



Venture and Growth Capital Catalyst Initiative (Growth VCCI)

Discussion guide: Funds-of-
funds stream

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Overview: Designing the Venture and Growth Capital Catalyst Initiative (Growth VCCI)

Venture capital (VC) is a form of private capital investment in high-growth technology companies from early to growth stage. VC firms offer financing and expertise to help businesses grow, typically in exchange for minority equity stakes.

The world is evolving, and it is important to ensure that Canadian companies have access to the capital necessary to innovate and scale during periods of economic turbulence and opportunity.

Budget 2025 provided \$1 billion to launch the new Venture and Growth Capital Catalyst Initiative (Growth VCCI), a funds-of-funds program that would leverage more private venture capital by incentivizing pension funds and other institutional investor participation, as well as support for emerging fund managers and important sectors such as the life sciences sector.

Through this program, the government will invest alongside the private sector in three streams:

- \$700M for a funds-of-funds stream, focused on selecting fund managers who will be able to fundraise to achieve scale, allocate assets to strengthen the VC investment landscape for Canadian companies, and achieve a competitive return on investment for investors (Funds-of-funds stream);
- \$200M for a life sciences stream, focused on VC fund managers that target support for Canadian life sciences companies (Life Sciences stream); and
- \$100M for emerging and next generation fund managers, aimed at allocating capital to emerging Canadian fund managers (Emerging Manager stream).



Building on the success of historic federal capital programs, the Growth VCCI will continue to catalyze investment and innovation across Canada by:

1. Strengthening the flow of capital to innovative, high-growth potential Canadian companies from pre-seed through to growth stage in order to build the next generation of homegrown entrepreneurs and Canadian anchor firms;
2. attracting investors, including institutional investors such as pension funds, to performance-driven funds which yield competitive investor returns and advance the sustainability of the Canadian venture capital asset class; and
3. cultivating and retaining the next generation of Canadian fund managers by mobilizing capital to invest in fund managers across the VC and growth asset class, including emerging and established managers.

Purpose

Industry comments are sought on the design of the Growth VCCI. Guided by the previous programs such as the Venture Capital Action Plan and Venture Capital Catalyst Initiative, this new program will continue to focus on attracting both national and international investment to Canadian private capital markets to promote Canadian technologies and start-ups and help companies to scale.

To continue to attract and unlock new private capital investment, the Growth VCCI terms will aim to attract large-scale private capital investment, such as through pension funds and other institutional investors, balanced with a focus on viability, continuing to grow a robust and financially sustainable Canadian venture capital industry that is private-sector led, market-driven and demonstrates globally competitive financial returns through investing in Canadian innovations.



Innovation, Science and Economic Development (ISED), working in close collaboration with the Business Development Bank of Canada (BDC), is seeking views on:

- How design can ensure allocated capital is distributed along the investment continuum to support innovative Canadian companies at each stage of their development.
- For the Funds-of-funds stream:
 - what adjustments can be made to key terms (preferred rate of return; capital call contribution schedule; management fees, among others) to attract large-scale private capital investment, such as through pension funds and other institutional investors, to participate in Canadian private investment;
 - what investment parameters should be set to drive investment in Canadian companies and funds;
 - other areas related to the Funds-of-funds stream, that are directly identified herein.

Engagement on the Life Sciences and Emerging Manager streams will follow at a later date. However, preliminary views are welcome on the design of these streams.

Where we've been: Historic programming

The Government of Canada has previously supported the growth of the venture capital industry through the two Venture Capital Catalyst Initiative (VCCI 2017, VCCI 2021) programs and the predecessor program, the Venture Capital Action Plan (VCAP).

Through these previous programs, the federal government has invested in privately managed funds alongside the private sector, with the Business Development Bank of Canada (BDC) acting as the federal government's limited partner (LP) in selected funds. Collectively, the government has invested \$1.2 billion into venture capital (VC) funds, with recipient fund managers matching with private sector investment to raise over \$3 billion in capital from private and public investment sources for VCAP and VCCI 2017 programs. VCCI 2021 recipient fund managers are expected to raise a further \$1.6 billion from private and public investment sources.



Directing investments into funds-of-funds streams and targeted fund streams (such as Life Sciences in VCCI 2021 and Clean Technology in VCCI 2017), these programs have strengthened the flow of VC into Canada and ensured that promising Canadian companies have access to the equity investment necessary to innovate, to scale and to compete internationally.

Where we're going: Continuing to scale-up Canadian capital markets

Building on the success of programs to date, the Venture and Growth Capital Catalyst Initiative (Growth VCCI) will continue to foster investment in Canadian funds and Canadian companies, reaffirming the commitment to investing in Canadian innovations.

Growth VCCI will also continue to strengthen support for the venture capital asset class in Canada, broadening and advancing support to the entirety of the venture capital continuum from seed and early stage funds through the capital formation of late stage and growth funds, as well as supporting new and emerging managers and the life sciences sector.

Fund-of-funds stream

Under this stream, selected fund managers are expected to deliver a fund-of-funds model, with the majority of capital allocated to private funds along the investment continuum (pre-seed to late/growth stage), through investments in emerging and established fund managers.

The aim of the Funds-of-funds stream is to:

- strengthen and scale the flow of capital to Canadian VC funds, and innovative, high-growth potential Canadian companies, from seed to late-stage/growth capital in order to further the maturation of the Canadian VC ecosystem and build the next generation of homegrown entrepreneurs and Canadian anchor firms; and
- increase participation of investors (including pension funds and other institutional investors such as insurance companies and banking institutions), to ensure Canadian companies



across Canada have access to investment that is aligned with their development and growth objectives and to broaden and deepen the pools of private investment capital in Canada to align with the scale needed through to late and growth stages.

Selected fund managers under this stream will be expected to offer investment terms consistent with the program, and where not specified, that are market-based, as well as demonstrate significant experience in fundraising and capital management, with the capacity (including alignment of team skills and structure) to mobilize large-scale investment to support Canadian funds and companies along the development continuum (from seed to late/growth stage) across Canada.

Feedback is invited on proposed program terms below, which have been designed to:

- attract substantial private sector capital;
- continue to grow Canadian companies that are developing best in class innovations; and
- provide terms that balance policy objectives with fund economics to achieve sustainability and market-level returns.

1. Provincial/territorial government participation

Similar to previous program funds-of-funds streams, it is proposed that Canadian provincial or territorial governments participating in selected funds will be expected to invest on the same terms as the federal government.

2. Private investment leverage ratio

The Growth VCCI will seek to maximize the leverage ratio of government investment. As such, it is proposed that selected fund managers will be expected **to raise \$3 from private-sector investors for every \$1 of public-sector capital (including investments from other levels of government or agencies wholly government owned)**, a ratio consistent with previous VCCI 2021 funds-of-funds stream.



3. Target fund size

To ensure Canadian funds have capital to scale their investments and Canadian companies have access to capital to achieve their growth objectives, it is proposed selected fund managers must be raising a **fund-of-funds of at least \$150 million. It is proposed that no maximum fund size is set.** However, it is intended that this funding will be allocated to multiple fund managers.

4. Timing of first close

Following confirmation of funding, selected fund managers would be expected to complete a close with government capital matched by private sector investment of the lesser of \$150 million or at least 50% of target fund size, within 18 months from confirmation of federal investment.

5. Capital call contribution schedule and waterfall structure

Consistent with previous programs, a waterfall structure is being contemplated which would include the following considerations:

- adjusting government/private sector capital call contribution schedule to permit greater risk sharing between government and private sector; and
- adjusting preferred rate of return to align with markets for the private sector with a lesser preferred rate of return for the government capital.



Below are proposed options. Views are welcomed by fund managers and investors.

Summary: Proposed capital call contribution schedule

	Option 1	Option 2
Capital call contribution schedule	50%/50% government/private sector contribution.	Pro-rata contribution.
Step 1	Private sector capital returned and 7% internal rate of return (IRR) to private sector.	Private sector capital returned and 7% internal rate of return (IRR) to private sector.
Step 2	Public sector capital returned and 3% IRR to public sector.	Public sector capital returned and 5% IRR to public sector.
Step 3	General partner (GP) full catch-up of earned carried interest.	General partner (GP) full catch-up of earned carried interest.
Step 4	Pro-rata distribution based on committed capital (subject to general partner carry).	Private sector distribution until 2 x Multiple on Investment Capital (MOIC).
Step 5	N/A	Pro-rata distribution based on committed capital (subject to general partner carry).



6. Management fees

Management fees should be competitive and based on comparable terms in the Canadian VC market.

With the dual-purpose of fostering a competitive investment landscape and ensuring fund managers are sufficiently resourced to be agile and diligent in operations, fund managers would have the flexibility to offer fee discounts, such as:

- **Discount proportional to investment size**—fee discounts provided for large-scale investments from private sector investors.
- **Graduated fee structure**—relative to investment size, fee structure changes between the investment period and the harvesting period.
- **Early bird discount**—option to provide a reduced fee for private investors that participate in the first close.

Public sector investors would not be eligible for fee discounts.

Fund managers and investors are invited to share their views on models and potential fee ranges based on factors such as cheque size, as well as propose alternative models for consideration.



7. Proposed eligibility criteria

The following eligibility criteria are proposed in the selection of a fund manager, to ensure a minimum threshold of investment expertise, Canadian industry presence, and general partner (GP) risk alignment:

- Applicant must be a private sector fund manager.
- Applicant firm must already be a registered investment entity in Canada, as applicable and capable of raising capital if selected.
- All successful applicants must agree, at a minimum, to having a principal office located in Canada that is an active investment office and that houses senior investment professionals who are residents of Canada and of whom at least one is a member of the investment committee (or similar decision-making body) responsible for making investment decisions for the proposed fund.
- Demonstration of support from institutional investors through at least one of the following:
 - A letter of intent from at least one institutional investor, indicating support for the identified manager to create a fund-of-funds focused on Canada and an appetite to invest in said fund (viable in-principle commitment); or
 - experience in raising a fund-of-funds of at least \$100 million in size that has had pension fund or other institutional investor (e.g., financial institutions, insurance company) limited partner (LP) commitments; or
 - at least one GP has managed a private capital fund of at least \$100 million.
- GPs of selected funds-of-funds managers must demonstrate a market-based GP commitment relative to fund size.



Investment parameters

The Funds-of-funds stream will aim to stimulate portfolio construction that allocates capital to Canadian funds and companies along all stages of the investment continuum, from pre-seed to growth stage; demonstrates competitive returns for investors; and supports the growth of a financially sustainable venture capital industry in Canada. Through this stream, Canada is seeking to strengthen its domestic capital base while ensuring that fund managers have the agility to manage portfolio construction and risk.

Strengthening the investment landscape for Canadian companies remains a core objective of the Funds-of-funds stream. However, this is balanced by a recognition that building a financially sustainable investment ecosystem requires international investor participation to support the development of networks and to build globally connected companies.

8. Investment restrictions

Aligned with BDC's investment policies, fund-of-funds managers will be restricted from making direct investments in companies primarily engaged in certain activities, such as holding or managing real estate, extracting resources, or selling, marketing or providing gambling, pornography, alcohol, tobacco or illegal goods.

Funds will be permitted to invest in entities whose activities in the defence and national security sectors relate to supply chains and direct sales destined for Canadian defence and security entities and those of allied nations (such as NATO, G7, and Five Eyes countries). In considering any such investment opportunities, general partners will be asked to conduct enhanced due diligence appropriate to the sector and ensure that (i) investee entities and their operations comply with all applicable laws and regulations, and; (ii) the fund's activities remain aligned with Canada's strategic national security objectives, international human rights commitments, and the *United Nations Guiding Principles on Business and Human Rights*.



9. Allocations

Within this program, a main objective of the Funds-of-funds stream is to drive capital formation in the venture capital ecosystem, with the end goal that Canadian companies across Canada have strong domestic partners who will be able to follow a company along its growth journey. Building on the parameters of the previous program, it is **proposed that a maximum of 30% of total fund size (aggregate limited partner [LP] commitments, does not include recycled capital) are allocated to direct investments**, defined as investments into companies alongside other investors.

Successful applicants must pledge a commitment to make fund investments in accordance with the following parameters:

- a minimum 60% of fund investments into Qualified Canadian Venture Capital (VC) Funds;
- a maximum of 30% of fund investments into Qualified VC Funds; and
- a maximum of 40% of fund investments into Qualified Canadian Funds.

Of the direct investment activity:

- at least 90% must be allocated to Canadian-based companies.

Secondary transactions will be permissible, up to a maximum of 20% of aggregate LP commitments, calculated as the sum of:

- commitments to funds that investment primarily through secondary transactions; and capital into direct investments and commitments to fund investments via secondary transactions.

A pan-Canadian approach to investment is encouraged.



For the purpose of this program, it is proposed:

Substantial Canadian presence: The manager's headquarters are located in Canada or a principal office of the manager of such fund that is an active investment office is located in Canada and, in each case, such office is staffed with senior investment professionals who are residents of a province or territory of Canada and who comprise at least one half of the fund's investment committee—or similar decision making body—that will be responsible for making investment decisions. Funds that do not meet this definition would be considered non-Canadian.

Qualified Venture Capital (VC) Fund: The investment objective is to provide investors with competitive long-term returns through investments in venture capital (VC) opportunities, typically in innovative or technology-focused companies across sectors of the VC marketplace, including companies in information and communication technologies, clean technologies, healthcare, life sciences and companies that are engaged in the development of new products, markets or business models, subject in each case to the availability of such opportunities.

Qualified VC Funds include investments that would reasonably at the time of making such investment (support companies as they develop, grow and transition to reach the later stages of the VC continuum). Such investments are made in operating companies principally through minority equity investments to grow the businesses without taking control, but also through majority equity stakes, typically at initial investment without expecting to retain control at exit, and for the purpose of supporting the companies' development and growth, provided; however, such investment is not effected through traditional private equity buyout strategies, primarily through debt investments (excluding mezzanine and convertible debt and other quasi-equity debt instruments consistent with venture capital investing) or for the purpose of exercising control over the operating company, including at exit.



Qualified Canadian Venture Capital (VC) Fund: A fund that has a substantial Canadian presence and meets the definition of Qualified Venture Capital Fund.

Qualified Canadian Fund: Has a substantial Canadian presence, and has as its primary investment objective the making of primary or secondary investments that support innovative or technology companies and provides growth equity to support later stages for such companies that are reasonably considered to be a part of the venture capital continuum and take minority or majority equity stakes in such companies.

Direct investment: A primary or secondary investment by a Fund-of-funds manager in a company, alongside other investors.

Canadian-based company: A portfolio company that, at the time of the original investment by a Qualified Canadian VC Fund, Qualified Canadian Fund, Qualified VC Fund or direct investment has the following characteristics:

a) either:

- its headquarters are located in Canada; or
- a majority of its senior executive officers are residents; AND

b) either:

- a majority of its operations are located in Canada; or
- a majority of its full-time employees are located in Canada.

10. Overall Canadian content (Portfolio look through)

Building on the historic parameters, it is proposed that selected fund managers should make all commercially reasonable efforts to **ensure the majority of total invested capital is invested in Canadian-based companies.**

The intention of this program is to continue to advance promising innovative Canadian companies. This increase is intended to maximize the impact of program investment in Canada, while providing flexibility to fund managers to have some international exposure.



Other requirements

11. Code of conduct

Consistent with past practice, fund managers selected under the program will be expected to demonstrate high degree of integrity and transparency in their firm operations as well as interactions with portfolio funds and companies.

General partners must adopt the BDC's Code of Conduct or one that is substantially the same form and substance for the term of the partnership. The main provisions cover harassment, discrimination, and workplace violence. Selected fund managers will be expected to demonstrate a high level of integrity and transparency.

12. Proposed reporting obligations

As with previous programs, fund-of-funds managers selected under this program will be expected to report on fund activities and make commercially reasonable efforts to obtain the necessary information from supported funds and portfolio companies. This information will be used to inform ISED and BDC on initiative progress. Requirements are appended in Annex A.

13. Inclusive Growth Framework obligations

As with previous programs, fund-of-funds managers selected under this program will be expected to align with the Inclusive Growth Framework (Annex B) and implement at least one action under each of the following areas (internal, portfolio and ecosystem) and fulfill obligations under data collection.

14. Call for Expressions of Interest and selection process

Similar to previous programs, the Growth VCCI will use a "Call for Expressions of Interest" over a set fixed intake period to seek proposals from private sector fund-of-funds managers. Fund-of-funds managers will be evaluated and selected through a competitive process that will assess capabilities in such areas investment process and strategy, manager capabilities, and fundraising strategy. Assessment criteria will be set out in more detail in the Call for Expressions of Interest.



Applicants would be invited to bring forward proposals outlining their experience and track records (including alignment between past history and current fund size goals [demonstrating progressive growth in assets under management], track records of performance that is aligned with industry benchmarks for comparable vintages/investment thesis); presence/profile in the Canadian market (including endorsements from portfolio companies and limited partners); and, clearly articulated investment thesis, fundraising strategy, and value propositions to Canadian firms and the VC ecosystem.

Once selected, recipients would be required to do their own fundraising to meet predetermined targets within set timeframes. If a selected recipient fails to meet these targets, the Government would reserve the right to reallocate some or all of the capital within or across streams.

Views are welcome on timing of launch of the process, with the aim of contributing to strong fundraising outcomes for selected fund managers alongside timely flow of capital into the ecosystem.

15. Discussion questions

1. Are the proposed parameters aligned to attract new institutional investors to investment? How can the proposed areas be strengthened to support capital attraction while providing competitive returns to both private sector and government investors?
2. The proposed parameters, including investment allocations and definitions (section 9), adopt a more expansive view of the Canadian investment landscape, expanding the categories of investment for selected managers. How can the proposed allocations and definitions be strengthened to foster increased investment in Canadian funds and companies while also aligning with investment strategy and portfolio diversification objectives? Are there specific market gaps or sectors that should be prioritized for investment under this model?
3. A key priority remains bolstering investment directed toward Canadian funds and companies. What are alternative models or incentive structures that could be integrated in a fund-of-funds model to ensure that fund managers meet or exceed the allocation of committed capital to Canadian companies?
4. Are there other parameters or operational efficiencies that should be considered in the context of design?



Summary: Proposed fund-of-funds stream parameters

Area	Proposed term	
Provincial/territorial government participation	Participate on the same terms as the federal government.	
Private investment leverage ratio	\$3 from private-sector investors for every \$1 of public-sector capital (including investments from other levels of government or agencies wholly government owned).	
Target fund size	Minimum \$150 million. Consideration will be given, eliminating the maximum fund size. However, intention is for capital to be allocated to multiple fund managers.	
First close	Close with government capital matched by private sector investment, the lesser of \$150 million or at least 50% of target fund size within 18 months from confirmation of federal investment.	
Contribution schedule and waterfall structure	Option 1	Option 2
	Public and private capital called at 50%/50%.	Public and private capital called pro-rata.
	<p>Step 1: Private sector capital returned, plus an IRR of 7%.</p> <p>Step 2: Public sector capital returned, plus an IRR of 3%.</p> <p>Step 3: GP full catch-up of earned carried interest.</p> <p>Step 4: Pro-rata distribution based on committed capital (subject to general partner carry).</p>	<p>Step 1: Private sector capital returned, plus an IRR of 7%.</p> <p>Step 2: Public sector capital returned, plus an IRR of 5%.</p> <p>Step 3: GP full catch-up of earned carried interest.</p> <p>Step 4: Private sector distribution until 2 x MOIC.</p> <p>Step 5: Pro-rata distribution (subject to General Partner carry) based on committed capital.</p>
Management fees	Management fees should be competitive and based on comparable terms in the Canadian VC market.	



Area	Proposed term
	<p>Flexibility for fund managers to provide alternative management fee models such as discounts proportional to investment; graduated fee structure (relative to investment size); “early bird” discount.</p> <p>Public sector investors would not be eligible for discounts.</p>
Eligibility	<p>Applicant must be a private sector fund manager.</p> <p>Applicant firm must already be a registered investment entity in Canada, as applicable and capable of raising capital if selected.</p> <p>All successful applicants must agree, at a minimum, to having a principal office located in Canada that is an active investment office and that houses senior investment professionals who are residents of Canada and of whom at least one is a member of the investment committee (or similar decision-making body) responsible for making investment decisions for the proposed fund.</p> <p>Demonstration of support from institutional investors through at least one of the following:</p> <ul style="list-style-type: none"> • Letter of intent from <u>at least one institutional investor</u>, indicating support for the identified manager to create a fund-of-funds focused on Canada and viable in-principle commitments; OR • experience in raising a fund-of-funds of at least \$100 million in size that has had pension fund or other institutional investor (e.g., financial institutions, insurance company) LP commitments; OR • at least one GP has managed a private capital fund of at least \$100 million. <p>Make a GP commitment that is market-based relative to fund size.</p>
Investment restrictions	<p>Restricted from making direct investments in companies primarily engaged in certain activities, such as holding or managing real estate, extracting resources, or selling, marketing or providing gambling, pornography, alcohol, tobacco or illegal goods.</p> <p>Funds will be permitted to invest in entities whose activities in the defence and national security sectors relate to supply chains and direct sales</p>



Area	Proposed term
	destined for Canadian defence and security entities and those of allied nations (such as NATO, G7, and Five Eyes countries).
Investment allocations	<p>A maximum of 30% of total fund size (aggregate limited partner [LP] commitments; does not include recycled capital) are allocated to direct investments.</p> <p>Successful applicants must pledge a commitment to make fund investments in accordance with the following parameters:</p> <ul style="list-style-type: none"> • a minimum 60% of fund investments into Qualified Canadian Venture Capital (VC) Funds; • a maximum of 30% of fund investments into Qualified VC Funds; and • a maximum of 40% of fund investments into Qualified Canadian Funds. <p>Of the direct investment activity:</p> <ul style="list-style-type: none"> • at least 90% must be allocated to Canadian-based companies. <p>Secondary transactions will be permissible, up to a maximum of 20% of aggregate LP commitments, calculated as the sum of:</p> <ul style="list-style-type: none"> • commitments to funds that investment primarily through secondary transactions; and capital into direct investments and commitments to fund investments via secondary transactions. <p>A pan-Canadian approach to investment is encouraged.</p>
Portfolio look through	Majority of capital is invested in Canadian-based companies.
Code of Conduct	GPs must adopt the BDC's Code of Conduct or one that is substantially the same form and substance for the term of the partnership.
Reporting obligations	Annex A
Inclusive growth framework obligations	Annex B



Feedback

Feedback on the design of the fund-of-funds stream can be shared with Innovation, Science and Economic Development (ISED) at capital@ised-isde.gc.ca until 5 p.m. PST on April 7, 2026.

Submissions may be submitted in either official language. Unless otherwise requested, submissions will be shared with BDC, to support program design.



Annex A: Proposed reporting requirements

In addition to regular reporting requirements to the LPs, as will be defined in the legal documents, for this program, reporting requirements may include (and are not limited to) the following, in order to support program monitoring and performance reporting requirements:

1. Fund-of-funds manager

Aligned with the Funds-of-funds stream of VCCI 2021, the fund-of-funds manager would provide the following information on their overall investment activity:

- Name of the fund-of-funds.
- Quarterly fundraising updates until final close (identifying source and amount of capital soft committed to close).
- Total amount raised by fund-of-funds.
- Total amount committed by the fund-of-funds to venture capital funds (distinguishing between Canadian and non-Canadian).
- Total amount committed by the fund-of-funds to Qualified Canadian funds.
- Total amount invested by the fund-of-funds to direct investments in companies (Canadian and non-Canadian).
- Amount of capital that the fund-of-funds has invested and distribution made to investors.
- Fair value of active investments made by the fund-of-funds, both direct and indirect.
- Financial return of the fund-of-funds (pooled gross internal rate of return, Total Value to Paid-in Capital [TVPI], and Distributions to Paid-in Capital [DPI]).
- Number of exit events and percentage of investment liquidated.
- Diversity, Equity and Inclusion (DEI) template.



2. Investor in fund-of-funds

Aligned with the Funds-of-funds stream of VCCI 2021 and in order to maintain the leverage ratio of public to private capital, the fund-of-funds manager would provide the following information on their investor base:

- Name of investor.
- Location of investor.
- Type of Investor (Government of Canada, Pension Fund, Banks and Insurance companies, General Partner, Provincial Government, High Net Worth investors and Family offices, Retail Fund and Asset Managers, Foundations and Endowments, Other).
- Total amount committed by the investor in the fund-of-funds.
- Total capital paid in against commitment.
- Cash returned to the investor for those investments.
- Fair value of the investor's active investment in the fund-of-funds.

3. Funds supported under the Funds-of-funds stream

Aligned with the Funds-of-funds stream of VCCI 2021, the fund-of-funds manager provide the following information on their fund investments, collecting the following from each fund manager in their portfolio:

- Name of fund.
- Type of fund (Qualified Canadian Venture Capital Fund, etc.).
- Canadian or non-Canadian and location of fund headquarters.
- Primary stage and sector focus of fund.
- Emerging manager, if applicable.
- Total amount raised by fund.
- Amount invested by the fund in companies, and distributed capital.
- Fair value of active investments.
- DEI reporting template.



4. Canadian companies supported under the Funds-of-funds stream

Aligned with the Funds-of-funds stream of VCCI 2021, the fund-of-funds manager provide the following information on their direct investments as well as underlying portfolio companies:

- Name of company.
- Industry sector and stage of company.
- Location of company.
- Company revenue, including exports.
- Number and location of employees.
- Research and development expenditures (R&D).
- Revenue growth.
- Exit event, if applicable.
- DEI reporting template.



Annex B: Inclusive Growth Framework obligations

Promoting Diversity, Equity and Inclusion (DEI) in Canadian VC is an important objective of the VCCI. Aligning with industry efforts, and work by BDC, the Canadian Venture Capital & Private Equity Association (CVCA) and Institutional Limited Partners Association (ILPA) to develop industry best practices guidance on DEI and data reporting, selected applicants will be expected to implement one commitment under each of the themes. Data collection and reporting on all metrics will be required.

Each recipient manager will be expected to implement at least one action under the following three areas:

- 1. Internal:** Implement policies and practices that promote the enhancement of DEI internally.
- 2. Portfolio:** Implement investment policies and practices that aim to reduce biases and promote the enhancement of DEI within the portfolio.
- 3. Ecosystem:** Implement policies and practices that promote the enhancement of DEI in the community.

Each recipient manager will be required to:

- 4. Data:** Collect and report diversity metrics of fund and portfolio companies. Data collection will be consistent with the DEI Reporting Template for General Partners used by BDC Capital, and is mandatory for all selected managers.