice in Canada's dialogue around 'lessons learned' from other jurisdictions in the Asia Pacific.

Asia Watch quickly became the basis of our publication plan early in the fiscal, with issues warranting further evaluation informing the rapid mobilization of 1,000-word 'COVID Conversations' dispatches exploring Asian best practices, failed efforts, alternate models, and social tensions while drawing out policy, economic, and social implications for Canada. The success of these timely and relevant analysis pieces helped open the door to a series of conference calls between health officials in British Columbia and doctors and nurses from Central Hospital in Wuhan, China, that would inform our [Wuhan Dispatch](#) series early in the year exploring the challenges, best practices, and experiences from the front lines in the global war against COVID-19.

Parallel Efforts

In a parallel effort, APF Canada also introduced an interactive [COVID Asia Tracker](#) map that provided regularly updated, country-by-country analysis of Asia's policy responses to the pandemic and introduced COVID-related analysis into the Foundation's ongoing research efforts, including



the [Investment Monitor](#) that tracks two-way investment flows and trends between Canada and the economies of the Asia Pacific.

From May to September 2020, the Foundation's Perspectives Asia team collaborated with other research team members in Vancouver and Toronto to build a data-driven visualization project capturing the story of COVID-19 containment, mitigation, and strategies in the Asia Pacific. '**Mapping the Asia Pacific's COVID-19 Response**' was a geo-enabled visualization portraying the COVID-19 policy responses of 56 Asia Pacific jurisdictions, including their testing policies, domestic movement strategies, international travel restrictions, and policies on masks.

The data for this proprietary 'storymap' was sourced from government statements, statistical publications, and local media reporting beginning in March 2020, and provided a one-stop destination for information on COVID-19 strategies adopted across the Asia Pacific, capturing the best policy practices to inform Canadian policy-makers on a way forward in addressing the evolving crisis in Canada.

The project was officially launched at a public webinar event on July 8, 2020, with more than 100 attendees. The datasets were updated every month until September 2020, when the Canadian COVID-19 caseload started to decrease, and there were fewer observable changes in COVID-19 policies across the Asia Pacific. The storymap had over 1,900 pageviews by October 2020.

More importantly, the project was a prototype for the Foundation and provided the framework for other geo-enabled data visualization projects, including the '**Mapping School Re-Openings: Lessons Learned from Key Asian Economies.**' It was also instrumental in securing Public Health Agency of Canada funding later in the year for further policy analysis by APF Canada.

In realigning its research outputs and programming this year and shifting from longer reports to more timely, actionable analysis for government and business sectors, the Foundation ensured its relevance at a time of national crisis. Capitalizing on this momentum moving forward, APF Canada will prioritize political and business intelligence and risk products over its more traditional research offerings.

This effort aligns with the 'Refocus' phase of the Foundation's 2020-25 Five-Year Strategic Plan and its 2020/21 Annual Work Plan, wherein APF Canada will continue working to consolidate and refocus all efforts across research, education, and networking to align our activities with a set of strategic priorities with the highest impact, and lead Canada's thinking on and engagement with the Asia Pacific, the globe's most dynamic region in terms of economic growth and opportunity, political development, and social change.

BUSINESS DEVELOPMENT

The Foundation's focus on research, education, and networking in the Asia Pacific makes it Canada's preeminent institution for analysis on and interconnectivity within the region. As articulated in our current Five-Year Strategic Plan, the Foundation will continue to build on its reputation as the only Canadian think-tank dedicated to Asia Pacific affairs but also address gaps in knowledge about the Asia Pacific through the development of a new business model that provides meaning and value to stakeholders through the marketing of relevant products and services to support Canadian private and public sector stakeholders in taking advantage of opportunities and navigating potential obstacles for engagement in Asia.

To that end, this fiscal the Foundation consolidated its **Business Development** activities with the creation of a team tasked with optimizing funding possibilities, monetizing relevant and actionable research, and deepening engagement with both public and private sector partners. The team found its plans diverted by the demands of the pandemic. In what swiftly became the 'new normal,' the team – like many of the Foundation's public and private

Funded Projects Fiscal 2020-21

Project/Endeavour	Funding Body
ABAC Digital Symposium 2021	Global Affairs Canada
An Overview Study: COVID-19 Pandemic Implications on Food and Agriculture Trade in ASEAN Member States	Global Affairs Canada through the Canadian Trade and Investment Facility for Development
APEC-Canada Growing Business Partnership	Global Affairs Canada
Asia Pacific Curriculum Project	Province of British Columbia, Ministry of Education
Canada-India Digital Collaboration Workshop Series	Canada's Digital Technology Supercluster
Canada Korea Business Association International Business Development Strategic Plan	Canada Korea Business Association
Diversity and Inclusive Growth Strategy for Canadian Women Entrepreneurs in the Asia Pacific	Air Canada Federal Economic Development Agency of Southern Ontario Global Affairs Canada Government of South Korea
Investment Monitor	Alberta Hong Kong Office Export Development Canada Government of British Columbia Invest in Canada Toronto Global
Takehashi Project	Ministry of Foreign Affairs of Japan
Privacy, Big Data, and Staying Safe: Contact Tracing in South Korea (Webinar)	The Consulate General of the Republic of Korea in Vancouver
Raising Awareness of the CPTPP in Vietnam	Global Affairs Canada through the Export Deployment Mechanism for Trade and Development
Translating Asia Pacific COVID-19 Experiences for Canada	Public Health Agency of Canada
Virtual consultation on Ethical AI for participants in Canada and Asia	Mila (Institut Québécois d'Intelligence Artificielle)

sector supporters – had to revamp its funding and service priorities considering the new fiscal year reality and transform its engagement strategies to suit a now primarily digitally-enabled workplace.

However, despite these challenges, the Business Development team remained focused on its core objectives: securing sustainable funding for key research initiatives, identifying opportunities for growth, improving stakeholder relations, and expanding the reach and impact of all Foundation activities. The team was instrumental in expanding our suite of [Institutional Partners](#) to seven, including working relationships with the **Chile Pacific Foundation** and the **Korea Artificial Intelligence Ethics Association** that saw collaboration on research and virtual events this fiscal. The team engaged in smaller-scale informal stakeholder discussions to better tailor project funding to needs, including for the **Investment Monitor** and business surveys in Singapore and Indonesia, and explored seed funding opportunities for larger, longer-term initiatives, including the expansion of the Foundation's curriculum and business risk projects for national stakeholders.

Notably, the team helped secure a funded research project with the **Public Health Agency Canada** translating Asia Pacific COVID-19 experiences for Canada, and a custom research project through Cowater with the **Government of Vietnam** providing new research and toolkits to raise the awareness and understanding of the CPTPP amongst Vietnamese micro, small and medium enterprises. Both projects' deliverables will be completed next fiscal.

EDUCATION & YOUTH

The Foundation's long-term goal is to improve the 'Asia Competence' of Canadians so they are better informed and prepared to engage with the opportunities and challenges of the 'Asian Century,' which is now well underway. With the rise in uncertainty and fear as Canadians grappled with the source and relentless spread of the new coronavirus, including a parallel 'shadow pandemic' of anti-Asian racism that surfaced in Canada this year, the need to improve Canadians' understanding of the societies, cultures, and peoples of the Asia Pacific has perhaps never been more vital.

Curriculum Project

This year, APF Canada continued to develop its **Asia Pacific Curriculum** program that provides resources and workshops for Canadian teachers to infuse Asia and Asian Canadian history and experiences into classroom teaching. Our education team delivered a professional development workshop with the B.C. Social Studies Teachers Association on the early history of Asian migration to Canada, continued to revise and expand its existing teaching modules to better align with British Columbia's redesigned curriculum, and actively explored options for extending its work in B.C. while also expanding the program to other parts of Canada, working more closely with the many organizations that are active in K-12 education about Asian Canadian history and experiences. (See the **Asia Pacific Curriculum Project: Empowering Canadian Youth to Lead and Succeed in the 'Asian Century'** brochure addended to this report.)

Asia Connect

And while our **Asia Connect** internship program in Asia was put on pause this year due to the pandemic, our pillar staff have remained engaged with university and college students and young professionals on the importance of the Asia opportunity. This included webinars with two highly selective programs for young entrepreneurs – the **Cansbridge Fellowship Program** and **Venture for Canada** – as well as **AIESEC Canada’s Youth to Business Forum** and the **University of Alberta’s Strategic Management and Organization Club**.

Anti-Asian Racism Response

In summer 2020, the same team convened a series of focus groups with East Asian-identifying young adults – a mix of citizens, permanent residents, and international students and workers – for an in-depth conversation on Canadian society, diversity and multiculturalism, and **anti-Asian racism**. The focus group format allowed the team to gauge perspectives from the participants’ experiential knowledge of growing up and/or living in Canada. Participants discussed how they were experiencing the COVID-19-related rise in anti-Asian racism and hate, and the more endemic issues related to Asian stereotypes and bias. (The findings and recommendations emerging

from these conversations were captured in a new APF Canada report, *Where Do We Go From Here? East Asian Young Adults Talk About Multiculturalism and Anti-Asian Racism in Canada, and Recommendations for Building an Inclusive Future*, which will be published in May 2021.)

Kakehashi Project

Similarly, our **Japan-Canada Kakehashi Project**, a bilateral cultural and academic exchange with Japan and funded by that country’s Ministry of Foreign Affairs, was suspended due to the pandemic. Since its inception in 2013, the initiative has created learning opportunities annually for Canadian and Japanese youth and young Canadian professionals (1,100 participants to date) through curated international exchanges and has been a significant contributor to the Foundation’s work on developing Asia Competence. The Foundation is the sole administrator of the Japan-Canada Kakehashi Project and is responsible for all administration and in-Canada programming. To date, the Foundation has received an estimated C\$10 million from the Government of Japan for its work on the Project.

While in-person exchanges were postponed this year, since January 2021, the Foundation actively organized and co-organized virtual exchange events for Kakehashi Project alumni and future exchange participants. The first event, held in January, was a joint Japan/U.S./Canada undertaking that convened 125 alumni, including 25 Canadians. And once public health conditions in Canada and Japan allow, plans are in place to move forward with up to 12 delegations – comprising 114 Canadians and 44 Japanese – joining physical exchanges.

Now in its fifth year, APF Canada’s **Asia Pacific Youth Council (APYC)**, based in Vancouver, moved seamlessly online this year as health restrictions limiting social contact were implemented. The



Councils Global Careers team moved the ‘Asia Pacific Mentorship Program’ into the virtual world, convening mentors and mentees in two group sessions focused on business and entrepreneurship and public policy and international development. In May, the Business and Entrepreneurship team hosted its final (online) Talk to Me About Asia panel event, Women in Business. In September, the Arts and Culture team hosted a panel discussion with three young South Asian Canadian artists.

Another successful initiative this year was a three-day APF Canada Instagram takeover in February that focused on the importance of increasing education and Asia in primary and secondary schools, profiled some of Canada’s most inspiring internship and study abroad programs in Asia, and developed and shared a ‘tool kit’ of resources on combatting anti-Asian racism.

The Foundation’s 10-member **Toronto Asia Pacific Youth Council (TAPYC)** was also active this year in virtual spaces, delivering youth- and young professional-focused programming focused on opportunities for young Canadians in Asia. In November this year, TAPYC produced an impactful two-episode podcast series, ‘[Have your Say](#),’ featuring interviews with international students reflecting on their experience during the early months of COVID-19.

WOMEN-ONLY BUSINESS MISSIONS

While APF Canada’s women-only business missions to Asia were conceived and delivered initially as in-market opportunities supporting women entrepreneurs looking to access growth opportunities across the Asia Pacific, this year’s mission to **South Korea** was held in a virtual conference setting and to **Taiwan** in a virtual/in-person hybridized conference setting. The Foundation’s **Toronto Office** leads the Women-only Business Mission series (2019-23) with the generous support of the Government of Canada through its Women Entrepreneurship Strategy Ecosystem Fund.

The missions support the Government of Canada’s dual efforts to promote international trade diversification and advance women’s economic empowerment by encouraging Canadian women in business to consider expansion into Asia’s dynamic economies. Specifically, they enhance the domestic and international networks of Canadian women entrepreneurs in technology sectors, supporting their businesses to scale internationally in key Asia Pacific markets by working with destination-market partners to facilitate business-to-business matching.



Building on the success of the APF Canada-led, in-country mission to Japan in 2019, this fiscal year, our Toronto Office team provided delegates with Asian cultural and business competency training prior to the trade events and developed market intelligence tailored to the destination markets and the sectors relevant to the entrepreneurs. APF Canada also served as a convener of stakeholders, working with both private and Canadian government partners to deliver specialized trade information to support women entrepreneurs on their export journeys.



Focusing on the care economy, the South Korea mission (November 3-4, 2020) featured the same components as an in-person trade mission, including high-level speakers from Canada and South Korea, short pitches by mission delegates showcasing women-led Canadian innovation, and networking opportunities for attendees and delegates alike. Focusing on cleantech and digitization, the Taiwan mission (March 1-2, 2021) focused on improving the health of people and the environment by showcasing innovative industry solutions in sectors where both Canada and Taiwan have priorities.

The online format of both women-only business missions this fiscal year allowed the Foundation

to reach and connect a broader range of women entrepreneurs interested in exporting to Asian markets, regardless of where they were in Canada or their stage of export readiness. To date, the missions have attracted more than 1,000 participants, supported 59 Canadian delegates, and facilitated 160 B2B meetings.

Based on the success of this mission series, and the enthusiastic support of public and private sector stakeholders, APF Canada will establish an online networking platform next fiscal year that connects Canadian women entrepreneurs to opportunities for mentorship, dialogue, exchange of experiences, ideas, leads, and contacts. APF Canada is currently working with international partners to expand its business mission network into an international ecosystem of networking opportunities called CanWIN, the Canadian Women's International Network. The initiative is aligned with the Foundation's Five-Year Strategic Plan to widen its engagement across multiple sectors and provide valuable and impactful business intelligence that will help Canada and Canadians meet the challenges and seize the opportunities in the Asia Pacific.

CONVENING DURING COVID

This fiscal year, APF Canada also shifted its **convening work** to support its research around COVID developments in Asia. In a collaborative effort between our research, business development, events, and communications teams, the Foundation pivoted its events online, with the added advantage of being able to draw high-value speakers and guests from across the Asia Pacific to virtual activations, including 29 online webinars hosted by the Foundation this year, with nearly all touching on some aspect of pandemic response and recovery.

Women-only Business Mission Funders & Supporters

FUNDING PARTNERS

(2020-21 Only)

Federal Economic Development Agency of Southern Ontario (\$556,866)

Air Canada (\$10,000)

Government of South Korea (\$97,879)

Global Affairs Canada (\$6,612)

SUPPORTING ORGANIZATIONS

South Korea

Consulate General of South Korea in Toronto

Ewha Womans University

Hyundai Capital

Invest Korea

Korean Foundation for Women

Korea Trade-Investment Promotion Agency (KOTRA)

Korean Women Entrepreneur Association (KWEA)

Korean Women's Inventor's Association (KWIA)

Ministry of Economy and Finance

Ministry of Foreign Affairs

Ministry of Gender Equality and Family

Ministry of International Trade

NCSOFT

Synex Consulting

Women Corporate Directors Foundation, South Korea

World Smart Sustainable Cities Organization (WeGo)

Taiwan

Industrial Technology Research Institute (ITRI, Taiwan)

Ministry of Foreign Affairs

Taipei Economic and Cultural Office (TECO)

Office of Minister Audrey Tang, Minister without Portfolio

Taiwan External Trade Development Council (TAITRA)

Taiwan Institute of Economic Research (TIER)

Talents Taipei

Women on Boards (Taiwan)

Elsewhere in Asia

Invest Hong Kong

Canada

AmorChem Ventures

British Columbia Ministry of Jobs, Economic Recovery and Innovation

Business Development Bank of Canada (BDC)

Canada India Accelerator Program

Canadian Council for Aboriginal Business (CCAB)

Canadian Gay and Lesbian Chamber of Commerce (CGLCC)

Export Development Canada (EDC)

Global Affairs Canada, Trade Commissioner Service

Invest in Canada

Invest Ottawa

Montreal International

Northumberland Community Futures Development Corporation

Nova Scotia Business Inc.

Ontario Ministry of Economic Development, Job Creation and Trade (MEDJCT)

Toronto Regional Board of Trade (TRBOT)

Quebec Government Office in Seoul

Women's Enterprise Organizations of Canada (WEOC)

Asia Leaders Speaker Series

First convened in Toronto in 2013, the **Asia Leaders Speaker Series** (ALSS) comprises invitation-only events in which leaders from Asia, or Asia-engaged Canadian leaders, interact with a curated audience of Canadian peers and APF Canada stakeholders for discussions on timely issues in Canada's transpacific

2020-21 ALSS Events:

MAY 7

Economic Impacts of COVID-19 in Developing Asia and the Pacific: Policy Responses and Risks to Recovery with Dr. Yasuyuki Sawada, Chief Economist, Asian Development Bank.

MAY 13

Economic Impacts of COVID-19: Lessons Learned from South Korea's Response with Dr. Choi Byung-il, Professor and former Dean, Graduate School of International Studies, Ewha Womans University, Professor Emeritus, Korea International Economic Association, and former President & CEO, Korea Economic Research Institute; and, Dr. Kwon Soonman, Professor and former Dean of the School of Public Health, Seoul National University, President of the Korean Health Economic Association, and former President of the Korean Society of Gerontology. The event was moderated by Dr. Yoon Songyee, President and CEO of NCSOFT and CEO, NCWest and Chair, ABLAC 2020.

MAY 26

Leveraging Technology and Citizen Participation to Limit COVID-19's Spread in Taiwan: Approaches and Lessons with Audrey Tang, Taiwan's Digital Minister.

relations. During this pandemic year, the Foundation delivered eight ALSS events in a virtual format, with some events led by our team in Toronto and others led by our team in Vancouver. This year's ALSS events drew 1,100 registrants from Canada and Asia, including China, Japan, South Korea, Vietnam, India, Hong Kong, Indonesia, Philippines, Singapore, Brunei, Taiwan, Malaysia, and Myanmar.

JUNE 2

The Economic Impact of the Economic Crisis in Canada with Goldy Hyder, President and Chief Executive Officer, Business Council of Canada, and ABLAC 2021 Vice-Chair; and, Mark Wiseman, Global Investment Manager & Senior Advisor, Hillhouse Capital, and ABLAC member representing Canada.

JUNE 10

Navigating the China Market post-COVID-19 with J. Michael Evans, President, Alibaba Group.

JULY 2

Vietnam's Post-Pandemic Economic Acceleration with Dr. Cong Phan, Chairman of UniBrands Corporation, Saigon Foods, and Wakamono Group, and ABLAC member representing Vietnam.

JULY 15

India-China Relations: A Contemporary Paradigm featuring Sujana R. Chinoy, Director General, Manohar Parrikar Institute for Defence Studies and Analyses in New Delhi, India.

JANUARY 27

The Digitalization of Supply Chains: Singapore and Beyond with Kenny Lam, CEO, Two Sigma Pacific and ABLAC member representing China; and, Chin Hwee Tan, Chief Executive Officer, Asia-Pacific, Trafigura, and ABLAC member representing Singapore.

Through the ALSS, our Toronto Office will continue to support APF Canada priorities and signature initiatives – including the Canadian Women-only Business Mission to Asia series – by developing and executing high-level online events for curated audiences and growing the Foundation's stakeholder and partnership base within relevant ecosystems. This programming initiative will return to in-person activations as public health restrictions allow.

Emboldening Our Networks

During this fiscal year, and in alignment with our 5-Year Strategic Plan, 2020-21 Annual Work Plan and pandemic realignment strategy, APF Canada renewed its commitment to emboldening and better leveraging its transpacific networks and institutional partnerships, including its **Distinguished Fellows**, **Asia Businesses Leaders Advisory Council**, designated **APEC networks**, and **like-minded organizations** across the region to solidify its position as Canada's leading research centre working on Asia Pacific affairs and further develop and promote its research agenda, products, and brand.

In seeking like-minded organizations working in similar spaces with complementary objectives, this fiscal year, the Foundation formalized partnerships with the trade-focused **Chile Pacific Foundation**, a joint MoU with **IITM-Pravartak Technologies Foundation + Canada's Digital Technologies Supercluster**, the global Indigenous professionals' network, **INDIGI-X**, and the **Korea Artificial Intelligence Ethics Association**. These partnerships enabled us to widen our networks, inform our research, and establish ourselves as the primary resource for Canada-Asia research and policy advice.

Distinguished Fellows

Per the Foundation's pandemic realignment strategy, this year, APF Canada engaged its networks and partnerships to identify individuals who could provide unique, 'Asian'-focused insights into the impacts COVID has on Canada's ongoing business and government activities in the Asia Pacific. In April, the Foundation convened a virtual meeting of its 2021-23 cohort of Distinguished Fellows. Selected for their demonstrated contributions to Canada-Asia relations in scholarship, public policy, business, diplomacy, arts and culture, and civil society, these Fellows provide valuable insight and guidance to the Foundation's work.

This year's annual meeting was convened virtually to provide an update on the Foundations' research on COVID-19 and future related activities, but more importantly, to solicit the views and engagement of Fellows on COVID-19's impact on Canada-Asia relations. Key points of discussion included the need for a long-term analysis of some of the big picture strategic issues resulting from the pandemic, the potential role of the Foundation in providing insight and deeper analysis for business response to COVID-19 rather than pure policy comparisons, and the lessons the unfolding of Asia's economic recovery could have for Canada.

ABAC Digital Symposium 2021

APF Canada serves as the secretariat for Canada's **APEC Business Advisory Council (ABAC)** members, providing research, analysis, and administrative support. This private-sector body presents recommendations to APEC Leaders in an annual dialogue and advises APEC officials on business sector priorities and concerns. This fiscal year, the Foundation was honoured to host the **ABAC Digital Symposium 2021**, a three-day virtual symposium

held on March 9-11, 2021, and sponsored by Global Affairs Canada with organizational support from the **Toronto Region Board of Trade**. Under the overall theme of ‘*Accessing Innovation to Re-Open APEC Trade & Markets*,’ the Symposium convened four high-level APEC ministers at the opening ministerial panel. It also featured four digitally focused sub-themes providing opportunities for selected companies from APEC economies to present their innovations aimed at helping re-open APEC economies more fully and mitigate the impact of the pandemic. The sub-themes were:

- Re-opening Global Business Travel
- Digital Transformation of Micro, Small and Medium Enterprises (MSMEs)
- Digitizing Trade and Supply Chain Finance
- Funding Sustainable Infrastructure Projects

The Symposium convened government and private sector participants from 21 APEC economies and showcased innovative companies with solutions that will enable APEC economies to re-open more fully with COVID in our midst. It also fostered discussions on the enabling conditions and government policies needed for effective deployment of these innovations on a harmonized basis to create a “trusted trade” environment within APEC and, importantly, acted as a catalyst for piloting and procuring solutions across interested APEC economies while expanding the profile of APF Canada/ABAC Canada in the region.

ABLAC 2021

Following the postponement of the **Asia Business Leaders Advisory Council (ABLAC)** meeting in Tokyo in 2020 due to the COVID-19 pandemic, the Council held its fifth annual meeting in a virtual setting on April 7-8, 2021. While this marquee APF

ABAC Digital Symposium 2021, By the Numbers:

502

Total registrants

359

Guests (governments, private sector, research and academia, financial institutions)

114

ABAC members and staffers

25

Speakers and moderators

4

Media engagements

1,299

Website visits

3,323

Website pageviews

867

Social media engagements

31,500

Social media impressions

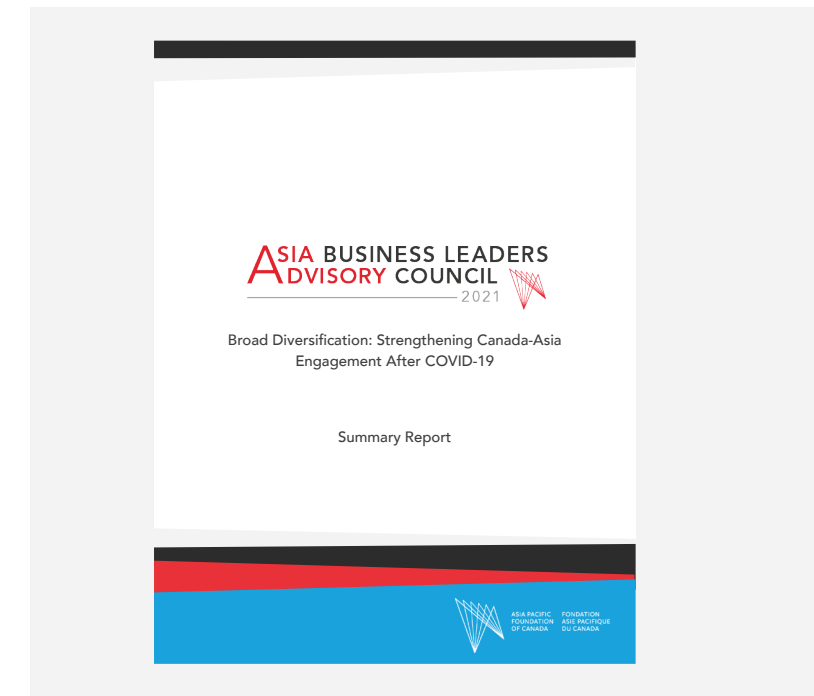
161

Direct connections established via speaker booths

Canada event occurred shortly after the end of this fiscal year, preparations began mid-way through the year. More than 150 ABLAC members and invited guests convened virtually over the two-day meeting to discuss a number of timely issues related to the overarching meeting theme, ‘**Broad Diversification – Strengthening Canada-Asia Engagement after COVID-19.**’

The key takeaway echoed throughout the ABLAC 2021 meeting, held under Chatham House Rule, was that engagement with Asia is as important as ever and will be crucial for Canada’s own post-COVID economic recovery. It was further determined that various sub-regions within the broader Asia Pacific region will each face their own challenges and present unique opportunities. The Opening Plenary Session included pre-recorded video remarks from **The Honourable Mary Ng**, Minister of Small Business, Export Promotion and International Trade, Canada, and **The Honourable Seamus O’Regan**, Minister of Natural Resources, Canada. **Dr. Jeffrey Reeves**, the Foundation’s Vice-President, Research & Strategy, closed the session by providing a “state of the region” overview of the primary political, economic, security, environmental, and technology trends in the Asia Pacific and highlighted some challenges and opportunities for Canada to engage with the region.

ABLAC Members and special guests were invited to engage in three smaller, dedicated panel discussions addressing different regional topics of importance to Canada, including opportunities for digital collaboration with Southeast Asia; opportunities related to the environment and carbon commitments in Northeast Asia; and, the growing importance of trade and investment with South Asia in Canada’s broad diversification efforts. The objective of these sessions was to examine how Canada can excel in engagement with specific regions of interest in Asia and generate recommendations for presentation



at the Closing Plenary and the [ABLAC 2021 Summary Report](#).

All participants convened virtually for the Closing Plenary Session and a pre-recorded address to the Council by **The Honourable Marc Garneau**, Minister of Foreign Affairs Canada. The address was followed by an engaging keynote address by **Mark Carney**, Vice-Chair and Head of ESG and Impact Fund Investing, Brookfield Asset Management; Former Governor of the Bank of England; and, Former Governor of the Bank of Canada. **Ambassador Dominic Barton**, ABLAC Honorary Chair and Ambassador of Canada to China, joined Mr. Carney following the keynote address to moderate a lively virtual fireside chat.

ABLAC 2021 was supported in part by the following organizations, who were incredibly understanding regarding the meeting’s postponement and pivot to a virtual space: **Air Canada, the Business Council of Canada, Caisse de dépôt et placement du Québec, CPP Investments, Export Development Canada, Invest in Canada, and Sun Life Financial.**

APEC-CANADA GROWING BUSINESS PARTNERSHIP

The Foundation's multi-year [APEC-Canada Growing Business Partnership](#), established in 2015, is a jointly implemented initiative by APF Canada and the Asia-Pacific Economic Cooperation (APEC) Secretariat and funded through a contribution agreement with the **Government of Canada**. It has brought applied research, training, and toolkits to bear on increasing global market access for micro, small and medium enterprises (MSMEs) to help stimulate economic growth and reduce poverty in the APEC region. The Partnership's focus economies include **Indonesia, Peru, the Philippines, and Vietnam**, where activities were conducted under the respective thematic areas of Human Capital, Social Entrepreneurship, Market Access, and Technology and Innovation.



This fiscal year the Partnership focused its efforts on Peru, delivering three research papers on social entrepreneurship:

1. **Financiamiento Para el Emprendimiento Social en el Perú** (Financing for Social Enterprises in Peru)
2. **Consideraciones para las Economías Mineras de APEC: Las Micro, Pequeñas y Medianas Empresas (Mipymes) y el Emprendimiento Social en el Contexto del Perú** (Consideration for APEC Mining Economies: MSMEs and Social Entrepreneurship in the Context of Peru)
3. **El Panorama Existente del Emprendimiento Social en el Perú** (The Existing Landscape of Social Entrepreneurship in Peru)

The *2020 Survey of Entrepreneurs and MSMEs in Peru* was completed and published in August 2020 and examines the experiences of Peruvian entrepreneurs and MSMEs in Peru's entrepreneurial landscape. On October 14, 2020, the Partnership hosted a virtual launch event, **Scaling Up MSMEs and Social Entrepreneurship in Peru: A Virtual Roundtable**. The event, in partnership with the APEC Directorate at the Ministry of Foreign Affairs of Peru and Kusan Peru, discussed the national survey results and the three research papers.

Opening remarks were given by **Minister Jose Bustinza**, the Director of APEC and Specialized Fora and the APEC SOM at the Ministry of Foreign Affairs of Peru, with closing remarks by **Sebastian Ugarte**, a Senior Advisor at the Embassy of Canada to Peru, and **F.S. Sergio Zapata Huaman**, Deputy Director of ECOTECH in the APEC Directorate at the Ministry of Foreign Affairs. To date, the APEC-Canada Growing Business Partnership has published 17 research papers with evidence-driven insights

from the APEC region (Indonesia, Peru, Philippines and Vietnam), hosted 11 in-economy and virtual events with more than 1,000 attendees equipped with the knowledge to help their businesses grow sustainably, and activated one successful mentorship program for women entrepreneurs, with 60 women entrepreneurs mentored in collaboration with the Cherie Blair Foundation for Women.

HIGHLIGHTS FROM OUR RESEARCH VERTICALS

Business Asia

This fiscal year, APF Canada's Business Asia team continued to grow and build on its two main lines of analysis: one focusing on investment through the **Investment Monitor** and a second focusing on trade through the Trade Tracker series. In light of the COVID-19 pandemic and the strained U.S.-Canada-China relationship, the team focused much of its work on the global trade of medical goods, economic stimulus packages in the Asia Pacific, and the launch of a new research initiative – the **R&D Tracker**, aimed at deepening our understanding of Canada's R&D connections with Asia and their effects in Canada.

The **Investment Monitor** is a database and research initiative that, to date, has catalogued and analyzed 3,457 deals worth C\$411 billion. It provides city-level granularity on Canada's two-way direct investment relationship with 26 economies in the Asia Pacific and represents real economic impacts across communities in Canada. Specifically, Asia Pacific-based companies have built or integrated with companies in more than 195 Canadian cities.



Findings from the Investment Monitor alert investment promotion agencies across Canada to emerging trends and investors and benchmark Canada's Asia Pacific investment attraction performance. Analysis from the pillar's investment research is used for our in-house research and publications and by the media, with plans in the final 'Market' stage of our Five-Year Strategic plan to roll out certain levels of data and data sets through a paid subscription model.

Business Asia's **Trade Tracker** series, meanwhile, encompasses a series of products and research reports related to the flow of goods and services between Canada and Asia with a focus on Canada's two in-force free trade agreements in Asia: the Comprehensive and Progressive Agreement for Trans-Pacific Partnership and the Canada-Korea Free Trade Agreement. The goal is to help Canadian businesses understand and take advantage of FTAs at a sectoral and country-level.

In June, Business Asia launched an online dispatch series on how COVID-19 is impacting direct investment flows between Canada and Asia, which

resulted in media articles in the *National Post* (“[As geopolitical tensions rise, Chinese investment into Canada continues to fall, data show](#)”) and *Business in Vancouver* (“[COVID-19 pandemic puts big dent into Canada's inbound FDI from Asia-Pacific](#)”). In the fall, the team created the [CPTPP Product Competitiveness Tracker](#) and next fiscal Business Asia will continue rolling out quick-response products that address data and knowledge gaps in the Canada-Asia trade relationship, including the R&D Tracker.

Business Asia’s **R&D Tracker** initiative is currently poised to create data Canadian government, academic, and business stakeholders need to make informed decisions about the Canada-China R&D relationship. Innovation requires traversing physical borders, and Canadian researchers must foster and grow collaborations with international partners. At the same time, these international collaborations can unwittingly open the door to the technological transfer of sensitive or dual-use Canadian assets, with implications for Canada’s innovation ecosystem and international standing. This new initiative will raise awareness and guide the development of policy around managing the Canada-China R&D relationship.

Perspectives Asia

The Perspectives Asia team conducted three significant polls this year: our continuing longitudinal [2020 National Opinion Poll: Canadian Views on Asia](#) (November 25, 2020), a poll on [Taiwanese Public Opinion on Foreign Policy and National Security](#), (October 1, 2020), and a survey of [Asian Views on Economic Engagement with Canada](#) (December 1, 2020). These last two surveys assessed views from Asia that impact Canada, particularly in the context of the ongoing global pandemic, and details of the findings of all this year’s polls are featured in the ‘Our Impact’ section of this report.



By the end of this fiscal year, the Perspectives Asia team was conceptualizing two short thematic National Opinion Polls to explore Canadian opinions on important and current issues impacting our foreign policy approaches and relations with Asia. And with a second poll on Asian views on economic engagement with Canada planned for next year, the team will focus on two Southeast Asian economies – Indonesia and Singapore – to gather business and thought-leaders’ perspectives on pathways to enhanced engagement with these dynamic markets.

Strategic Asia

As articulated in the Foundation’s Five-Year Strategic Plan, examining strategic and security-related events and trends in the Asia Pacific will allow Canada to influence regional security and defence development and show leadership through engagement. Refocusing our efforts to include research, collaboration, and dialogue in this space spurred the creation of the Foundation’s Strategic

Asia research vertical. This fiscal year’s seminal output was the policy brief, [Canada and the Indo-Pacific: Diverse and Inclusive, not Free and Open](#).

Penned by our Vice-President, Research and Strategy, Dr. Jeff Reeves, and released in September 2020, this policy brief captured the major takeaways from an APF Canada-hosted conference in Vancouver the previous year. The ‘FOIP Conference’ convened experts from Canada, the U.S., Europe, and from across Asia to discuss issues around FOIP’s governance, economics, and security pillars and FOIP’s applicability to Canada. Jeff’s policy brief outlines what have essentially become two competing Indo-Pacific and FOIP visions, a proponent state vision based on a ‘free’ and ‘open’ Indo-Pacific and an alternative adapter state vision based on ‘diversification,’ ‘inclusion,’ and ‘stability.’ The paper argues for Canada to align its position to the adapter state vision.

APF Canada’s research team will expand its work in the strategic space in the next year and is currently

developing a business risk tool building on APF Canada’s proprietary databases, as well as various other datasets, to provide its users with a multi-sectoral risk assessment tool specifically designed for Canadian actors involved in the Asia Pacific region.

Digital Asia

Building on a series of successful international webinars and publications last year around digitization and artificial intelligence, the Digital Asia team continued this fiscal year to develop the internal capacity for the Foundation to engage with issues on digital innovation and relevant policies in Asia (especially Southeast Asia). This was demonstrated not only in major, externally funded projects such as the [Canada-India Digital Collaboration Workshop Series](#), the [Privacy, Big Data, and Staying Safe: Contact Tracing in South Korea](#) webinar, and the [Virtual Consultation on Ethical AI for Participants in Canada and Asia](#), but also in the timely dispatches and contributions to the larger research team on the topic of digital.

As the fiscal year ended, the Digital Asia team was working on a number of projects on AI applications and digital innovation, including reports for ABAC, Policy Horizons Canada, and the Public Health Agency of Canada.

Engaging Asia

While last year the Foundation’s Engaging Asia team focused its work and efforts around sister city and subnational relationship building between Canada and the Asia Pacific, this year, the team turned its attention to transpacific Indigenous engagement. In December, the team wrote and released a major report, [International Trade Inclusivity: The CPTPP and Indigenous International Trade and Investment](#) exploring Indigenous rights and

inclusivity vis-à-vis the CPTPP, and in February, the team was instrumental in expanding our Institutional Partners with the signing of an MOU with INDIGI-X, a joint Canada-New Zealand initiative supporting exchanges among Indigenous professionals. This program is also supported by governments in both countries.

In March, Engaging Asia Senior Program Manager Dr. Scott Harrison was an invited speaker and moderator at an international speaker series (hosted in Japan) on **Pan-Pacific Indigenous Issues among Japan, Canada, New Zealand, and Australia**, and later that month organized a virtual talk in partnership with Simon Fraser University on **Invisible Indigenous Descendants in Hokkaido, Japan**. That engagement drew 190 registrants from Canada, Japan, Italy, Russia, South Korea, the U.S., Canada, Japan, Russia, South Korea, the Philippines, Taiwan, and France.



Sustainable Asia

In October 2020, the Foundation was invited by the **Association of Southeast Asian Nations (ASEAN)** and the **Canadian Trade and Investment Facility for Development (CTIF)** to examine the impacts of the unfolding COVID-19 pandemic on ASEAN's agri-food sector. The Sustainable Asia team was tasked with assessing and discussing ways and means of limiting the pandemic's adverse impacts on food security and disruptions to trade and agri-food value chains within the ASEAN region. The project, funded by **Global Affairs Canada, CTIF, and Cowater International**, was initiated to better inform senior and technical officials at the national and ASEAN-wide level of the ramifications of different policy and regulatory choices with regard to containing the pandemic and mitigating its adverse consequences on the economy, agri-food sector, and society.

The project's outputs included the study's [main report](#) detailing disruptions, challenges, and recommended policy actions in response to the pandemic; a case study of the pandemic's impacts on the livestock sub-sector; a presentation and a short video summarizing key findings and policy actions; and, a validation workshop with 42 participants from 40 Working Groups under the Senior Officials Meeting/ASEAN Ministers on Agriculture and Forestry (SOM-AMAF) structure across crops, livestock, fisheries, and forestry sub-sectors.

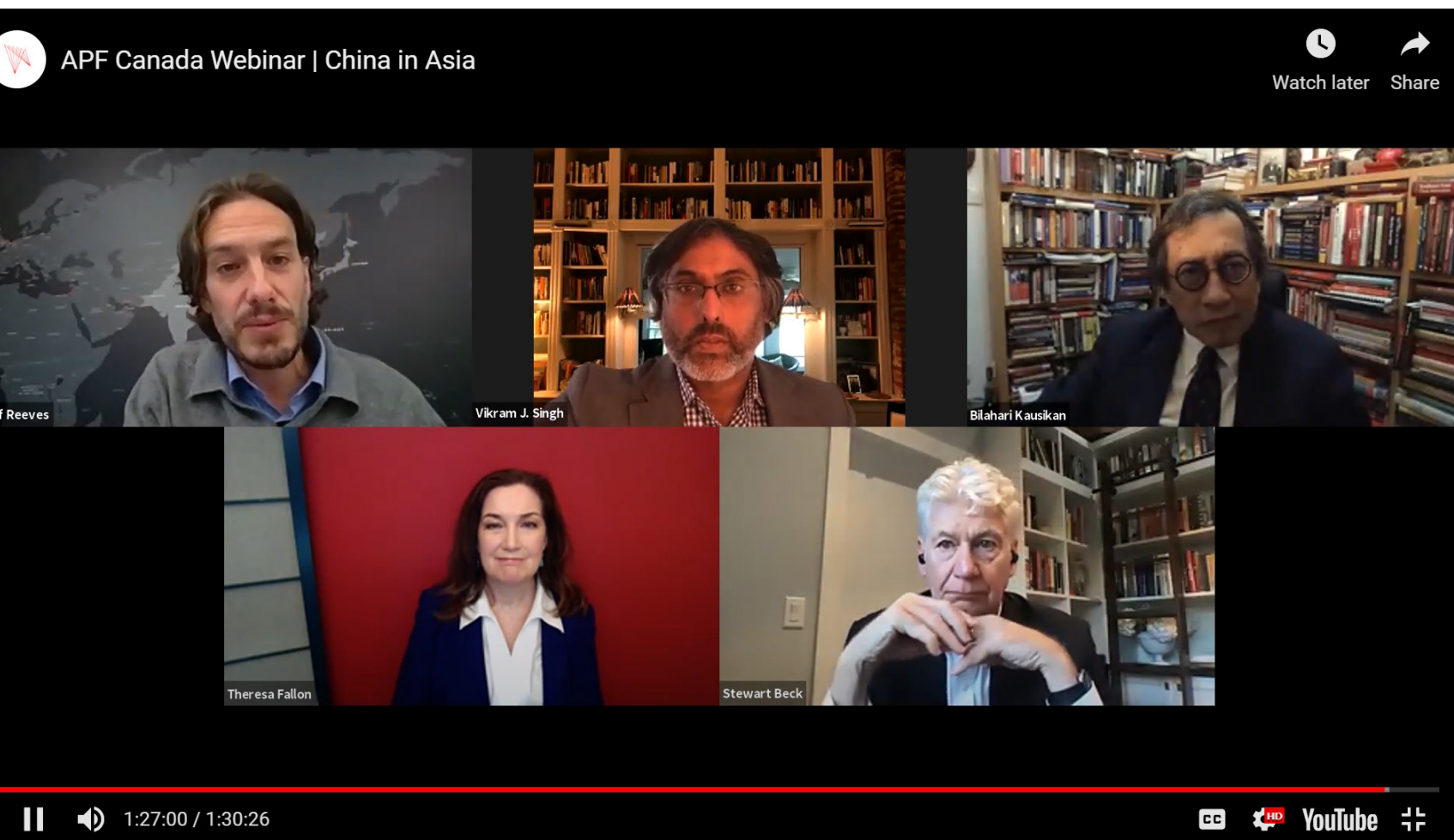
Note: Supplementary Annexes for this Annual Report are located on the Asia Pacific Foundation of Canada's website.



THE WAY FORWARD

As the Foundation looks to the coming year and a gradual return to social norms and economic recovery in a post-pandemic world, we anticipate a return to the guiding path outlined in our **Five-Year Strategic Plan** and **The Asia-Pacific Foundation of Canada Act**, namely to strengthen our position as Canada's leading research centre working on Asia Pacific affairs and support Canadian private and public sector stakeholders to take advantage of opportunities and to navigate potential obstacles for engagement in Asia – the globe's most dynamic region with regard to economic growth and opportunity, security issues, political developments, environmental and climate change challenges, and demographic trends.

While the future beyond the pandemic remains uncertain, we have learned this fiscal year that no state can act alone to offset the high economic, political, security, and social costs that inevitably come from global disruption. Indeed, our all-of-organization 'realignment' to track and analyze Asian responses to COVID-19 and translate them back to the Canadian experience has demonstrated that Canada is part of an international community intrinsically connected to Asia, the world's new centre of gravity, through global supply chains, trade and investment flows, innovation, and our deep people-to-people ties. Through these same efforts, it is also our belief that we have successfully demonstrated our institutional resilience at a time of national emergency and positioned the Foundation



as a central voice in Canada’s dialogue around policy ‘lessons learned’ from Asian disparate responses to the pandemic – some successful, some lacking.

As the international headlines tell us, we are not yet out of the woods where COVID-19 is concerned. New outbreaks surge, new variants emerge, new lockdowns and other restrictive measures return. The Foundation will continue to support government efforts as we move forward, including through our funded research project for the **Public Health Agency of Canada** translating Asia Pacific COVID-19 experiences for Canada and our **Business Risk Project** collating layers of data in a multi-sectoral risk assessment tool for Canadian actors involved in the Asia Pacific region, two project focus-areas in the 2021-2022 fiscal year ahead.

Furthermore, as outlined in the Foundation’s Five-Year Strategic Plan, over the next five years, APF Canada will continue to solidify its position as Canada’s leading research centre working on Asia Pacific affairs, leveraging its research to support Canadian governments and businesses in engaging more effectively with Asia Pacific countries and in Asia Pacific markets while providing the Canadian public with the knowledge needed to address the unique opportunities and challenges unfolding in the region. The Foundation will further use its institutional expertise and diverse network to continue to educate the next generation of Canadian Asia scholars and practitioners.

Our current President and CEO, Stewart Beck, who has led the organization for the past seven years, will

retire on August 10, 2021. He will be replaced by [Jeff Nankivell](#), who joins the Foundation in September. APF Canada remains committed to the vision writ large in our Five-Year Strategic Plan and will continue to deliver action-driven research and outputs that have added value to leaders in government, business, academia, and society on both sides of the Canada-Asia relationship.

Next year, the Foundation will begin to transition from the current ‘Refocus’ stage (2020-22) to the ‘Strengthen’ stage (2022-23) of that Plan, moving from a state of adjustment to one of consolidating our most valuable research, education, and networking efforts for the greatest impact in Canada and Asia. This will include:

- Further developing diverse, action-driven research products within each of our research pillars.
- Strengthening our education program to expand our curriculum project piloted in British Columbia to Canada’s other provinces, such as Saskatchewan, Ontario, and Nova Scotia.
- Strengthening our network efforts to include taking on additional secretariat responsibilities, such as The Council for Security Cooperation in the Asia Pacific (CSCAP).
- Deepening our partnerships through APEC channels with APEC Study Centres across the Pacific to influence global stakeholders through engagement and secure funding through international channels.

As articulated in the ‘**Market**’ stage (2024-2025) of our Five-Year Strategic Plan, our ultimate goal is to provide the kind of high-level intelligence and evidence-based analysis needed to develop Canada’s potential leading role in the region. And to address

gaps in knowledge about the Asia Pacific through a refined business model that provides meaning and value to stakeholders through the marketing of relevant products and services.

Today, as we move from pandemic response to sustainable recovery, there is an urgent need for action and a deeper understanding around Canada’s interests in the Asia Pacific, which, regardless of COVID-19, is still on track to account for 50 per cent of global GDP, 40 per cent of the world’s consumption, and 57 per cent of the worldwide population by 2040.

In the year ahead, as resilience counters disruption, the Foundation will seek to identify areas where it can have the greatest impact and continue to lead Canada’s thinking on and engagement with this dynamic region.

02

OUR IMPACT

While APF Canada continued to work in line with its Five-Year Strategic Plan and its 2020/21 Annual Work Plan this fiscal, pandemic conditions necessitated a realignment of our research priorities, publications, and events to track and translate Asian states' pandemic responses and experiences and translate them back to the Canadian context.

Demonstrating our institutional value as Canada's premier Asian research centre to

government, business, the Canadian public, and other stakeholders through the height of the COVID crisis, we continued to engage with our audiences through our branded channels, aligning our activities within a set of strategic priorities with the highest impact.

Through our website publications, Asia Watch news intelligence service, network channels, event activations, robust subscriber lists, and popular social media

platforms such as Twitter, Facebook, YouTube, and Instagram, the Foundation remained committed this fiscal to providing Canadians with the knowledge needed to address the unique opportunities and challenges unfolding in the region and to educate the next generation of Canadian Asia scholars and practitioners, particularly in the context of pandemic response and recovery.

The Foundation measures its success against its

ability to deliver timely, relevant, and proprietary reports, projects, and events on Canada-Asia relations and successfully engage with Canadians (particularly young Canadians) through the modes of delivery and dissemination where they increasingly seek information and analysis – namely digital and social media.

The success of our programming outputs this year is highlighted throughout Section

1 of this report. The Foundation also tracks and assesses its success in terms of measurable key performance indicators (KPIs), including audience engagement levels across our editorial content and event activations, increases in our online and social media users and followers, and the number of contributions we make to Canadian and international media, both as authors and commentators. Section 2 of this report includes these KPIs, demonstrating

our impact and resilience as Canada's leading organization for research, analysis, and consultation on Canada-Asia relations during this time of global disruption.

TOP 10 MOST VIEWED DISPATCHES

(PAGEVIEWS)



01



20,842 PAGEVIEWS

[How Vietnam is Winning its War Against COVID-19](#)

Published: April 6, 2020

02



18,844 PAGEVIEWS

[The Secret to Taiwan's Successful COVID Response](#)

Published: May 8, 2020

03

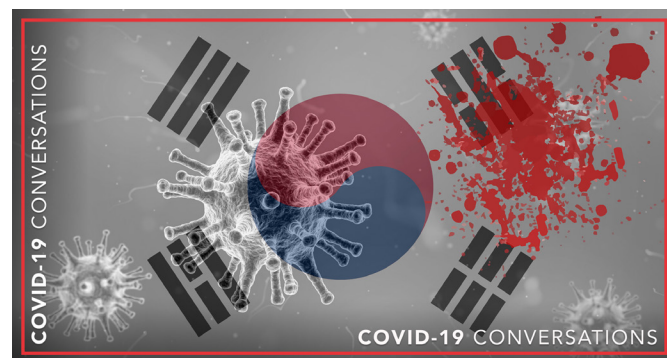


17,275 PAGEVIEWS

[Stranded in India: Repatriation Efforts Underway for Canadians Trapped in World's Largest Lockdown](#)

Published: April 9, 2020

04



5,874 PAGEVIEWS

[The Story Behind South Korea's 'Aggressive' COVID-19 Testing](#)

Published: April 7, 2020

05



5,548 PAGEVIEWS

[Mongolia's Effective 'Analogue' Approach to COVID-19 Containment](#)

Published: April 20, 2020

06



4,465 PAGEVIEWS

[Mongolia's Challenges in Returning Nationals Stranded Abroad During COVID-19](#)

Published: May 5, 2020

07



4,405 PAGEVIEWS

[The Impact of COVID-19 on Remittance-Dependent Economies](#)

Published: April 24, 2020

08



4,052 PAGEVIEWS

[2020 National Opinion Poll: Canadian Views on Asia](#)

Published: November 25, 2020

09



4,003 PAGEVIEWS

[South Korea's 'New Deal': An Example for Post-COVID Economic Recovery](#)

Published: June 3, 2020

10



2,999 PAGEVIEWS

[Canada and the Indo-Pacific: An Asia Pacific Foundation of Canada Policy Paper](#)

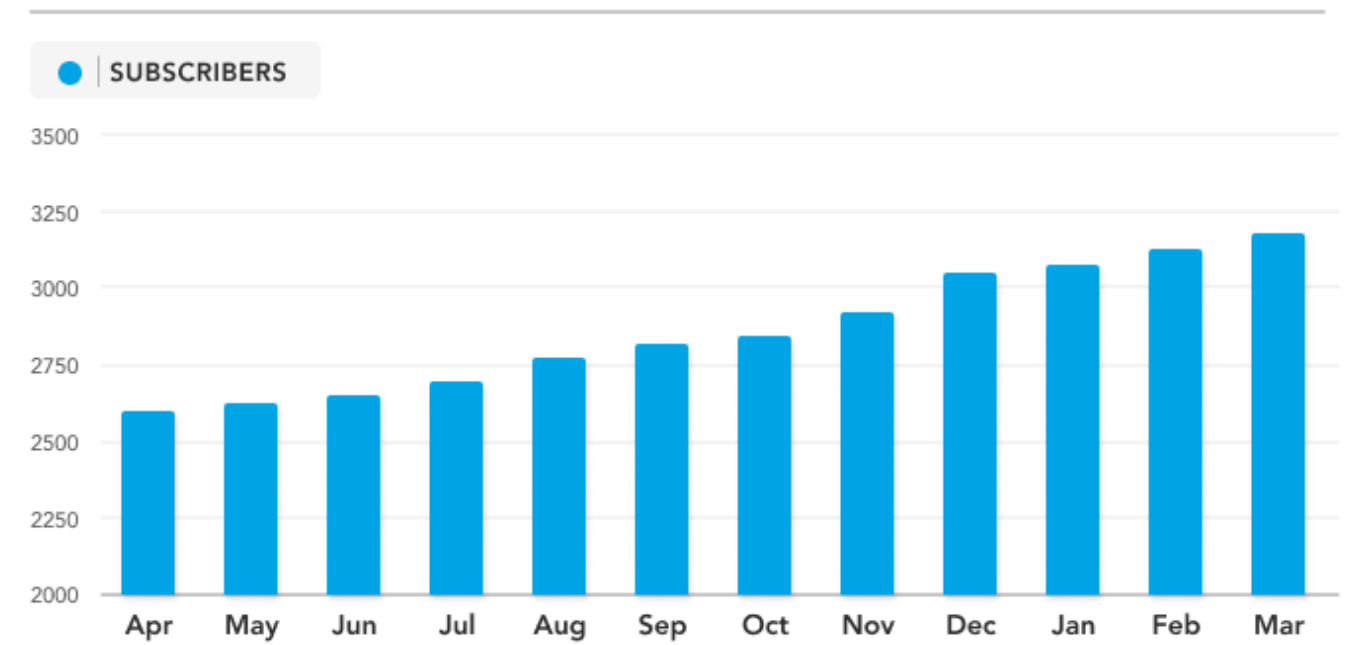
Published: September 22, 2020

KEY NUMBERS



ASIA WATCH

Asia Watch Growth in Subscribers



Central to APF Canada's COVID-19 'pivot' this fiscal, and our shift from longer reports to more timely, actionable outputs designed to inform the public and policy-makers at this time of national emergency, our twice-weekly Asia Watch newsletter tracked Asian states' pandemic containment and mitigation efforts and translated them back to the Canadian experience.

Featuring unique, country-by-country analysis and carrying promotional links to our latest reports, polls, dispatches, and events, Asia Watch was instrumental in positioning APF Canada as a central voice in Canada's dialogue around 'lessons learned' from other jurisdictions in the Asia Pacific.

At the beginning of the year, this propriety content was captured in the interactive [COVID Asia Tracker map](#) that provided regularly updated, country-by-country analysis of Asia's policy responses to the pandemic. As the pandemic wore on, Asia Watch transitioned to include regular analysis of the latest news, trends, and issues in Asia that matter to Canada.

With the inclusion of a new subscription pop-up on our website homepage, an ongoing social media campaign, and subscriber outreach through our online events, our Asia Watch subscriber base grew by 23 per cent this fiscal, with 3,180 subscribers receiving the newsletter in their inbox every Tuesday and Thursday by the end of the year.

DIGITAL PRESENCE



Each year, the work APF Canada produces remains relevant and topical while having real and applicable added value to businesses, academia, media, and policy-makers at every level of Canadian government. As we continue to grow our presence in the digital space, we strive to effectively engage with our audiences through a number of branded channels, including our website and social media platforms.

By promoting the Foundation's proprietary research and activities through Twitter, Facebook, LinkedIn, Instagram, and YouTube, and by strategically engaging partners, decision-makers and like-minded audiences in these spaces, we are able to facilitate an exchange of information and ideas that enriches the Canadian conversation on Asia. This year, in

particular, that conversation revolved around COVID-19 response and recovery, with our editorial content related to Asia's mitigation of the pandemic and inherent lessons for Canada sparking much discussion and sharing in the social media sphere, ultimately boosting our web numbers for COVID-related content online.

Year-on-year, our interactive approach to APF Canada's digital brand strategy has proven to be successful. As illustrated through the data-driven key performance indicators listed below, this past year saw a steady uptick in the flow of visitors, pageviews and followers.

ONLINE & SOCIAL MEDIA



Visits

232,619 vs 165,971
(40.2 increase over 2020/21)



Page Views

770,689 vs. 677,239
(13.8% increase over 2020/21)



Top Sections

About Us
Research
Events
COVID Asia Tracker
Networks



Top Publications

Asia Watch
Dispatches
Reports
Blog



Top Countries

Canada
United States
Philippines
China
India
Singapore
Indonesia
Hong Kong
United Kingdom
South Korea



Top Channels

Organic search: 57.4%
Direct: 24.5%
Social: 13.7%
Referral: 4.3%



Devices

Visits via mobile jumped by 10.6% this year, from 29.40% in 2019/20, to 39.99% in 2020/21



Facebook

Followers increased
▲ 4%
From 3,764 in 2019/20
to 3,913 in 2020/21



LinkedIn

Followers increased
▲ 27.5%
From 4,297 in 2019/20
to 5,470 in 2020/21



Twitter

Followers increased
▲ 12.9%
From 6,905 in 2019/20
to 7,795 in 2020/21



Instagram

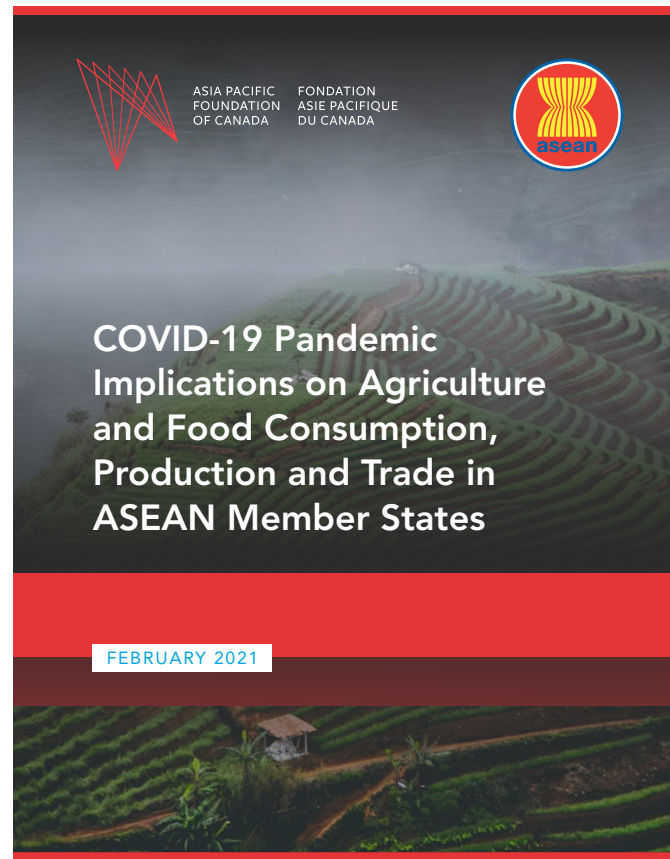
Followers increased
▲ 10.6%
From 686 in 2019/20
to 759 in 2020/21



Youtube

23.1k total views to date
Views increased
▲ 41.5%
From 4.1k views in 2019/20
to 5.8k views in 2020/21

A YEAR IN REPORTS AND POLICY BRIEFS



COVID-19 Pandemic Implications on Agriculture and Food Consumption, Production and Trade in ASEAN Member States

FEBRUARY 2021

[COVID-19 Pandemic Implications on Agriculture and Food Consumption, Production and Trade in ASEAN Member States](#)

Published: March 17, 2021

Author: Asia Pacific Foundation of Canada



[Canadian Opportunities in the South Korean New Deal](#)

Published: January 19, 2021

Author: Dongwoo Kim, Isaac Lo



[International Trade Inclusivity: The CPTPP and Indigenous International Trade and Investment](#)

Published: December 17, 2020

Author: Scott Harrison, Robin Asgari



CANADA AND THE INDO-PACIFIC: 'DIVERSE' AND 'INCLUSIVE', NOT 'FREE' AND 'OPEN'

SEPTEMBER 2020

[Canada and the Indo-Pacific: An Asia Pacific Foundation of Canada Policy Paper](#)

Published: September 22, 2020

Author: Asia Pacific Foundation of Canada



[Who Knew What When: The International Transmission of Information on the COVID-19 Outbreak](#)

Published: August 25, 2020

Author: Dan Ciuriak



[The Free and Open Indo-Pacific: Charting a Common Approach: Conference Report](#)

Published: April 8, 2020

Author: Asia Pacific Foundation of Canada

Surveys & Polls



[Asian Views on Economic Engagement with Canada](#)

Published: December 1, 2020

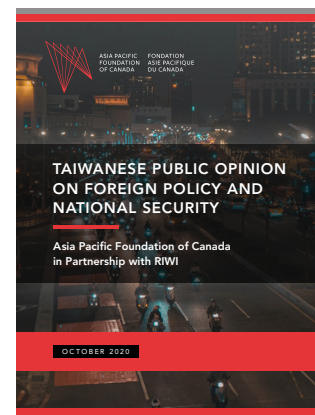
Author: Asia Pacific Foundation of Canada



[2020 National Opinion Poll: Canadian Views on Asia](#)

Published: November 25, 2020

Author: Asia Pacific Foundation of Canada

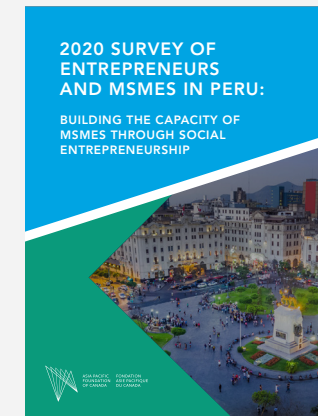


[Taiwanese Public Opinion on Foreign Policy and National Security](#)

Published: October 1, 2020

Author: Asia Pacific Foundation of Canada

APEC-Canada Growing Business Partnership Reports



[2020 Survey of Entrepreneurs and MSMEs in Peru: Building the Capacity of MSMEs Through Social Entrepreneurship](#)

Published: August 31, 2020



[The Existing Landscape of Social Entrepreneurship in Peru](#)

Published: April 1, 2020

Investment Monitor Reports



[Annual Report 2020: Trade Agreements and Foreign Investment in the Asia Pacific](#)

Published: April 29, 2020

OUR NATIONAL OPINION POLLS & SURVEYS

Since 2004, the Asia Pacific Foundation of Canada has been conducting national opinion polls (NOPs) to assess Canadians' attitudes toward countries in the Asia Pacific and their perceptions of Canada-Asia relations. These legacy longitudinal polls have been instrumental in drawing a portrait of Canadians' perspectives on Asia and the region's increasing relevance to Canada's future prosperity and security.

In addition to our regular NOP, this past fiscal year, APF Canada conducted two original surveys: **Asian Views on Economic Engagement with Canada and Taiwanese Public Opinion on Foreign Policy and National Security**. These surveys were launched to assess views from Asia that impact Canada, particularly in the context of the ongoing global pandemic.

2020 National Opinion Poll: Media Coverage

National Post, by Adrian Humphreys
[Canadians talk tough on standing up to China, are suspicious of Chinese investment and economic might: poll](#)

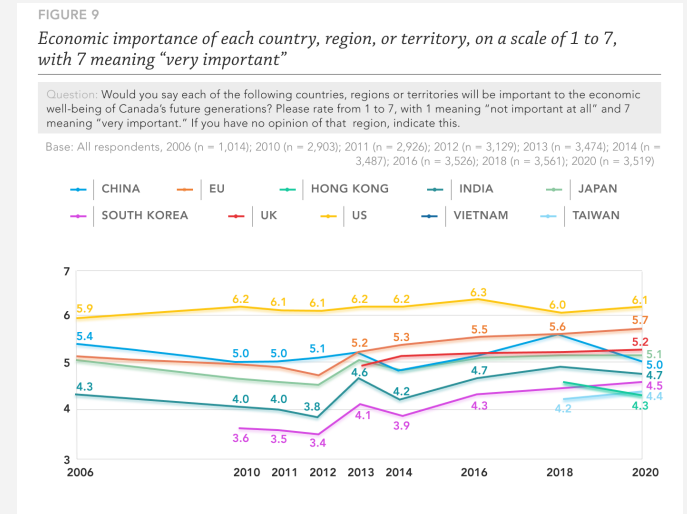
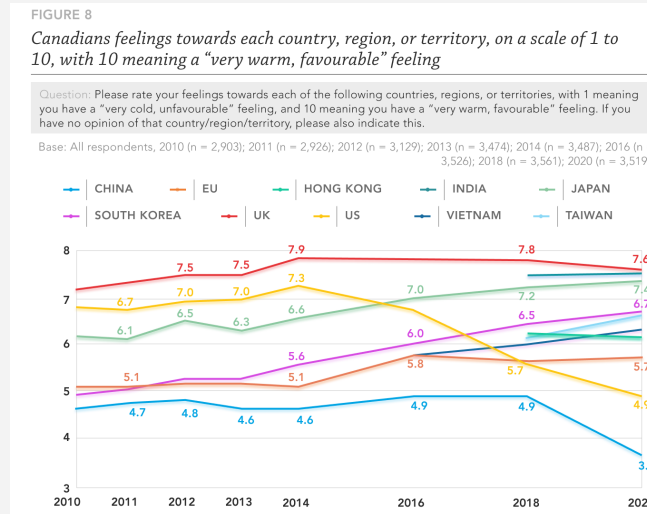
National Post, by John Ivison
[Canada leads multilateral move to fight China's 'hostage diplomacy': foreign affairs minister](#)

Business in Vancouver, by Chuck Chiang
[Canadians embrace Asia-Pacific neighbours – except China: poll](#)

Hindustan Times, by Anirudh Bhattacharyya
[Poll shows more Canadians see India as an opportunity, China as a threat](#)

Zee News, by Manisha Shukla and Pushkar Tiwari
[Canadians feel India's rise in region could contain China, study says](#)

2020 National Opinion Poll: Canadian Views on Asia



November 25, 2020

Every even year, APF Canada's Perspectives Asia team tracks Canadian views on legacy questions about Asia on subjects such as Asia Pacific identity, feelings towards Asia, the perceived economic importance of Asia for the future of Canada, support for free trade agreements, and provincial policies to foster better relations with Asia counterparts.

Our 2020 National Opinion Poll traced the trajectory of Canadian opinions over 15 years, highlighting continuing trends and significant shifts in Canadians' views on Asia. The poll further posed new sets of questions on current topics seeking Canadian opinions about immigration and Canadian identity, anti-Asian racism in Canada, and Canada-China relations.

The survey report was released on November 25, 2020, at a webinar event with more than 160 attendees. The NOP quickly caught the attention of national and international media networks, which picked up our NOP findings. Since its publication, the report has received 4,480 pageviews.



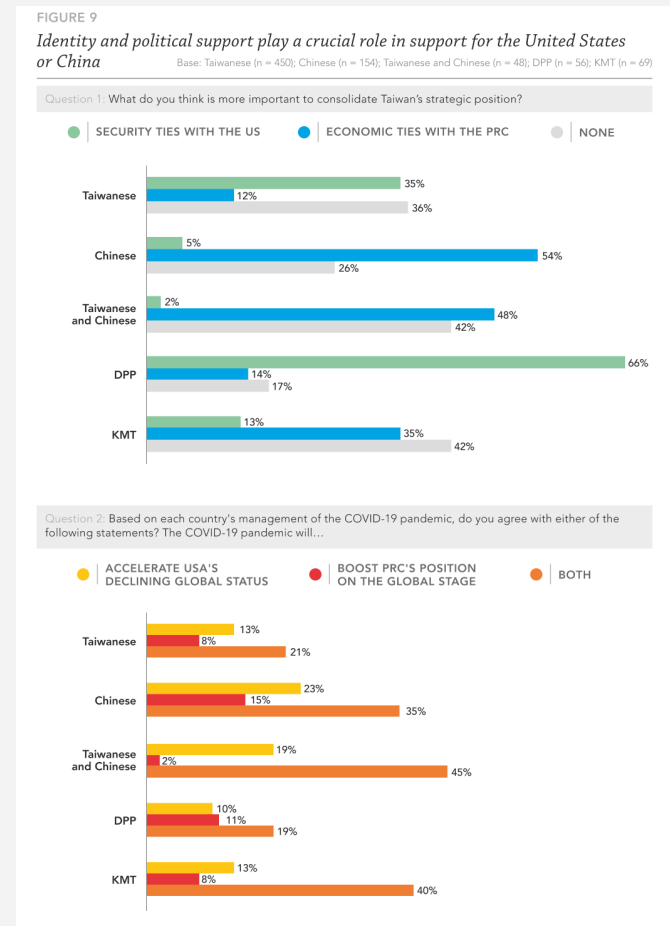
Taiwanese Public Opinion on Foreign Policy and National Security

October 1, 2020

Taiwan emerged as an early leader with its effective management of COVID-19. And following years of increasing isolation on the global stage, its status is rising thanks to its agile diplomacy. This year, due to increasing U.S.-China tensions and the protests and political unrest in Hong Kong, Taiwan began attracting considerable interest as an alternative market in the region for Western companies.

To understand public perspectives on current developments in Taiwan, APF Canada, in partnership with RIWI, conducted a public opinion poll of 1,088 Taiwanese respondents. Taiwanese Public Opinion on Foreign Policy and National Security explored responses to several timely issues, including the Hong Kong National Security Law and Taiwan's national security, strategic position, foreign policies, and significant regional partners, including Taiwanese opinions on Canada.

The survey report was released on October 1, 2020, and found that two-thirds of respondents saw Hong Kong's National Security Law as a security threat for Taiwan. The survey also provided new insight into Taiwanese perceptions of Canada and found that one out of two Taiwanese don't have enough awareness about Canada to consider whether the country is an ally or not. Since its publication, the survey report has received 1,510 pageviews.



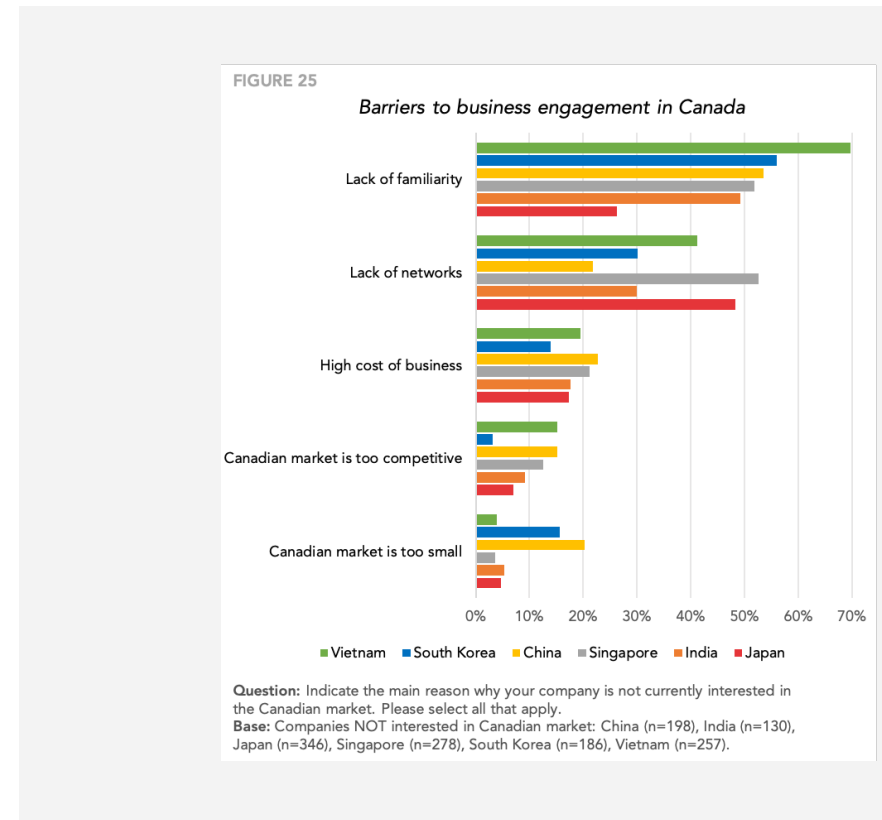
Asian Views on Economic Engagement with Canada

December 1, 2020

Recognizing the absence of Asian businesses' perspectives on Canada, APF Canada initiated a multinational project this year providing an in-depth exploration of Asian views on deepening economic engagement with Canada. The project spanned six Asian countries (Japan, China, India, Singapore, South Korea, and Vietnam) and included 6,600 surveys of Asian business leaders and 58 interviews with policy experts in the target countries.

The scale of the study, coupled with the comparative analysis at the country level, provided a unique opportunity for the Canadian government and businesses to consider areas of engagement, ways of enhancing engagement by identifying barriers, and understanding Asian companies' perceptions about the Canadian market and trade agreements. The project received significant funding and support from Export Development Canada, Global Affairs Canada, and Invest in Canada.

On May 15, 2020, the final report was released and presented to the funding partners via a virtual meeting before its public release online on December 1, 2020. On December 8, 2020, APF Canada hosted a webinar for a further in-depth discussion with Trade Commissioner Services located across the Asia Pacific. Among the survey's findings: Business leaders share a favourable view of the Canadian business environment and exhibit a strong desire to maintain and establish more business relationships with Canada, but seven out of ten business leaders surveyed said they do not understand the Canadian business operating environment. Following its publication, the survey report received 940 pageviews.



TOP 5 EVENTS

(BY ATTENDANCE)

01



2020 National Opinion Poll: Canadian Views on Asia Launch Event

When: November 25, 2020

Where: Virtual

Key Speakers: President and CEO, Stewart Beck; Vice-President, Research, Dr. Jeffrey Reeves; Program Manager, Perspectives Asia, Dr. Sreyoshi Dey; and, Post-Graduate Research Fellow, Hugo Roy.

Attendees: 208

With this public launch event for our 2020 National Opinion Poll: Canadian Views on Asia, our team provided a comprehensive overview of Canadians' sentiments toward the Asia Pacific, particularly in light of COVID-19. Our survey findings indicated that even though Canadians are feeling less connected to the Asia Pacific, the economic importance of Asian countries is well-received and understood.

02



China in Asia: Implications for Canada

When: October 21, 2020

Where: Virtual

Key Speakers: Dr. Theresa Fallon, Founder and Director, Centre for Russia Europe Asia Studies (CREAS), Brussels; Bilahari Kausikan, Chairman of the Middle East Institute, NUS and Former Permanent Secretary of the Ministry of Foreign Affairs, Singapore; and, Dr. Vikram Singh, Senior Advisor to the Asia Program at the United States Institute of Peace, Washington, DC.

Attendees: 150

China in Asia featured three distinguished panellists, each from a different region of the globe and each offering unique perspectives on the Asia Pacific's current geostrategic state of affairs, China's global presence, and the challenges and opportunities middle powers like Canada face in the region. The panel explored how Canada must navigate these challenges to ensure its national interests within the Asia Pacific, and how it can learn from other states' strategic views and foreign policy approaches to Asia as it charts its own strategic path.

03



A Conversation with China's Ambassador to Canada

When: December 15, 2021

Where: Virtual

Key Speaker: His Excellency Cong Peiwu, China's Ambassador to Canada.

Attendees: 118

Ambassador Cong Peiwu joined APF Canada's President and CEO, Stewart Beck, in a moderated conversation about the state of global affairs, Canada-China relations, the role China can play in the economic and development challenges of a post-pandemic world, and what it means for Canada. Touching on topics ranging from the Meng Wanzhou case and the detention of Michael Spavor and Michael Kovrig in China to worsening Canadian public opinion toward China as identified in APF Canada polling, this hour-long webinar was also covered in the [Globe and Mail](#).

04



Asia Leaders' Speaker Series Online Event: Navigating the China Market Post-COVID-19

When: June 10, 2020

Where: Virtual

Key Speaker: Michael Evans, President, Alibaba Group.

Attendees: 104

Alibaba Group President Michael Evans discussed the implications for long-term change and recovery in China as well as how Alibaba is leveraging its digital economy to empower businesses and MSMEs from around the world to access growth opportunities in China and embrace digital transformation.

05



Scaling up MSMEs and Social Entrepreneurship in Peru: A Virtual Roundtable

When: October 14, 2020

Where: Virtual

Key Speakers: Minister Jose E. Bustinza, APEC Director and APEC SOM Peru, Ministry of Foreign Affairs of Peru, APEC-Canada Growing Business Partnership Program Manager Justin Kwan and Project Specialist Phebe Ferrer.

Attendees: 94

The APEC-Canada Growing Business Partnership launched its latest research results at a virtual launch event hosted in Lima, Peru. Participants were invited to join us in learning directly from academics and experts in the field on empowering entrepreneurs and scaling up small businesses. The event was conducted in Spanish with simultaneous interpretation in English.



03

IN THE NEWS

April 2020 - March 2021



APRIL 2020

THE VANCOUVER SUN

April 20, 2020

By Jeffrey Reeves, Vice-President,
Research & Strategy at APF Canada

[Experiences from best practices in Asia show a path forward in the fight against COVID-19](#)

“As Canada works to develop an effective response to this unparalleled health challenge, the experiences from Asia, arguably, offer the best path forward. At a time when Western countries are faltering in their responses, Asian governments have emerged as the global leaders in the fight against COVID-19.”

MAY 2020

THE VANCOUVER SUN

May 29, 2020

Featuring Stewart Beck, President
and CEO of APF Canada

[Canada-China chill unlikely to hit B.C. trade; Experts say province's resource sector not a strategic target for retaliation](#)

“It's an incredibly difficult period of time for the Canada-China relationship,” said Stewart Beck, CEO of the Vancouver-headquartered Asia Pacific Foundation of Canada. “It's probably the worst it's been since, certainly, I've been in diplomacy.”

JUNE 2020

NATIONAL POST

June 1, 2020

Featuring Stephen Nagy, a Distinguished
Fellow at APF Canada

[How Canada can resist China's intimidation by teaming up with like-minded allies](#)

“Canadian academic Stephen Nagy told MPs that Canada needs to think seriously about enhanced co-operation with other middle powers when dealing with China, and that they should collectively lobby the United States to adopt a more multilateral approach.”

JULY 2020

THE VANCOUVER SUN

July 3, 2020

By Hugh Stephens, a Distinguished Fellow at
APF Canada

[Could Canada have ended Meng Wanzhou's extradition process? Maybe — until China made that impossible](#)

“In effect, the two Michaels are hostages, and releasing Meng by stopping the extradition process is tantamount to paying a ransom. Paying ransom rewards the hostage-takers and encourages further similar actions.”

THE GLOBE AND MAIL*

July 6, 2020

By Margaret McCuaig-Johnston, a
Distinguished Fellow at APF Canada

[China's threats on behalf of Huawei are becoming desperate](#)

“Excitement is mounting in Canada, as our telecoms have started to roll out advertising for new 5G-enabled internet-of-things phones. While Canada has yet to decide if it will permit Huawei equipment in our 5G networks, our carriers appear to have decided to launch their services now with more trusted companies – Ericsson, Nokia and Samsung.”

AUGUST 2020

EASTASIAFORUM

August 27, 2020

By Mendee Jargalsaikhan, a Post-Graduate
Research Fellow at APF Canada

[Mongolia's bittersweet COVID-19 success](#)

“Mongolia's high debt levels will limit the new government's ability to offer programs to reduce the social and economic effects of the pandemic and leave the country vulnerable to a prolonged global economic slowdown.”

South China Morning Post

August 28, 2020

Featuring APF Canada

[Meet the transnationals: They moved to Canada but never really left Hong Kong](#)

“In 2011, the Asia Pacific Foundation of Canada released a “conservative” estimate that there were 295,930 Canadians in Hong Kong. Sixty-seven per cent were born in Hong Kong and just 16 per cent in Canada. But their continuing connections to Canada were clear: 64 per cent had immediate family members living there. And 62 per cent were considering returning to live in Canada themselves.”

SEPTEMBER 2020

DW Deutsche Welle

September 1, 2020

Featuring Stephen Nagy, a Distinguished
Fellow at APF Canada

[Japan's Yoshihide Suga leads race to succeed PM Shinzo Abe](#)

“In the domestic arena, Stephen Nagy, an associate professor of international relations at Tokyo's International Christian University and a fellow of Canada's Asia Pacific Foundation, said Suga will continue Abe's economic reforms and efforts to get more women into the workforce, as well as attempting more structural reforms.”

OCTOBER 2020

TORONTO STAR

October 13, 2020

Featuring Stewart Beck, President and CEO of APF Canada

[New technologies show potential for renewable energy job growth in Canada](#)

“There is lots of opportunity for Canada to secure good, high-paying domestic jobs in renewable energy by focusing on more cutting-edge technologies and bringing them to growing markets, the head of the Asia Pacific Foundation of Canada says.”

NOVEMBER 2020

TORONTO STAR

November 27, 2020

Featuring APF Canada

[Anti-Asian Racism Won't Go Away After COVID-19](#)

“Most Canadians polled by the Asia Pacific Foundation of Canada in its annual opinion survey say that anti-Asian racism existed in Canada before the pandemic, while more than half of them feel that it won't go away after the COVID-19 virus is defeated... In addition to posing new questions on topical issues, particularly around COVID-19, this year's Asia Pacific Foundation (APF) of Canada National Opinion Poll tracked legacy questions from the past 16 years on the warmth of feelings toward Asia, the perceived economic importance of Asia for the future of Canada, support for free trade agreements, and provincial policies to foster better relations with Asian counterparts.”

DECEMBER 2020

THE GLOBE AND MAIL

December 15, 2020

Featuring APF Canada

[Chinese ambassador insists Meng Wanzhou's detention in Vancouver is unfair](#)

“During a conversation with the Asia Pacific Foundation of Canada on Tuesday, Cong Peiwu responded to the nonprofit's latest poll, which reveals a worsening Canadian public opinion toward China. It shows the average feeling has dipped to its lowest point in the past decade.”

JANUARY 2021

THE DIPLOMAT

January 16, 2021

By Dongwoo Kim, Program Manager at APF Canada

[Chatbot Gone Awry Starts Conversations About AI Ethics in South](#)

“The “Luda” AI chatbot sparked a necessary debate about AI ethics as South Korea places new emphasis on the technology.”

South China Morning Post

January 25, 2021

By Van Jackson, a Distinguished Fellow at APF Canada

[Biden's Asia policy will be controversial – and that's a good thing](#)

“Given the many and existential challenges to democracy that US President Joe Biden faces at home, it could be months, even years, before we see the contours of a strategy for Asia emerge from the administration. Yet, no matter how long it takes, America's Asia policy cannot escape a basic truth – on the issues of gravest consequence in the region, there is no pleasing everyone.”

FEBRUARY 2021

OPEN CANADA
Canada's place in the world | Le Canada dans le monde

February 17, 2021

By Jeffrey Reeves, Vice-President, Research & Strategy at APF Canada, and Deanna Horton, a Distinguished Fellow at APF Canada

[Why Canada should treat an Indo-Pacific approach to Asia with caution](#)

“With the changing geopolitical reality resulting from the recent U.S. election, it will be in Canada's best interest to bide its time before committing to an Indo-Pacific construct that defines its strategic approach to Asia.”

MARCH 2021

NATIONAL POST

March 3, 2021

By Dan Ciuriak, a Distinguished Fellow at APF Canada

[Opinion: On trans-Pacific trade Britain could be our new Asian ally](#)

“Without denying the potential benefits of working on trade agreements with bilateral partners in Asia, Canada stands a better chance of advancing its overall trade agenda by getting more out of the agreements it already has, starting with the CPTPP”

04

FINANCIAL STATEMENTS

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

STATEMENT OF OPERATIONS

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenue:		
Investment income, net	\$ 1,655,825	\$ 2,191,994
Government funding	1,298,862	1,879,461
Private sector funding	164,132	511,391
Other	38,064	16,321
	3,156,883	4,599,167
Operating Expenses:		
Projects	2,023,123	2,374,531
Takehashi Program	221,022	788,718
APEC-Canada Growing Business Partners	325,588	448,207
McArthur Fellowship	9,833	642
Administration	1,002,814	849,883
Communication and public outreach	510,910	557,499
Facility and amortization	388,350	372,571
Grants	543,118	376,893
Secretariats	204,465	170,521
Board	140,443	190,338
	5,369,666	6,129,803
Deficiency of revenue over expenses before the undernoted	(2,212,783)	(1,530,636)
Realized gain on investments	2,160,825	1,543,916
Unrealized gain (loss) on investments	8,143,701	(4,774,302)
Excess (deficiency) of revenue over expenses	\$ 8,091,743	\$ (4,761,022)

STATEMENT OF FINANCIAL POSITION

As at March 31, 2021, with comparative information for 2020

	2021	2020
Assets (Current assets):		
Cash	\$ 1,819,029	\$ 1,245,693
Accounts receivable	78,246	186,230
Prepaid expenses	442,487	125,698
Investments	75,352,273	66,546,308
	77,692,035	68,103,929
Property and equipment	100,534	117,917
Deposits	27,634	27,634
	\$ 77,820,203	\$ 68,249,480
Liabilities and Net Assets (Current liabilities):		
Accounts payable and accrued liabilities	\$ 695,576	\$ 564,495
Deferred revenue	2,458,972	1,370,169
	3,154,548	1,934,664
Accrued grant obligation	268,482	-
Deferred lease inducements	14,079	23,465
	3,437,109	1,958,129
Net assets:		
Restricted endowment fund	50,000,000	50,000,000
Unrestricted fund	24,383,094	16,291,351
	74,383,094	66,291,351
Commitments and guarantees		
	\$ 77,820,203	\$ 68,249,480

Approved on behalf of the Board:

Director: 

Director: 

STATEMENT OF CASH FLOWS

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 8,091,743	\$ (4,761,022)
Items not involving cash:		
Amortization	54,433	48,023
Amortization of deferred lease inducements	(9,386)	(9,386)
Unrealized (gain) loss on investments	(8,143,701)	4,774,302
	(6,911)	51,917
Changes in non-cash working capital:		
Accounts receivable	107,984	208,856
Prepaid expenses	(316,789)	(55,156)
Accounts payable and accrued liabilities	131,081	(198,499)
Deferred revenue	1,088,803	190,030
Accrued grant obligation	268,482	-
	1,272,650	197,148
Investing activities:		
Purchase of equipment	(37,050)	(29,629)
Purchase of investments, net of draw-downs or dispositions	(662,264)	(1,074,411)
	(699,314)	(1,104,040)
Increase (decrease) in cash	573,336	(906,892)
Cash, beginning of year	1,245,693	2,152,585
Cash, end of year	\$ 1,819,029	\$ 1,245,693





05

SUPPORTERS

Operational and grant funding support for APF Canada is provided through an endowment fund established by the Government of Canada. We are also grateful to the individuals, corporations, foundations, and government agencies that have supported us this year in our mission to be Canada's catalyst for engagement with Asia and Asia's bridge to Canada. This is especially true this year, as APF Canada – like all organizations – was impacted by the COVID-19 pandemic.

What follows is a list of contributors who have helped make our research and activities possible – thank you.



\$100,000 +

Employment and Social Development Canada
 Government of British Columbia (multi-year)
 Ministry of Foreign Affairs of Japan
 Federal Economic Development Agency, Southern Ontario (multi-year)
 Global Affairs Canada (multi-year)
 Global Affairs Canada through the Expert Deployment Mechanism for Trade and Development (multi-year)
 Public Health Agency of Canada (multi-year)

\$50,000 - \$100,000

Global Affairs Canada through the Canadian Trade and Investment Facility for Development
 Government of South Korea (in kind)

\$10,000 - \$50,000

Air Canada
 Canada Korea Business Association
 Export Development Canada
 Fiera Corporation
 Invest in Canada

\$100 - \$10,000

Canada's Digital Technology Supercluster
 The Consulate General of the Republic of Korea in Vancouver
 Embassy of the Republic of Korea
 Mila (Institut Québécois d'Intelligence Artificielle)
 Toronto Global
 Alberta Hong Kong Office

UNDER \$100

Anonymous
 Julie Bot
 Ha Trinh



06

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Distinguished Fellows

Foundation Staff

Research Scholars

ABLAC 2021 Members

Asia Pacific Youth Councils

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Principal, Tower Beach Capital Ltd.

Lois Nahirney

President and CEO, dnaPower Inc.

Sandra Pupatello

President, Canadian International Avenues Ltd.

Constance Sugiyama

President, ConMark Strategy Inc.

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2020 APRIL – DECEMBER

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Governor and Special Advisor to the President, Royal Roads University

Don Campbell

Senior Strategy Advisor, Davis LLP

Joseph Caron

Honorary Professor, Institute of Asian Research, University of B.C.

Dan Ciuriak

Director and Principal, Ciuriak Consulting Inc.

Dr. Ken Coates

Canada Research Chair, Regional Innovation, University of Saskatchewan

Brad Gilmour

Principal and Lead Analyst, Mouralea Consulting

Dr. Michael Goldberg

Professor and Dean Emeritus, Sauder School of Business, University of B.C.

Dr. Carin Holroyd

Associate Professor, University of Saskatchewan

Dr. Deanna Horton

Senior Fellow, Munk School of Global Affairs and Public Policy, University of Toronto

Margaret McCuaig-Johnston

Senior Fellow, Institute for Science, Society and Policy, University of Ottawa and the China Institute, University of Alberta

Jonathan Berkshire Miller

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Director, Centre for Global Social Policy, University of Toronto

Dr. Pitman Potter

Emeritus Professor of Law, Peter A. Allard School of Law, University of B.C.

Dr. Daniel Savas

Visiting Professor, School of Public Policy, Simon Fraser University

DISTINGUISHED FELLOWS

2021 JANUARY – MARCH

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Fellow, Simon Fraser University's Morris J. Wosk Centre for Dialogue

Hugh L. Stephens

Principal, Trans-Pacific Connections

Dr. Yves Tiberghien

Professor, Director Emeritus, Institute of Asian Research, University of B.C.

Dr. James Tiessen

Associate Professor and Director, School of Health Services Management, Ted Rogers School of Management, Ryerson University

Dr. David Welch

Professor, Political Science, University of Waterloo

Don Campbell

Distinguished Fellow Emeritus; Senior Strategy Advisor, Davis LLP

Dr. Atsushi Sunami

President, Sasakawa Peace Foundation

Bart Edes

Policy Analyst and Author

Dan Ciuriak

Director and Principal, Ciuriak Consulting Inc.

Danielle Goldfarb

Head of Global Research, Real-time Interactive Worldwide Intelligence (RIWI)

David Alan Byng

Governor and Special Advisor to the President, Royal Roads University

Dr. Deanna Horton

Senior Fellow, Munk School of Global Affairs and Public Policy, University of Toronto

Elina Noor, Director

Political-Security Affairs, Asia Society Policy Institute

Hugh L. Stephens

Principal, Trans-Pacific Connections

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Researcher and Author

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Isaac (Hei Tung) Lo

Project Specialist

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Mandy Ng

Events Coordinator

Julia (Thuy-An) Nguyen

Project Coordinator

Ly Nguyen

Researcher, PHAC

Grace Melanie Pacio

HR & Office Manager

Michael Roberts

Communications Manager

Daniela Rodriguez

Project Manager, Global Health

Candice Ruck

Senior Researcher

Pauline Stern

Program Manager, Business Asia

Christine Stoddard

Executive Business Partner

Streisanne Suter

Researcher, International Trade

Yuko Uchida

EA to the VP Research

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Mary (Hua) Zhong

Accounting Assistant

TORONTO

Christine Nakamura

Vice-President, Toronto Office

Mari Abe

Executive Assistant

Jordan Dupuis

Program Manager, Toronto Office

Sian Jones

Program Manager, Kakehashi Project, Toronto Office

Andrew Lee

Program Manager of D&I GSWE

Nadine Oliver

Project Specialist

Nathan Stewart

GIS Researcher

Nathan (Nate) Wessel

GIS Researcher

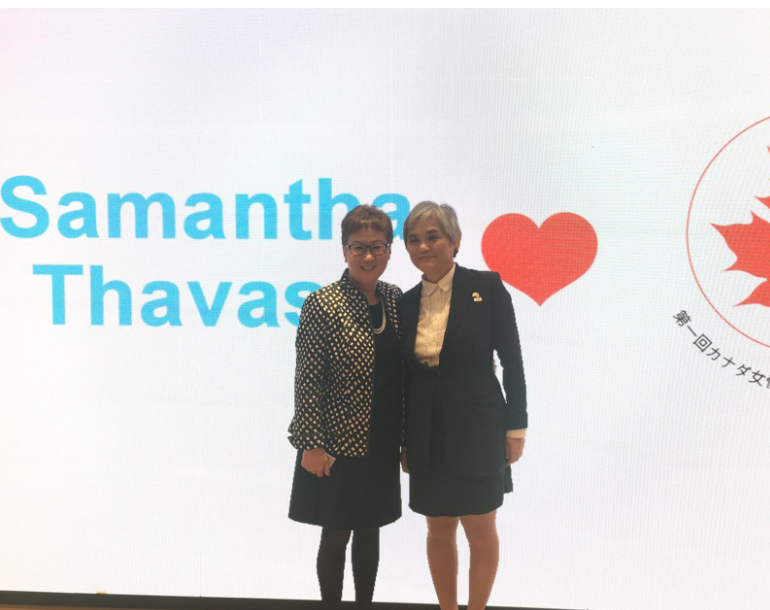
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POST-GRADUATE RESEARCH SCHOLARS

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Isaac Lo
Daniela Rodriguez
Hugo Roy

JUNIOR RESEARCH SCHOLARS

Charlotte Atkins
Sofia Cuyegkeng
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Jamie Cin Yee Leung
Tracy Ly
Julia Nguyen
Daniela Rodriguez
Hugo Roy
Alex Tabascio
Rachelle Taheri



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Neil Cunningham

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Janice Fukakusa

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Tim Gitzel

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Mark Machin

Former President & CEO, CPP Investments

Sue Paish

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Michael Rolland

President & COO, Asia-Pacific, OMERS

Calin Rovinescu

Former President & CEO, Air Canada

Ian Smith

CEO, Clearwater Fine Food Inc.

Mark Wiseman

Global Investment Manager

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Jennifer Lau



Mia Nguyen



Zachary Parsons



Rachel Poon

TORONTO



Megan Tran

07

FINANCIAL ANNEXES

Independent Auditors' Report

Notes to Consolidated Financial Statements

Statement of Investment Policies and Procedures

INDEPENDENT AUDITORS' REPORT



KPMG LLP
PO Box 10426 777 Dunsmuir Street
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Canada
Telephone (604) 691-3000
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Asia Pacific Foundation of Canada

Opinion

We have audited the financial statements of Asia Pacific Foundation of Canada (the "Foundation"), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the 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 financial position of the Foundation as at March 31, 2021, and its results of operations and its 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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Foundation 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.

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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation 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.



Chartered Professional Accountants

Vancouver, Canada

July 19, 2021

CONSOLIDATED FINANCIAL STATEMENTS

ASIA PACIFIC FOUNDATION OF CANADA

Statement of Financial Position

March 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash	\$ 1,819,029	\$ 1,245,693
Accounts receivable	78,246	186,230
Prepaid expenses	442,487	125,698
Investments (note 3(a))	75,352,273	66,546,308
	<u>77,692,035</u>	<u>68,103,929</u>
Property and equipment (note 4)	100,534	117,917
Deposits	27,634	27,634
	<u>\$ 77,820,203</u>	<u>\$ 68,249,480</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 695,576	\$ 564,495
Deferred revenue (note 5)	2,458,972	1,370,169
	<u>3,154,548</u>	<u>1,934,664</u>
Accrued grant obligation (note 7)	268,482	-
Deferred lease inducements	14,079	23,465
	<u>3,437,109</u>	<u>1,958,129</u>
Net assets:		
Restricted endowment fund (notes 1 and 7(c))	50,000,000	50,000,000
Unrestricted fund	24,383,094	16,291,351
	<u>74,383,094</u>	<u>66,291,351</u>
Commitments and guarantees (note 7)		
	<u>\$ 77,820,203</u>	<u>\$ 68,249,480</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

ASIA PACIFIC FOUNDATION OF CANADA

Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenue:		
Investment income, net (note 3(b))	\$ 1,655,825	\$ 2,191,994
Government funding	1,298,862	1,879,461
Private sector funding	164,132	511,391
Other	38,064	16,321
	<u>3,156,883</u>	<u>4,599,167</u>
Operating expenses (note 9):		
Projects	2,023,123	2,374,531
Takehashi Program	221,022	788,718
APEC - Canada Growing Business Partners	325,588	448,207
McArthur Fellowship	9,833	642
Administration	1,002,814	849,883
Communication and public outreach	510,910	557,499
Facility and amortization	388,350	372,571
Grants	543,118	376,893
Secretariats	204,465	170,521
Board	140,443	190,338
	<u>5,369,666</u>	<u>6,129,803</u>
Deficiency of revenue over expenses before the undernoted	(2,212,783)	(1,530,636)
Realized gain on investments	2,160,825	1,543,916
Unrealized gain (loss) of investments	8,143,701	(4,774,302)
Excess (deficiency) of revenue over expenses	<u>\$ 8,091,743</u>	<u>\$ (4,761,022)</u>

See accompanying notes to financial statements

ASIA PACIFIC FOUNDATION OF CANADA

Statement of Changes in Net Assets

Year ended March 31, 2021, with comparative information for 2020

	Restricted endowment fund	Unrestricted fund	Total
Balance, March 31, 2019	\$ 50,000,000	\$ 21,052,373	\$ 71,052,373
Deficiency of revenue over expenses	-	(4,761,022)	(4,761,022)
Balance, March 31, 2020	50,000,000	16,291,351	66,291,351
Excess of revenue over expenses	-	8,091,743	8,091,743
Balance, March 31, 2021	<u>\$ 50,000,000</u>	<u>\$ 24,383,094</u>	<u>\$ 74,383,094</u>

See accompanying notes to financial statements.

ASIA PACIFIC FOUNDATION OF CANADA

Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 8,091,743	\$ (4,761,022)
Items not involving cash:		
Amortization	54,433	48,023
Amortization of deferred lease inducements	(9,386)	(9,386)
Unrealized (gain) loss of investments	(8,143,701)	4,774,302
	(6,911)	51,917
Changes in non-cash working capital:		
Accounts receivable	107,984	208,856
Prepaid expenses	(316,789)	(55,156)
Accounts payable and accrued liabilities	131,081	(198,499)
Deferred revenue	1,088,803	190,030
Accrued grant obligation	268,482	-
	1,272,650	197,148
Investing activities:		
Purchase of equipment	(37,050)	(29,629)
Purchase of investments, net of draw-downs or dispositions	(662,264)	(1,074,411)
	(699,314)	(1,104,040)
Increase (decrease) in cash	573,336	(906,892)
Cash, beginning of year	1,245,693	2,152,585
Cash, end of year	\$ 1,819,029	\$ 1,245,693

See accompanying notes to financial statements.

ASIA PACIFIC FOUNDATION OF CANADA

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Nature of operations:

The Asia Pacific Foundation of Canada (the "Foundation") is a not-for-profit organization focused on Canada's relations with Asia, and established by an Act of Parliament in 1984. The mission is to be Canada's catalyst for engagement with Asia and Asia's bridge to Canada. The Foundation is dedicated to strengthening ties between Canada and Asia with a focus on eight thematic areas: trade and investment, surveys and polling, regional security, digital technologies, domestic networks, sustainable development; building Asia Competency among Canadians, including young Canadians; and, improving Canadians' general understanding of Asia and its growing global influence. Annual funding is provided by the income earned on a \$50 million endowment fund established by the federal government in November 2005, and from other sources. The principal endowment fund of \$50 million is to be maintained permanently.

The Foundation is registered with Canada Revenue Agency as a charitable organization and is exempt from income taxes.

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian Federal and Provincial governments, enacting emergency measures to combat the spread of the virus. With respect to the impact of the COVID-19 pandemic on operations, the Foundation has not experienced a reduction in its major funding sources and the decline in value of investments as at March 31, 2020 has been fully recovered. However, the ongoing pandemic creates uncertainty over future funding and the value of the investments. The Foundation continues to closely monitor the impact on its financial statements and continuing operations.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, under Part III of the CPA Canada Handbook - Accounting and reflect the following significant accounting policies:

(a) Revenue recognition:

- (i) The Foundation follows the deferral method of accounting for government and private sector funding and sponsorship contributions. Unrestricted contributions are recognized as revenue in the period in which they are received. Restricted contributions are recognized when spent on the purpose as specified.

The funds are recognized when received or receivable if the amount can be reasonably estimated and collection is reasonably assured and in the same year in which the related expenses are recognized.

Endowment contributions are recognized as direct increases in net assets.

- (ii) Investment income is recorded on the accrual basis and recognized as revenue when earned, other than the investment income earned on the McArthur Fellowship fund (notes 3 and 5) which is restricted and deferred as part of the fund until spent.

ASIA PACIFIC FOUNDATION OF CANADA

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. 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. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has elected to carry its investments at fair value with changes in fair value recognized in the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Financial assets carried at cost or amortized cost 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) Property and equipment:

Property and equipment are originally recorded at cost. Repairs and maintenance costs are charged to expense. Amortization is provided on a straight-line basis based on the assets' estimated useful lives using the following rates:

Computer equipment	3 years
Furniture and office equipment	4 - 6 years
Leasehold improvements	Lesser of useful life and remaining lease term

When a capital asset no longer contributes to the Foundation's activity to provide services, its carrying amount is written down to its fair value or replacement cost.

(d) Deferred lease inducements:

Deferred lease inducements consist of lease incentive funds received from landlords. These inducements are amortized over the term of the lease, as a reduction of rent expense.

ASIA PACIFIC FOUNDATION OF CANADA

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(e) Grants:

As part of the requirement of the restricted endowment fund, the Foundation makes commitments to provide funding to various research projects in disseminating information in the Asia Pacific region. These commitments are recorded as liabilities upon commencement of the term of the grants. Any shortages in actual grants made from the 25% annual grant funding obligation (note 7) is accrued in the year the obligation pertains to.

(f) Allocation of expenses:

The Foundation incurs a number of general expenses that are common to the administration of the Foundation and each of its programs. The Foundation allocates its general expenses by identifying the appropriate basis of allocating each component expense and applies that basis consistently each year (note 9).

General expenses relate to human resources, information technology, finance and administration. Human resources and information technology are allocated based on time spent in relation to the programs. Finance and administration expenses are allocated based on actual usage and costs.

(g) Employee future benefits:

The Foundation provides a defined contribution plan in the form of a match group RRSP contribution up to 5% of gross salary. Contributions toward the plan are expensed as incurred. During the fiscal 2021, the Foundation incurred \$95,367 (2020 - \$94,195) in contribution expense.

(h) Contributed services and materials:

The Foundation may receive contributed services, including services from governance members, sponsors and volunteers each year. Because of the difficulty in determining the fair value, contributed services are not recognized in the financial statements.

Contributed materials are recorded at fair value at the date of contribution where such fair value is determinable and the contributed materials would otherwise have been purchased.

(i) Foreign currency translation:

Monetary items denominated in a foreign currency are adjusted at the statement of financial position date to reflect the exchange rate in effect at that date. Non-monetary items are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenses are translated at average rates for the month in which they are incurred. Exchange gains and losses are included in the determination of excess or deficiency of revenue over expenses for the period.

ASIA PACIFIC FOUNDATION OF CANADA

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

(j) Use of estimates:

The preparation of the 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 year. Items requiring the use of management estimates include the fair value of investments and provisions for contingencies. Actual results may differ from these estimates.

3. Investments and investment income, net:

(a) Investments:

Investments are comprised of portfolios as at March 31 as follows:

	2021	2020
Endowment fund portfolio (i)	\$ 74,182,198	\$ 65,716,739
McArthur Fellowship portfolio (ii)	1,170,075	829,569
	<u>\$ 75,352,273</u>	<u>\$ 66,546,308</u>

(i) The endowment fund portfolio holds investments at fair value as follows:

	2021	2020
Phillips, Hager & North Funds		
Mortgage Pension Trust	\$ 3,511,198	\$ 3,338,338
Short Term Bond & Mortgage Fund	1,448,463	1,394,492
Canadian Money Market Fund	1,632,272	5,084,041
RBC QUBE Low Volatility Global Equity Fund	9,564,530	10,147,764
	<u>16,156,463</u>	<u>19,964,635</u>
Fiera Capital Corporation Funds		
Short term investments	5,491	188,141
Canadian equity fund	20,256,585	16,086,730
Global equity fund	16,767,902	15,060,770
	<u>37,029,978</u>	<u>31,335,641</u>
Romspen Investment Corporation		
Mortgage investment funds	7,219,754	7,007,418
Axium Infrastructure fund	7,145,167	7,349,914
Vancouver Foundation Asia Pacific		
Foundation of Canada Fund	11,903	10,011
CBRE GIP Global Alpha Fund		
CBRE GIP Global Alpha Fund - Accumulation Units	3,310,794	-
CBRE GIP Global Alpha Fund - Distribution Units	3,281,491	-
	<u>6,592,285</u>	<u>-</u>
VPC	26,648	49,120
	<u>\$ 74,182,198</u>	<u>\$ 65,716,739</u>

ASIA PACIFIC FOUNDATION OF CANADA

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

3. Investments and investment income, net (continued):

(a) Investments (continued):

(ii) The McArthur Fellowship portfolio is invested with the funds belonging to the McArthur Fellowship program (note 5). It holds investments at fair value as follows:

	2021	2020
Fiera Capital Corporation - Balanced EFT fund	\$ 1,170,075	\$ 829,569

(b) Investment income, net:

Investment income is comprised of the following:

	2021	2020
Income and capital distributions	\$ 818,858	\$ 896,416
Dividend	635,116	817,389
Interest	637,803	913,684
	<u>2,091,777</u>	<u>2,627,489</u>
Less: investment management and custodian fees	(435,952)	(435,495)
	<u>\$ 1,655,825</u>	<u>\$ 2,191,994</u>

The income earned net of fees incurred related to the McArthur Fellowship investment portfolio are deferred and accounted for through the McArthur Fellowship program funds (note 5).

4. Property and equipment:

	2021		2020	
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 133,199	\$ 95,691	\$ 37,508	\$ 14,374
Furniture and office equipment	259,462	219,413	40,049	69,256
Leasehold improvements	114,601	91,624	22,977	34,287
	<u>\$ 507,262</u>	<u>\$ 406,728</u>	<u>\$ 100,534</u>	<u>\$ 117,917</u>

ASIA PACIFIC FOUNDATION OF CANADA

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

5. Deferred revenue:

	McArthur Fellowship	Takehashi Program	Other Programs	Total
Balance, beginning of year	\$ 903,642	\$ 167,292	\$ 299,235	\$ 1,370,169
Funds received	128,750	725,725	1,516,323	2,370,798
Funds receivable	-	-	43,132	43,132
Investment income earned	27,771	-	-	27,771
Change in fair value of investment	162,422	-	-	162,422
Revenue recognized	(9,833)	(226,669)	(1,278,818)	(1,515,320)
Balance, end of year	\$1,212,752	\$ 666,348	\$ 579,872	\$ 2,458,972

As at March 31, 2021, the McArthur Fellowship deferred funds are held in investments of \$1,170,075 (2020 - \$829,569) (note 3(a)(ii)), and in cash for the remaining balance of \$42,677 (2020 - \$74,073).

As at March 31, 2021, the Takehashi Program had funds unspent and deferred in the amount of \$666,348 (2020 - \$167,292). The Ministry of Foreign Affairs of Japan has agreed to allow the Foundation to use the funds for fiscal 2022.

During 2021, the Foundation has charged administrative fees of \$5,647 (2020 - \$12,847) to the Takehashi Program as allowed under the program agreement. These amounts have been included as revenues in the statement of operations.

6. Contributed materials:

During the year ended March 31, 2021, the Foundation received the following contributed materials from sponsors. These contributed materials are included in the statement of operations.

	2021	2020
Airfare	\$ -	\$ 6,729
Event venue and catering	-	48,683
	\$ -	\$ 55,412

ASIA PACIFIC FOUNDATION OF CANADA

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

7. Commitments and guarantees:

- (a) The Foundation has operating leases related to its Vancouver and Toronto office premises that expire in May 2022 and January 2027. The future minimum lease payments are as follows:

2022	193,858
2023	164,945
2024	158,253
2025	158,253
2026	158,253
Thereafter	131,878
	\$ 965,440

- (b) The Foundation currently guarantees credit cards used by its employees for travel expenses with a total limit of up to \$150,000 (2020 - \$150,000).

- (c) The Foundation, under its endowment fund agreement, is:

- (i) Committed in any fiscal year to use minimum 25% of the rolling endowment fund income reported in the second prior year statement of operations to fund its grants program. Fund income includes investment interest and dividend and other similar income, less management fees charged. Realized gains or losses on dispositions or redemptions of investments and capital gains distributions are excluded from the calculation of fund income to be used in determining the grants.

For the year ended March 31, 2021, the grant funding obligation was \$605,046 (2020 - \$413,243). This amount, net of the prior year grant funded overages of \$69,662 (2020 - \$122,903 overage), resulted in a net obligation of \$535,384 (2020 - \$290,340). Total grants awarded for the year were \$266,902 (2020 - \$360,000), and there was an amount of \$268,482 accrued for the remaining obligation as at year-end (2020 - nil).

- (ii) Committed to preserve the principal endowment fund of \$50 million over the long term.

8. Financial risks:

- (a) Credit risk:

Credit risk represents the financial loss that the Foundation would suffer if the Foundation's counterparties to a financial instrument, in owing an amount to the Foundation, fail to meet or discharge their obligation to the Foundation. As at March 31, 2021, the Foundation is exposed to credit risk in connection with its cash, accounts receivable, investments and deposits.

The Foundation manages its credit risk by investing in instruments with reputable banks and investment managers in accordance with its Investment Policy. Exposure to credit risk in accounts receivable is reduced as the monies outstanding are due from multiple reputable debtors. There has been no significant change to this risk exposure from 2020.

ASIA PACIFIC FOUNDATION OF CANADA

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

8. Financial risks (continued):

(b) Liquidity risk:

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they become due. The Foundation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities when they become due. Management forecasts cash flows periodically to ensure the Foundation has sufficient cash available on demand to meet expected operational expenses and committed grant obligations for one year. There has been no significant change to this risk exposure from 2020.

(c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks include currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while optimizing returns. This risk is managed through a diversified portfolio in accordance with the Foundation's Investment Policy approved by its Board, and monitoring of the market capitalization and trading liquidity of each holding.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value and/or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Foundation's investments in bond, mortgage and money market funds are subject to interest rate risks.

(ii) Currency risk:

Currency risk is the risk that the fair value and/or cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation has transactions in foreign currencies as part of its mandate. Fluctuations in the foreign exchange rate give rise to a risk that revenues over expenditures and cash flows may be negatively impacted.

The Foundation does not enter into foreign exchange contracts to manage the effect of currency risk.

(iii) Other price risk:

The Foundation's exposure to other price risk is primarily attributable to fluctuations in quoted market prices of listed investments. The exposure to price changes is managed by monitoring the changes in market conditions that may have an impact on the market prices or factors affecting the value of these investments.

There has been no significant changes to the above market risks other than the continued potential impact of COVID-19 pandemic as described in note 1.

ASIA PACIFIC FOUNDATION OF CANADA

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

9. Allocation of expenses:

Human resources, information technology and finance and administration expenses have been allocated to programs as follows:

	2021	2020
Projects	\$ 1,655,116	\$ 1,403,798
Takehashi Program	88,928	123,455
APEC - Canada Growing Business Partnership	225,488	252,005
McArthur Fellowship	600	624
Communication and public outreach	394,676	433,446
Grants program	6,896	8,772
Secretariats	101,295	54,762
Board	90,995	99,902
	<u>\$ 2,563,994</u>	<u>\$ 2,376,764</u>

STATEMENT OF INVESTMENT POLICIES AND PROCEDURES

Approved: July 25, 2019

Table of Contents

Section I –	Introduction	1
Section II –	Overview of the Fund	2
Section III –	Governance and Administration	3
Section IV –	Roles and Responsibilities	5
Section V –	Asset Classes Eligible for Investment	7
Section VI –	Investment Objectives and Risk Considerations	10
Section VII –	Asset Allocation Guidelines	12
Section VIII –	Portfolio Diversification and Constraints	14
Section IX –	Loans and Borrowing	18
Section X –	Valuation of Investments	19
Section XI –	Conflicts of Interest	20
Section XII –	Voting Rights	21
Section XIII –	Monitoring	22
Section XIV –	Policy Review	24
Section XV –	Environmental, Social, and Governance	25

Section I – Introduction

- 1.1 This document constitutes the Statement of Investment Policies and Procedures (the “Policy”) applicable to the assets held in respect of the Fund (the “Fund”) of the Asia Pacific Foundation of Canada (the “Foundation”).
- 1.2 The purpose of this Policy is to formulate those investment principles, guidelines and monitoring procedures that are appropriate to the needs and objectives of the Fund.
- 1.3 Any Manager or other agent or advisor providing services in connection with the investment of the Fund assets shall accept and adhere to this Policy.
- 1.4 This Policy may be changed or modified at any time by action of the Committee.

Section II – Overview of the Fund

- 2.1 The Fund was established primarily through a grant from the Government of Canada. Its purpose is to provide a stable source of funding for the effective operation of the Asia Pacific Foundation of Canada.

Section III – Governance and Administration

- 3.1 The Fund was furnished through a conditional grant of \$50 million on December 22, 2005 provided by the Government of Canada. The Foundation shall use this conditional grant solely for the purposes of the Fund. No material changes in the objectives of the Fund, the use of the Fund or the Fund's Policy will be undertaken without prior written approval of the Minister of Foreign Affairs.
- 3.2 The Board of Directors of the Asia Pacific Foundation (the "Board") has the ultimate responsibility to ensure that the Fund is invested and managed in accordance with the prudent person principle.
- 3.3 The Board is the administrator of the Fund and responsible for all aspects of the operations of the Fund.
- 3.4 To assist in meeting its obligations, the Board has established a governance structure and delegated to the Investment Committee (the "Committee") responsibility for investment of the Fund. The Committee shall be composed of at least three Directors who are not officers or employees of the Foundation. Members of the Committee shall be financially literate and, collectively, have broad knowledge or experience in investment matters. Members of the Committee are to be appointed by the Board.
- 3.5 Oversight activities of the Fund are administered by the Committee. These include development of policies, appointment and termination of investment managers and other external service providers, and monitoring of investment results.
- 3.6 In fulfilling its responsibilities, the Committee may delegate to or otherwise utilize employees of the Foundation where appropriate. The Committee shall retain responsibility and utilize suitable personnel for such activities and monitor the activities undertaken by the selected personnel. The Committee may delegate some activities where appropriate but shall retain responsibility for such activities. Any reference in the Policy to the Committee shall be interpreted as referencing the appropriate delegate.
- 3.7 The Committee may rely on independent experts for certain aspects of the Fund's operations where expert knowledge is required or where a perceived or actual conflict of interest exists.
- 3.8 Neither the Committee nor any employee of the Foundation shall select securities on behalf of the Fund except for the selection of Pooled Funds, GICs, or short-term deposits with banks or trust companies for the Fund.
- 3.9 The Committee shall retain one or more independent professional investment managers (the "Manager(s)") to invest the Fund assets.
- 3.10 Assets of the Fund shall be allocated by the Committee among Managers in such proportions that will implement the Fund asset allocation guidelines in accordance with this Policy.
- 3.11 Where the Committee desires to invest in a Pooled Fund, the Committee must satisfy itself that the Investment Policy of such Pooled Fund and any amendments thereto are consistent with this Policy.
- 3.12 Any Custodian of Fund assets shall be a trust company registered in Canada or an insurance company authorized to underwrite life insurance in Canada. All investments and assets of the Fund shall be held by a Custodian and invested in a name that clearly indicates that the investment is held in trust for the Fund and, where the investment is capable of being registered, registered in that name.

Section IV – Roles and Responsibilities

The Board

4.1 The Board shall:

- Approve the Policy.
- Approve the appointment of Committee members.
- Approve any public financial statements which include reporting on the value of the Fund.
- Ensure that proper external investment arrangements are established for the Fund.
- Approve the asset mix policy.
- Ensure that Policy is reviewed at least annually.

The Committee

4.2 The Committee shall:

- Recommend a written Statement of Investment Policy to the Board.
- Approve the appointment of independent external advisors to provide investment advice (the “Investment Consultant(s)”).
- Approve the manager structure and review it at least annually.
- Approve the appointment and termination of the Managers.
- Approve the appointment and termination of the Custodian.
- Monitor the activities and performance of the Fund.

- Make other decisions that may be required to fulfill the terms of this Policy.

The Managers

4.3 The Managers shall:

- Invest the assets allocated to them in accordance with the Policy.
- Comply with the terms of an Investment Manager Agreement (“Agreement”).
- Report to the Committee in writing on a quarterly basis in respect of their performance for the quarter, the investment holdings and transactions, the intended strategy for the following quarter, deviation from the intended strategy for the preceding quarter and compliance with the Policy.
- Provide to the Committee upon appointment, and whenever change occur thereafter, their policies and procedures relating to professional standards, conflicts of interest, internal controls and trading policies.
- Advise the Committee on an ongoing basis of any relevant changes in their organization, personnel or investment process.
- Be available for meetings or discussions with the Committee on a reasonable basis.
- Report to the Committee in writing on an annual basis, and whenever there are changes, their Environmental, Social, and Governance policies and practices.

Section V – Asset Classes Eligible for Investment

5.1 From time to time, and subject to this Policy, the Fund may invest in any or all of the following asset categories and subcategories of investments either directly or through Pooled Funds or exchange traded funds that hold these investments. To the extent the Fund invests in a Pooled Fund, the investment constraints outlined below and any other provisions of the Statement that may be affected, shall not apply, but the Managers shall be governed by the investment policy for the Pooled Fund. At the time of hire, the Managers shall inform the Committee when and how the guidelines of the Pooled Fund differs from the diversification and other constraints in this Policy, and shall also inform the Committee of their policies on environmental, social and governance factors as these relate to their security selection decisions.

(a) “Equity”:

- common stocks, convertible debentures, share purchase warrants, exchangeable shares, share purchase rights, installment receipts or preferred shares of corporations
- interests in limited partnerships
- exchange traded funds, real estate investment trusts and income trusts
- depositary receipts

(b) “Fixed Income”:

- bonds, debentures, notes, or other debt instruments of domestic, foreign and supranational issuers
- asset-backed securities
- mortgage-backed securities
- commercial and residential mortgages

- pooled funds primarily invested in mortgage loans secured against Canadian and US real estate
- hybrid debt instruments issued by Canadian chartered banks
- term deposits or similar instruments of licensed trust companies and banks

(c) “Infrastructure”:

- pooled funds primarily invested in US and Canadian infrastructure assets

(d) “real estate”

- pooled funds primarily invested in global real estate assets

(e) “Cash and Cash Equivalents”:

- deposits with banks or trust companies with a term to maturity of one year or less
- money market securities with a term to maturity of one year or less
- floating rate notes
- repurchase agreements with a term to maturity of one year or less

(f) Hedge Funds:

- Hedge funds via pooled funds only, including, but not limited to absolute return strategies, market neutral credit and equities, event driven and global credit

(g) Derivatives:

- Futures and options that are regularly traded upon recognized public exchanges or other organized public trading facilities where market prices are readily available.

- Forward contracts and swap agreements with financial institutions that satisfy the credit standards of the Policy with respect to Cash Equivalents and Fixed Income.

Other Investments:

5.2 The Fund may not invest in categories of assets or instruments not specifically provided for in this section including commodities, precious metals, mineral rights, bullion or collectibles.

Section VI – Investment Objectives and Risk Considerations

- 6.1 The overall investment philosophy of the Fund is to maximize the long-term real rate of return subject to an acceptable degree of risk.
- 6.2 The investment objectives of the Fund are:
- (a) The primary objective of the Fund is to preserve the principal amount of the Fund over the long term.
 - (b) A secondary objective is to preserve the real value of the Fund over the long term.
 - (c) The long-term expected rate of return for the Fund is 4% above inflation (as recorded by the Consumer Price Index) over four-year rolling periods.
- 6.3 The overall quantitative performance of the Fund shall be considered satisfactory if the total annualized returns earned by the Fund exceed by 1.0% the returns that could have been earned by passively investing the Normal Allocation, identified in the following table, over rolling four year periods.

Asset Class	Benchmark Index	Normal Allocation
Canadian Equities	S&P/TSX Composite Index	25%
Global Equities	MSCI World Index	35%
Canadian Fixed Income and Mortgages	Blended Index comprised of 80% FTSE Canada Universe Bond Index + 20% FTSE Canada Short Term Index	22%
Infrastructure	CPI + 4%	8%
Real Estate	CPI + 4%	10%

6.4 For each actively managed component of the Fund, the following table details the value add expectations relative to the corresponding benchmark. It is expected that the Managers will achieve these performance targets for their respective mandates, measured over rolling four year periods.

Asset Class	Benchmark Index	Added Value Expectation
Canadian Equities	S&P/TSX Composite Index	Index + 1.0%
Global Equities	MSCI World Index	Index +1.0%
Canadian Fixed Income and Mortgages	Blended Index comprised of 80% FTSE Canada Universe Bond Index + 20% FTSE Canada Short Term Index	Index + 0.4%
Infrastructure	CPI + 4%	0.0%
Real Estate	MSCI Global Property Fund Index	0.0%

6.5 For the purpose of measuring rates of return of the Fund, all returns shall be measured before investment management fees, but after transaction costs, and over rolling four-year periods. All index returns shall be total returns. All foreign index returns shall be Canadian dollar returns.

6.6 The risk inherent in the investment strategy over a market cycle (a five to ten year period) is three-fold. There is a risk that long-term market returns will not be in line with expectations. To the degree that active management is employed, there is a risk that the added value will not be realized, or will be negative. There is also the risk of annual volatility in returns which means that in any one year the actual return may be very different from the expected long-term return and that such return may also be negative.

Section VII – Asset Allocation Guidelines

7.1 In identifying the Normal Allocation that would best meet the objectives identified in this Policy, consideration was given to:

- (a) the factors outlined in Overview of the Fund;
- (b) the long-term nature of the Fund’s assets;
- (c) the long-term return expectations and the risks associated with key asset classes, as well as the relationships of their returns with each other, inflation and interest rates; and
- (d) Practical considerations.

7.2 Over complete market cycles the allocation is expected to stay within the following ranges and to approximate the Normal Allocation:

Component Asset Classes	Percentage of Fund at Market Values		
	Normal Allocation	Range	
		<i>Minimum</i>	<i>Maximum</i>
Canadian Equities	25%	15%	30%
Global Equities	35%	30%	45%
Total Equities	60%	50%	70%
Fixed Income and Mortgages	22%	15%	30%
Cash & Cash Equivalents	0%	0%	10%
Infrastructure	8%	4%	12%
Real Estate	10%	0%	12%

Cash and Cash Equivalents may also be held from time to time on a short-term, temporary basis or as defensive reserves within the portfolios for each asset class at the discretion of each Manager within the constraints prescribed by that Manager’s mandate, and for the

purposes of this section such Cash and Cash Equivalents shall be included in that respective asset class.

During periods of asset mix transition, the allocations may deviate from the permitted ranges.

- 7.3 If the asset mix deviates outside the above ranges at the end of any quarter, the Committee shall take corrective action on rebalancing the asset mix to bring the asset mix back within the range as soon as practicable. The Committee may also take action to bring the asset mix closer to the Normal Allocation at any time.

Section VIII – Restrictions and Constraints for Fund’s Investments

- 8.1 (a) The Committee shall ensure that the diversification requirements in each Manager’s mandate or Pooled Fund investment policy, in combination with the amount of assets allocated to each Manager or Pooled Fund, are consistent with the limits outlined in this Section.
- (b) Unless otherwise indicated, all percentages used in this Section shall be calculated using market values at the time; and
- (c) With the exception of a pooled fund and securities issued or guaranteed by the Government of Canada or by a province of Canada having at least an “A” rating no more than 10% of the Fund shall be invested in any one entity or group.
- 8.2 In respect of the equity portfolio of the Fund:
- (a) All holdings shall be listed on a public exchange or convertible or exchangeable into such securities.
- (b) Neither the Manager nor the Fund may take part in the management of any business in which the Fund invests.
- (c) Holdings shall be diversified by company, region, industry, currency and country; however, consideration may be given to the relative sizes of economic activity and stock market capitalization.
- (d) In respect of any Canadian income trust and Canadian real estate investment trust, unless the unit of such trust is held within a Pooled Fund and the agreements governing the Pooled Fund state that the investors in that Pooled Fund cannot be held personally liable for the obligations of the trust or the trustee, such trust:
- (i) must be a reporting issuer under the applicable securities legislation in Canada;

- (ii) must be governed by the laws of a province that limits the liabilities of unit holders by statute; and
 - (iii) The agreements governing any such trust must state that beneficiaries cannot be held personally liable for the obligations of the trust or the trustee.
- (e) Any interest in a partnership must be as a limited partner and not as a general partner.
 - (f) Not more than 10% of the Canadian Equity portfolio shall be invested in securities not included in the S&P TSX Composite Index.
 - (g) Not more than 10% of the global equity portfolio shall be invested in companies having market capitalization, including closely held shares, below \$1 billion (USD).
 - (h) Not more than 10% of the global equity portfolio shall be invested in countries not included in the MSCI World index.

8.3 In respect of the fixed income portfolio of the Fund:

- (a) All securities must be readily marketable.
- (b) Securities rated below "BBB (low)" or equivalent at the time of purchase are not permitted.
- (c) The aggregate duration of the portfolio shall be maintained within three years of the FTSE Canada Universe Bond Index.
- (d) Not more than 5% shall be invested in any one corporation or security with the exception of those issued or guaranteed by the Government of Canada or by a province of Canada having at least an "A" rating.
- (e) Asset-backed securities shall be rated by at least two rating agencies.

- (f) Mortgages shall be secured against Canadian and US real estate, and the loan to market value ratio for individual mortgages shall not exceed 75%.
- (g) Not more than 30% shall be held in issues rated below "A" or equivalent.
- (h) Not more than 15% shall be held in securities denominated for payment in foreign currency.

8.4 In respect of Derivatives:

- (a) Any use of Derivatives must be in accordance with a policy that has been specifically considered and approved by the Committee whether done directly in the Funds or in a Pooled Fund.
- (b) Derivatives may be used only to:
 - (i) adjust the duration and/or credit exposure of the Fixed Income portfolio within the ranges set out in this Policy;
 - (ii) replicate the investment performance of interest rates or a recognized capital market index;
 - (iii) create an exposure to securities that are otherwise permitted under this Policy;
 - (iv) manage the currency exposure of foreign property; or
 - (v) Reduce risk as part of a hedging strategy.
- (c) Derivatives may not be used to create exposures that would not otherwise be permitted under this Policy or which would be outside the limits under this Policy had the exposure been obtained in the cash markets.

- (d) Any Manager investing in Derivatives must determine the market value of that Manager's exposures on a daily basis.

8.5 In respect of Cash and Cash Equivalents of the Fund:

- (a) All Cash Equivalents, including those held within the portfolios for each asset class at the discretion of the Manager, shall have a minimum credit rating of "R-1 (low)" or equivalent and be readily marketable or redeemable.
- (b) Deposits with banks or trust companies must be rated "A" or better or be with institutions that have a long-term rating of "A" or better.

8.6 For purposes of this Section:

- (a) All debt ratings refer to the ratings of Dominion Bond Rating Service unless otherwise indicated, however, equivalent ratings by another major credit rating agency can be used.
- (b) If a security's credit rating falls below the required level after purchase, the Manager shall advise the Committee of their proposed course of action in writing as soon as practical.
- (c) Unrated securities will be assumed to fail the credit ratings referred to in this Section.

8.7 Other than in the case of Derivatives specifically permitted by this Policy, the Fund shall not purchase securities on margin or engage in short sales. Installment receipts may not be purchased unless Cash or Cash Equivalents equal to the unpaid purchase price are also held.

Section IX – Loans and Borrowing

9.1 No part of the Fund assets shall be loaned to any party, other than by:

- (a) purchasing securities which otherwise meet the requirements of this Policy for Fixed Income or Cash Equivalent;
- (b) lending securities either by the Custodian or through a Pooled Fund that lends securities provided that a minimum collateral coverage of at least 102% of the current market value of the loaned securities is maintained at all times:
 - (i) in high quality liquid securities defined in an agreement with the lending agent and provided also that the lending agent provides a Bank guarantee of all such loans, or
 - (ii) in cash, provided that such cash is invested in investments that comply with the requirements for Cash and Cash Equivalents in this Policy, or
- (c) Entering into repurchase agreements provided that the market value of the collateral held equals or exceeds the repurchase price plus accrued interest each day and the collateral otherwise qualifies for investment under this policy.

9.2 Money shall not be borrowed on behalf of the Fund and the Fund' assets shall not be pledged or otherwise encumbered in respect thereof, except for temporary overdrafts that occur in the course of normal day-to-day portfolio management.

Section X – Valuation of Investments

- 11.1 Investment in marketable securities shall be valued by the Custodian no less frequently than monthly at their market value at that time.
- 11.2 The Fund's investments in Pooled Funds holding publicly traded securities shall be valued according to the unit values published by the Managers. The Custodian shall be responsible for requesting and recording the unit values on a monthly basis.
- 11.3 If a market valuation of an investment is not readily available, an estimate of fair value shall be supplied by the Manager to the Custodian no less frequently than quarterly. Such fair value may be determined by reference to the most recent independent expert appraisal or by other means such as discounted cash flow or comparison with similar assets which are publicly traded. In all cases the methodology should be applied consistently over time.

Section XI – Conflicts of Interest

- 11.4 If a member of the Committee, or any agent of or advisor to the Committee, or any person employed in the investment or administration of the Fund has or acquires any material interest, direct or indirect, in any matter in which the Fund is concerned or may benefit materially from knowledge of, participation in, or by virtue of an investment decision or holding of the Fund, the person involved shall, as soon as practicable, disclose this conflict of interest to the Chair of the Committee. The Chair shall then immediately advise all members of the Board, and the Board shall decide upon a course of action according manager's internal guidelines and polices. Any such person will thereafter abstain from any decision making with respect to the area of conflict, unless otherwise determined by unanimous decision of the remaining members of the Committee.
- 11.5 A Manager shall provide the Committee with its internal guidelines on purchasing securities of members of the Manager's organization, affiliates, or entities in which the Manager or its affiliates have a substantial interest or in which any employee of the Manager or that employee's spouse or children have a substantial investment.
- 11.6 Every disclosure of interest under this Section shall be recorded in the minutes of the relevant Committee meeting.
- 11.7 The failure of a person to comply with the procedures, described in this Section, shall not of itself invalidate any decision, contract or other matter.
- 11.8 The Committee shall satisfy itself that an appropriate policy regarding conflicts of interest exists and is followed by any Manager. As a minimum, the Code of Ethics and Standards of Professional Conduct adopted by the CFA Institute shall be expected to apply to such Manager.

Section XII – Voting Rights

- 12.1 The responsibility of exercising and directing voting rights acquired through the Fund's investments shall normally be delegated to the Manager, who shall be required at all times act prudently and in the best interests of the beneficiaries. The Manager shall provide a copy of their voting rights policy to the Committee on request.
- 12.2 The Manager shall be required to maintain a record of how the Fund's voting rights have been exercised and provide a copy of such record to the Committee on request.

Section XIII – Monitoring

- 13.1 The Committee shall review on a regular basis, as needed, and at least once a year:
- (a) the assets and net cash flow of the Fund;
 - (b) the current asset mix of the Fund;
 - (c) the investment performance and management of the Fund and each Manager relative to the objectives of the Policy, their Investment Policy or their individual Mandate, as applicable;
 - (d) portfolio holdings;
 - (e) the fees and expenses incurred in managing the Fund; and
 - (f) Compliance with this Policy.

Following such review, the Committee shall take such action as it deems prudent and appropriate.

- 13.2 The Committee or a representative appointed by the Committee shall meet at least once a year with each Manager to discuss investment performance, investment strategies, expected future performance and any changes in that Manager's organization, investment processes and professional staff.
- 13.3 The primary focus of performance assessment will normally be on a moving four-year basis, but performance over shorter time periods and the Manager's performance for other comparable accounts prior to appointment for the Fund may also be considered. The Manager will not necessarily be faulted for underperforming the agreed standard over short time periods. However, the Committee may conclude that significant short-term underperformance renders it unlikely that the performance standard can reasonably be achieved at an appropriate risk level over the remainder of a market cycle.

13.4 Managers' performance will be measured against applicable benchmarks and peer groups, as well as non-performance criteria, indices and comparator groups.

13.5 The Managers will also be judged on non-performance related criteria such as

- (a) failure to comply with the guidelines of the Policy;
- (b) changes in key investment personnel, ownership and organization;
- (c) deterioration in the quality and level of service;
- (d) investment management fees, and
- (e) Financial condition of the firm (including any significant changes in assets under management).

13.6 The Committee shall evaluate whether any information discovered through the foregoing monitoring activities require specific communication to the Board.

Section XIV – Policy Review

14.1 This Policy will be reviewed and affirmed at least annually, but otherwise whenever a major change is apparent or necessary. Such review may be prompted by:

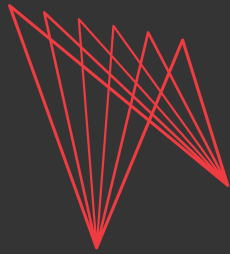
- (a) a change in the expected projected expenditures of the Fund;
- (b) a revision to the expected long-term trade-off between risk and reward on key asset classes;
- (c) a shift in the financial objectives and risk tolerance of the Foundation,
- (d) shortcomings of the Policy that emerge in its practical operation; or
- (e) Modifications that are recommended to the Committee by a Manager.

Section XV – Environmental, Social, and Governance

- 15.1 Companies that ignore environmental, social, and governance (ESG) factors expose themselves to risks that can adversely impact long term financial performance. When evaluating companies for potential investment, investment managers should include an assessment of the potential risks and opportunities arising from ESG factors.
- 15.2 Existing managers are encouraged to integrate ESG considerations into their investment process and are required to provide annual updates on their ESG practices. In evaluating and selecting new investment managers or retaining existing managers, consideration will be given to whether and how ESG factors are integrated into the manager’s investment process. Individual security selection decisions will remain the responsibility of investment managers retained by the Foundation.

[Supplementary Annexes for this Annual Report](#)

are located on the Asia Pacific Foundation of Canada’s website.



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