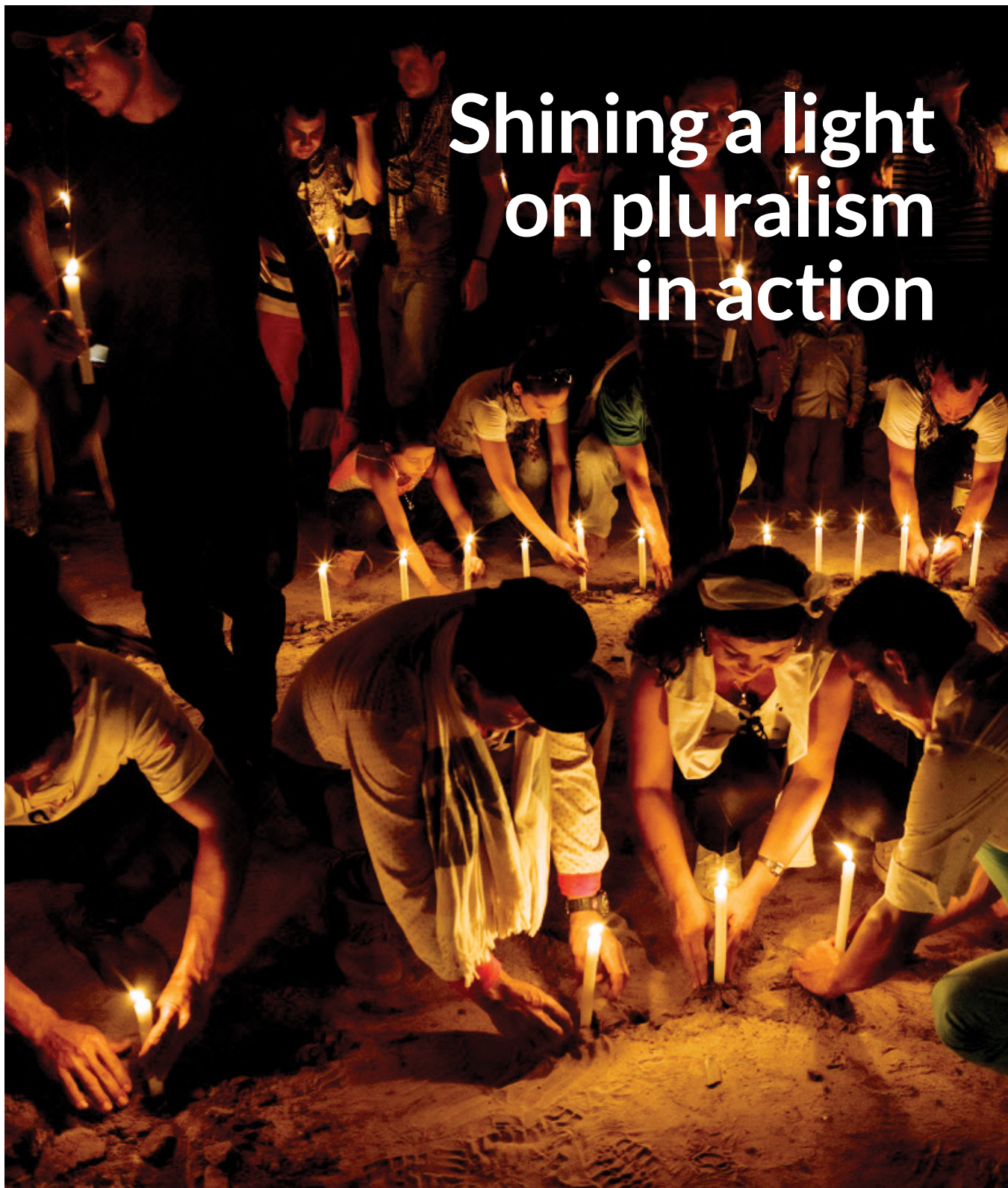




Shining a light on pluralism in action



“...Closer interactions in our world will also produce wonderful new opportunities for creative cooperation, for healthy inter-dependence, for new discovery and inspiring growth. When that happens, the opportunity to engage with people who are different from us need not be seen as a burden, but rather, as a blessing.”

His Highness the Aga Khan,
from an address to the Parliament of Portugal,
July 10, 2018

Global Centre for Pluralism
330 Sussex Drive
Ottawa, ON
K1N 0C7

Tel: +1 613 241 2532
pluralism.ca

Cover image: People light candles at a trust-building exercise in a former FARC camp in El Diamante, Colombia – one small step in the country's ongoing journey to peace.

Credit: Mads Nissen/
Nobel Peace Centre

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Secretary General's Message

We live in troubled times. In countries North and South, citizens continue to be drawn by the allure of leaders offering simplistic solutions to complex issues. More than ever, as forces such as migration and economic exclusion pit groups against one another, we need constructive responses to diversity. We need both the institutions and the popular will to embrace difference as a force for the common good, rather than as an object of fear. This is what we at the Global Centre for Pluralism define as the “hardware” and “software” of pluralism.

Secretary General John McNee with guests at the 2018 Annual Pluralism Lecture

Credit: Anya Campbell



One of the easiest ways to explain pluralism – and how vital it is – is to witness and celebrate it in action. That is part of the motivation behind the Global Pluralism Award, which recognizes individuals and organizations whose work breaks ground for more peaceful and inclusive societies. The inaugural Award recognized three winners – and seven others worthy of honourable mention – whose inspiring work illustrates how pluralism is far more than an abstract idea. One year later, we report back on the difference these outstanding individuals and their networks are making in their societies. While the Award makes but a small contribution to their work, the funds and global recognition conferred have helped each winner demonstrate how pluralist approaches can counter even the most intractable problems.

In Colombia, as Leyner Palacios Asprilla demonstrates, pluralism means ensuring all victims of the war – including marginalized ethnic groups – enjoy peace. In Australia, as Daniel Webb shows us, it means the rights and dignity of asylum seekers must be upheld. And in African countries riven by conflict, as Alice Wairimu Nderitu teaches us, it means women play a meaningful role as mediators and all local ethnicities are welcome.

The Global Centre for Pluralism continues to exert thought leadership through our analysis

and publications. This year, the Centre published case studies on pluralism in Colombia and France, along with thematic papers exploring the role of constitutions and democratization processes in advancing pluralism. We extended our practitioner-focused *Intersections* series with two new papers that explore what pluralism adds to the critical fields of human rights and democracy promotion.

We also help others translate pluralism into meaningful action in various fields of practice. Through events in Canada and internationally, the Centre worked with a range of partners to examine how pluralism can inform conflict prevention and how the private sector can strengthen pluralism and benefit from workplace diversity.

Education is crucial to laying a foundation for inclusive societies. Together with EUROCLIO – European Association of History Educators and the Aga Khan Foundation, we continued our support to educators in Kyrgyzstan who seek new approaches

to history teaching that will strengthen a sense of shared identity in their diverse society.

The Centre's flagship Annual Pluralism Lecture was delivered in October by distinguished author and religious historian Karen Armstrong, who addressed compassion and toleration as competing approaches to pluralism. Held in London at the new Aga Khan Centre, in partnership with the Canadian High Commission, the 2018 Lecture drew some 200 members of civil society, media, government and academia, and reached nearly 10,000 viewers via livestream and online video.

The world lost a tremendous champion of pluralism this year. It was a deep personal privilege to have known, and been guided by, former UN Secretary-General Kofi Annan, who served on the Centre's Board of Directors from our beginning. His vision of a fairer, more peaceful world continues to inspire our work.

John McNee
Secretary General



BBC presenter and chief international correspondent Lyse Doucet in conversation with historian Karen Armstrong at the 2018 Annual Pluralism Lecture in London, UK

Credit: Anya Campbell

About the Centre

Founded in Ottawa by His Highness the Aga Khan, in partnership with the Government of Canada, the Global Centre for Pluralism is an international research and education centre.

Inspired by Canada's experience as a diverse and inclusive country, the Centre was created to understand the dynamics of pluralism and to advance positive responses to the challenge of living peacefully and productively together in diverse societies.



About Pluralism

Pluralism is a positive response to diversity, grounded in mutual respect.

Whereas diversity in society is a fact, how societies respond to diversity is a choice. Pluralism results from the daily decisions taken by state institutions, civil society associations and individuals to recognize and value human differences. The goal of pluralism is belonging, so that every individual is valued and enabled to contribute as a full member of society.

Headquarters

A Canadian heritage landmark, the Centre's Ottawa headquarters first housed the Public Archives (1905–1967) and then the Canadian War Museum (1967–2005). Following a multi-year restoration, underwritten by His Highness the Aga Khan as part of the partnership with the Government of Canada, the building at 330 Sussex Drive was inaugurated in May 2017. In addition to housing the Centre's operations, it enables us to convene events, and provides a gracious and much sought after dialogue space for organizations in the nation's capital.



Credit: Mark Fowler/ Metropolis Studio

Vision and Mission

The Centre's vision is *a world where human differences are valued and diverse societies thrive*.

Its mission is to serve as a global platform for comparative analysis, education and dialogue about the choices and actions that advance and sustain pluralism.

Through research, education and knowledge exchange, the Centre's programs

- ▶ Deepen understanding about the sources of inclusion and exclusion in Canada and around the world
- ▶ Chart pathways to pluralism in specific places and cases
- ▶ Catalyze knowledge exchange and learning about the policies and practices that support pluralism
- ▶ Build awareness of the benefits of inclusive societies



Governance

The Centre is governed by a 12-person international Board of Directors, chaired by His Highness the Aga Khan.

Shown from left to right, back row: GCP Secretary General John McNee with Board members Khalil Shariff, The Rt. Hon. Beverley McLachlin, Marwan Muasher, Huguette Labelle, Iain Benson

Front row: The Rt. Hon. Adrienne Clarkson, His Highness the Aga Khan, Princess Zahra Aga Khan

Not shown: Azim Nanji, Margaret Ogilvie, Eduardo Stein



Credit: Jean-Luc Ray



Credit: Roy Grogan

This year, we welcomed The Right Honourable Beverley McLachlin, former Chief Justice of Canada, to the Centre's Board of Directors.

"To live harmoniously in a diverse, pluralistic society demands great generosity of spirit and openness of mind, a willingness to accept difference and indeed to celebrate it."

**THE RIGHT HONOURABLE BEVERLEY MCLACHLIN,
THOMAS D'AQUINO LECTURE ON LEADERSHIP,
OCTOBER 29, 2018**



Credit: Aqeela Soman

Volunteers

In fulfilling our mandate as a global centre for dialogue, the Centre is supported by a dynamic team of volunteers. We gratefully acknowledge their role in welcoming and guiding guests and visitors.

Our Global Reach

Canada

- ▶ Co-hosted launch of the UN-World Bank report "Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict"
- ▶ Hosted launch of Alice Nderitu's book *Kenya – Bridging Ethnic Divides: A Commissioner's Experience on Cohesion and Integration*
- ▶ Co-hosted launch of the report on the inaugural Victoria Forum
- ▶ Hosted discussion on European nationalism with German parliamentarian Jürgen Trittin
- ▶ Celebrated World Refugee Day, with local organizations and newcomers guiding guests and visitors

United Kingdom

- ▶ Hosted 2018 Annual Pluralism Lecture with Karen Armstrong
- ▶ Co-hosted second annual Oxford Symposium on Comparative and International Education

France

- ▶ Published a case note on John Bowen's paper "French Republicanism and Pluralism: Can They Co-Exist?"
- ▶ Hosted workshop on history and memory at the EUROCLIO annual conference

United States

- ▶ Contributed to working session with Pathfinders for Peaceful, Just and Inclusive Societies

Colombia

- ▶ Published Virginie Laurent's paper "Multiculturalism in Colombia: Twenty-Five Years of Experience"
- ▶ Contributed to *Universidad Autónoma de Occidente* symposium on pluralism and peace
- ▶ Conducted a workshop and joined community dialogues with Afro and indigenous communities

Switzerland

- ▶ Co-hosted roundtable discussion on pluralism and human rights with Canadian Permanent Mission

Austria

- ▶ Co-organized session on approaches to migrant inclusion in local and national policies at the 2018 Fundamental Rights Forum

Kyrgyzstan

- ▶ Co-hosted workshop on developing history teaching resources for the Kyrgyz Ministry of Education

Kenya

- ▶ Co-hosted launch of the report "Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict"
- ▶ Co-hosted launch of the report "Diversity Management and Pluralism in Kenya's Major Private Sector Firms"
- ▶ Co-organized Women in Armed Conflict workshop with 20 women mediators from six African countries, led by 2017 Awardee Alice Nderitu

Australia

- ▶ Supported presentation on Human Rights Law Centre report *Ripped Apart: The Permanent Separation of Refugee Families in Australia*

2018 Aims and Results

The Centre's corporate plan for 2018 outlined our intended outcomes in five key program areas:

- ▶ Analysis and publications
- ▶ Global engagement
- ▶ Advancing pluralism through education
- ▶ Communications and public affairs
- ▶ Global Pluralism Award

Here, we highlight the Centre's key results against our aims in each of these areas.

ANALYSIS AND PUBLICATIONS:

GENERATING NEW KNOWLEDGE ON PLURALISM

Through its research and analysis, the Centre aims to shed light on why pluralism thrives in some countries, while others fracture and fragment. We generate new knowledge on pluralism through various series of commissioned papers, including

- ▶ Case studies, which explore the dynamics of pluralism in individual countries
- ▶ Thematic papers, which explore cross-cutting issues
- ▶ Intersections papers, which explore how pluralism applies to various fields of practice

The Centre is also developing the Global Pluralism Index, an analytic tool that will support practitioners and researchers interested in monitoring the state of pluralism in a given society.

In 2018, we aimed to

- ▶ **Strengthen our thought leadership and ability to communicate about pluralism**
- ▶ **Improve our diagnostic capability to support development of a pluralism index and other tools for practitioners**
- ▶ **Progress in expanding partnerships**

Expanding our Publications

In 2018, we continued to expand the pluralism knowledge base by publishing a number of papers and case notes.

Colombia's constitutional reform process formally recognized the rights of indigenous peoples in 1991. In "Multiculturalism in Colombia: 25 Years of Experience", author Virginie Laurent of the University of Los Andes explores the impact of this recognition on the lives and livelihoods of indigenous peoples, and on public attitudes toward diversity.

In France, the ideal of republicanism puts particular emphasis on ideas of secularism (*laïcité*) and undifferentiated conceptions of citizenship. In his 2018 paper "French Republicanism and Pluralism: Can They Co-Exist?", John Bowen of Washington University in St. Louis examines how those ideas have shaped the management of diversity in France and what a pluralistic conception of republicanism might look like. An accompanying brief case note on this paper crystallizes its insights and broadens its reach.

Two new thematic papers explore how constitutions and democracy can drive pluralism. In "Constitutions: Frameworks for Pluralism?", Christina Murray, Professor Emeritus of Constitutional and Human

Author Virginie Laurent shares her analysis on multiculturalism in Colombia.

Credit: Juan Torres Padilla



Rights Law at the University of Cape Town, looks across a number of country-level experiences for insights on how the design of constitutions can either underpin or undermine a pluralistic society. Constitutions, she finds, can lay a foundation for pluralism if they allow for inclusion and diversity in a country's social make-up. However, constitutions can also be used to reinforce a unidimensional vision of national identity that excludes minority groups. The links between democracy and the management of diversity likewise cut both ways.

In "Democracy and the Accommodation of Diversity: Advancing Pluralism through Shared-Rule, Self-Rule and Limited Rule", Rotimi Suberu of Vermont's Bennington College finds that simply having a majoritarian democracy does not secure pluralism. Pluralism also requires institutional mechanisms to mediate group differences. The paper explores the role of three such mechanisms – power-sharing, decentralization, and checks and constraints on state power.

Through our Intersections series, the Centre advances knowledge on how pluralism contributes to existing fields of practice. In 2018, we published two papers exploring the intersections of pluralism with the fields of democracy promotion and human rights: the mapping study "Democracy Promotion and Pluralism" by Gerd Schönwälder of the European Commission, and "Human Rights, Minority Rights, Non-discrimination and Pluralism" by Corrine Lennox of the Institute of Commonwealth Studies at the University of London. Professor Lennox presented her analysis to human rights practitioners at a roundtable discussion held in Geneva in November 2018 in partnership with the Permanent Mission of Canada. The event, which was also addressed by UN Special Rapporteur on Minority Issues Dr. Fernand de Varennes, focused on how pluralism can complement and enhance the practice of human and minority rights.

Pioneering the Global Pluralism Index

This year, we continued ongoing work to design a new Global Pluralism Index that will help decision makers,

researchers and practitioners assess the state of pluralism and track trends related to inclusion and exclusion in societies around the world. Building on extensive research and consultations undertaken between 2015 and 2017, the Centre refined its approach to the Index in 2018.

With input from an international advisory group of leading experts and practitioners, a methodology and implementation plan was developed. At an inaugural meeting in London in October 2018, the Technical Advisory Group reviewed and provided feedback on draft indicators of pluralism. In 2019, we expect to pilot the indicators along with the Index methodology in a select number of countries. Building on the results of the pilot, the geographic scope of the Index will expand, aiming for global coverage over time.

Our latest work on the Index builds on an existing research partnership with the International Development Research Centre. This collaboration advances the objectives of both organizations to generate research to support inclusive, sustainable and successful societies.

Professor Corrine Lennox presents her analysis on human rights, minority rights and pluralism at a roundtable co-hosted by the Global Centre for Pluralism and the Permanent Mission of Canada in Geneva.

Credit: GCP/ Nathan Bowers-Krishnan



GLOBAL ENGAGEMENT:

INTEGRATING PLURALISM IN PRACTICE

Beyond generating new thinking and resources on pluralism, the Centre actively engages with practitioners in a wide range of fields to help them apply pluralist perspectives in their practice.

Our aims for engagement in 2018 included

- ▶ **Increasing awareness and understanding on how pluralism applies to key fields of practice and current issues**
- ▶ **Enhancing resources to engage and influence global and local practitioners**
- ▶ **Developing partnerships to expand the Centre's impact and networks**

In 2018, the Centre engaged policy-makers and practitioners in conflict prevention and peacebuilding, and in the private sector, to explore how pluralistic practices might strengthen the long-term success of their efforts.

Connecting Pluralism and Peacebuilding

Through events in Nairobi and Ottawa, we partnered with the World Bank and the United Nations to showcase findings of their major new joint report on conflict prevention, "Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict". The Centre's collaboration with the Pathways team highlighted how pluralism connects to up-stream conflict prevention, as well as how a pluralism lens can inform and support peacebuilding and help make conflict prevention efforts more effective and sustainable. Discussions and events held with UN and World Bank conflict prevention experts engaged government, civil society and private sector organizations in both Canada and Kenya.

Our practitioner engagements also promoted lessons on pluralistic peacebuilding practice from 2017 Global Pluralism Award winner Alice Nderitu, who is forging new pathways for women in peacebuilding. Together with Simon Fraser University in Vancouver, the Centre hosted the launch of her new book,

Kenya – Bridging Ethnic Divides: A Commissioner's Experience on Cohesion and Integration. It draws insights from responses to Kenya's post-election violence to inform other conflict-afflicted countries grappling with the challenges of conflict mediation, reconciliation and post-conflict institutional reform.

The Centre also worked this year with Pathfinders, a multi-stakeholder initiative working to deliver on Sustainable Development Goals (SDGs) related to more peaceful, just and inclusive societies in the 2030 Agenda for Sustainable Development. The group works regionally and internationally to strengthen SDG implementation strategies, and is shaping a global debate through "grand challenges" on justice, inclusion and violence prevention. We contributed to a new grand challenge to address inequality and exclusion, co-convening a roundtable in Ottawa and participating in a working session in New York.

Beyond generating new thinking and resources on pluralism, the Centre actively engages with practitioners in a wide range of fields to help them apply pluralist perspectives in their practice.

Engaging the Private Sector

Reflecting the critical role of the private sector in advancing pluralism, the Centre worked with the Kenya-based Institute for Economic Affairs to launch a report entitled "Diversity Management and Pluralism in Kenya's Major Private Sector Firms" through events in Kisumu, Mombasa and Nairobi. While similar work examining the impact of workforce diversity on business performance has been conducted in advanced economies, comparatively little has been done in low- to



middle-income countries such as Kenya. The report makes an initial contribution in this space and facilitated important conversations in Kenya on business applications of pluralism. The events, addressed by distinguished speakers, drew important industry representatives such as the Kenya Private Sector Alliance and the Kenyan Association of Manufacturers. Among the keynote speakers was former Centre Board member Professor Yash Pal Ghai, an internationally renowned legal scholar and a major champion of pluralism in Kenya.

In Canada, we partnered with the University of Victoria and Global Affairs Canada to launch the report of the inaugural Victoria Forum. Formed in 2017 to stimulate new approaches for promoting diversity and inclusion, with a particular focus on the role of the private sector, the Forum provides an important venue to engage with researchers, policy-makers and practitioners active in this space.

Alice Nderitu, formerly of the Centre for Humanitarian Dialogue, and the Centre's Mark Tschirgi at the 2018 launch of her book, *Kenya – Bridging Ethnic Divides: A Commissioner's Experience on Cohesion and Integration*

Credit: Patrick Doyle

In 2018, the Centre engaged policy-makers and practitioners in conflict prevention and peacebuilding, and in the private sector, to explore how pluralistic practices might strengthen the long-term success of their efforts.

ADVANCING PLURALISM THROUGH EDUCATION

The education sector is crucial in shaping how we perceive and respond to difference, and therefore is key to fostering mutual understanding and positive responses to diversity. To advance pluralism in and through the education sector, the Centre produces resources and hosts events tailored to the needs of a wide range of educators and those who support them.

In 2018, we aimed to

- ▶ **Increase understanding of education for pluralism among donors, policy-makers, educators, teacher training institutions and civil society organizations**
- ▶ **Develop a strategic plan for our work in education**
- ▶ **Identify partners and donors to support program growth and initiate funding discussions**

In 2018, the Centre engaged teachers, curriculum developers and organizations representing educators through events and initiatives in France, Kenya, Kyrgyzstan and the United Kingdom. Work with partners in the education sector was instrumental

in developing new teaching resources on pluralism and in sharing new best practices. We also launched a search this year for a senior education specialist to spearhead a strategic plan and diversify funding partnerships to deepen our work in this sector.

A New Take on History and Memory

Educators in post-Soviet Kyrgyzstan seek a more inclusive way to teach the history of this diverse country, from a range of perspectives. In 2017, the Centre partnered with EUROCLIO and the Aga Khan Foundation (AKF) to deliver a three-day History and Memory masterclass for teachers. This year, the Ministry of Education reached out for support to their efforts to reform history education. In response, we joined with EUROCLIO and other partners in organizing a workshop for history specialists from across Kyrgyzstan, focused on the development of educational resources, including standards, curricula and exams.



Educators explore history and memory through the lens of pluralism at a World Café organized by Centre staff at EUROCLIO's 25th Annual Conference, in Marseille.

Photo courtesy of EUROCLIO

In April, Centre staff led an interactive workshop, “History and Memory through a Pluralism Lens”, at EUROCLIO’s annual conference in Marseille, France. After presenting on pluralism and the Centre’s work on history and memory, some 50 participants from across Europe, the Middle East and North Africa worked in groups to explore their experiences on these topics as educators. Challenges that emerged included addressing reconciliation and justice for historical grievances, the controversy over renaming or removing monuments and other historic markers, and how to teach history in regions where there are conflicting versions of the “truth”.

Promoting Best Practices in Teaching

We worked with the Aga Khan Foundation on a number of initiatives to strengthen teaching practice. These included the development of a series of “best practice” case studies, based on programs by AKF Portugal and the Aga Khan Academy in Mombasa, Kenya, that advance pluralism through professional development and a whole-school approach.

With Kenyan teachers required by the Ministry of Education to integrate values within their everyday teaching practice, in 2018 the Centre partnered with AKF, the Aga Khan Academy and the India-based NGO Dream a Dream to design a teacher development program that aims to promote pluralistic values in and through the Kenyan education system. The multi-day teacher training course on values-based education, with a focus on pluralism, will be piloted in 2019.

In June, the Aga Khan Foundation and the Global Centre for Pluralism partnered with the University of Oxford to host the second annual Oxford Symposium on Comparative and International Education (OXSCIE), which addressed how educators can shape more inclusive, fair and cohesive societies. The Symposium attracted some 150 policy-makers, researchers, donors, educators and students. Highlights included a keynote address from Kenyan peace mediator Alice Nderitu, one of three winners of the 2017 Global Pluralism Award.



Kenyan teachers explore new ways of applying pluralism to values-based education.

Credit: AKF East Africa



Karen Armstrong delivers the 2018 Annual Pluralism Lecture in London, England.

Credit: Anya Campbell

COMMUNICATIONS AND PUBLIC AFFAIRS:

EXTENDING OUR REACH

The Centre's communications and public affairs efforts focus on extending the reach of our analysis, publications and events; engaging global audiences; and raising the Centre's profile as a thought leader and destination for dialogue on pluralism. In addition to our active digital presence and range of targeted print communications products, a suite of public affairs programming at our headquarters brings people together and inspires conversations about pluralism.

In 2018, we aimed to

- ▶ **Expand the reach of our communications with new media partnerships**
- ▶ **Provide communications support to the Centre's core programs**
- ▶ **Strengthen the Centre's reputation as a global destination for dialogue**

2018 Pluralism Lecture

The Annual Pluralism Lecture is the Centre's signature event. Hosted in London, England, the 2018 Lecture brought the Centre's work and vision to an expanded international audience including representatives and influencers from UK civil society, media, government and academia. Audience members engaged with pluralism through a moderated discussion with the speaker, historian of religion Karen Armstrong, and BBC chief international correspondent Lyse Doucet, while more than 4,300 viewers worldwide tuned in to the event's livestream. Ms. Armstrong's speech, "Compassion or Toleration? Two Approaches to Pluralism", addressed why she sees pluralism as "no longer simply a nice idea [but] an urgent global imperative."

By the end of 2018, the online video of the lecture had been viewed an additional 4,581 times. The full lecture and highlight clips are available on the Centre's YouTube channel.



Participants at the Centre's Human Library event shared personal stories from all dimensions of the refugee experience in Canada.

Photo courtesy of OXFAM

Events at 330 Sussex Drive

In addition to a busy international events schedule, the year saw 12 unique events animate the Centre's Ottawa headquarters. Speakers and thinkers from around the world engaged local audiences on pluralism through discussions, workshops and report launches. Highlights included a talk on European nationalism by German parliamentarian Jürgen Trittin, a member of Germany's Parliamentary Committee on Foreign Affairs. To celebrate World Refugee Day, a roundtable-style Human Library event on the refugee experience in Canada included members of Ottawa's newcomer community and local organizations.

Thanks to a dedicated team of volunteers, the Centre is also seen as an open and welcoming place. Public visiting hours are offered on a seasonal basis. This year saw nearly 4,000 members of the public visit our headquarters at 330 Sussex Drive.

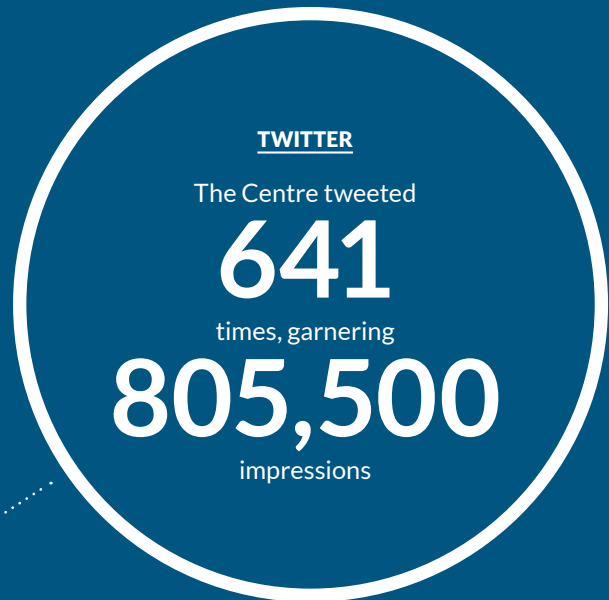
Media, Web and Social Media

Publications and program news continued to be published on the Centre's website and promoted through our social media platforms, all of which saw an increase in following. A quarterly email newsletter to a list of over 6,700 international subscribers and a supplementary e-blast schedule kept stakeholders and interested individuals informed of upcoming events and program progress.

In addition to our active digital presence and range of targeted print communications products, a suite of public affairs programming at our headquarters brings people together and inspires conversations about pluralism.

Extending our Reach

By the Numbers



HOTTEST
TOPICS

Global Pluralism Award
Remembering Kofi Annan
Livestream of the
Annual Lecture

FACEBOOK

We closed 2018 with
2,610
followers and
2,494
page likes

MEDIA

Global Centre for Pluralism
mentioned in

46

unique media stories from
Canadian and international
news outlets

We posted

198
times

33%

increase in followers

28%

increase in page likes

330 SUSSEX DRIVE

Some

3,740

people visited the Centre's
headquarters during
public visiting hours

...and were welcomed
by an enthusiastic
team of roughly

60

volunteer
tour guides

GLOBAL PLURALISM AWARD:

RECOGNIZING PLURALISM IN ACTION

Presented once every two years, the Global Pluralism Award celebrates individuals and organizations that illustrate pluralism in action. Through their remarkable and sustained efforts, awardees contribute to building more inclusive societies in which human diversity is protected and celebrated.

In 2018, we aimed to

- ▶ **Publicize results from the 2017 Awards and raise awareness of the winners' contributions to building more inclusive societies**
- ▶ **Launch and promote the 2019 Award cycle**
- ▶ **Identify donors to support the Award and initiate discussions**

Launch of the 2019 Award Cycle

In March 2018, the Centre launched a call for applications and nominations for the 2019 Award. Promotional activities and outreach through our website, social media contacts and global network of partners resulted in a total of 538 entries from 74 countries – more than a twofold increase from the inaugural Award cycle. Candidates were required to show the following:

- ▶ An exceptional and sustained contribution to pluralism
- ▶ Ways they had significantly improved the inclusion of diverse individuals or groups in sectors such as the economy, society, culture, politics, health services and education
- ▶ A personal and professional commitment to respecting diversity

Initial screening narrowed the field to 42 candidates from 27 countries, to be reviewed in 2019 by an international selection jury, following internal due diligence.

This year, we welcomed four new experts to the Award jury:

- ▶ Ory Okolloh, Director of Investments, Omidyar Network, Kenya
- ▶ Tarek Mitri, Director, Fares Institute on Public Policy and International Affairs, American University of Beirut, Lebanon
- ▶ Siva Kumari, Executive Director, International Baccalaureate Organization, USA
- ▶ Paula Gaviria Betancur, Former Presidential Advisor for Human Rights, Colombia



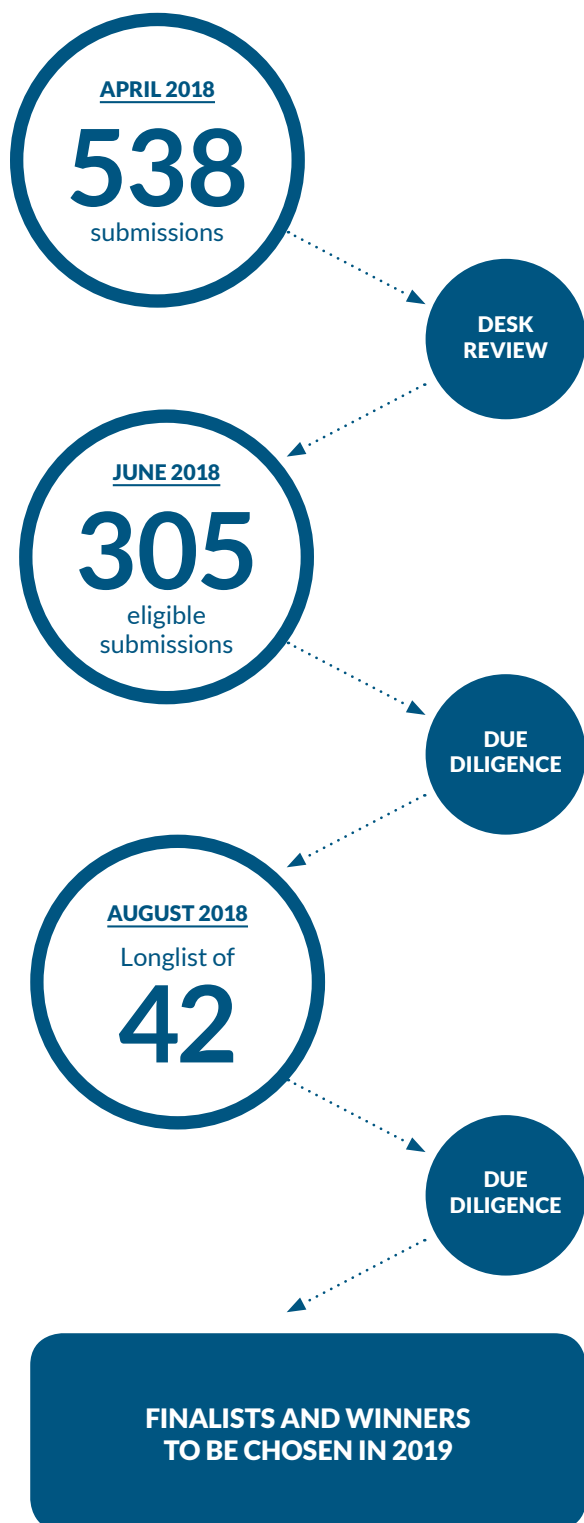
Our international jury for the 2019 Annual Pluralism Award

Left column, top to bottom: Paula Gaviria Betancur, Tarek Mitri, Ory Okolloh

Centre: The Rt. Hon. Joe Clark, Jury Chair

Right column, top to bottom: Siva Kumari, His Worship Naheed Nenshi, Pascale Thumerelle

2018 progress toward the 2019 Global Pluralism Award



Highlighting the Impact of the 2017 Awardees

The Global Pluralism Award conveys not only funding, but recognition for the work of individuals and organizations that make outstanding contributions to more peaceful and inclusive societies. All three winners of the inaugural Award in 2017 enjoyed extensive media coverage and speaking opportunities, in addition to receiving funding that enabled each to advance their work in 2018.

To build awareness of the work of Award winners, the Centre supported a series of in-country activities:

- ▶ In Colombia, where Award winner **Leyner Palacios Asprilla** has advocated for victims of conflict, dialogues on the contribution of pluralism to the Colombian peace process were held in Bojayá, Cali and Bogotá, involving some 250 participants. These included academics, policy-makers and members of the peacebuilding community.
- ▶ In Australia, where **Daniel Webb** has fought passionately to protect the rights of asylum seekers held in offshore detention centres, meetings and roundtables with key stakeholders took place in Sydney and Melbourne. They highlighted the plight of refugee families separated by the detention policies and the benefits of family reunification.
- ▶ In Kenya, the Centre worked with peacebuilder **Alice Wairimu Nderitu** to host a workshop in Nairobi that aimed to strengthen the role of women in peace and security and advance pluralist approaches to mediation. International experts met with 20 women from the Democratic Republic of Congo, Kenya, Nigeria, Somalia, Sudan and South Sudan who are actively engaged in community-level mediation.

You can read more on the difference each of these Awardees has made over the past year – in part thanks to the recognition conferred by the Award – in the following pages.



Celebrating our Awardees' Impact

The winners of the 2017 Global Pluralism Award illustrate how responses to some of the most intractable challenges facing humanity start with recognizing diversity as part of the solution. Here we celebrate what they accomplished in 2018, and tell you why it matters.

IN COLOMBIA

Enshrining victims' rights in the peace process

Few in Colombia have been untouched by the conflict that ravaged the country for more than five decades. Leyner Palacios Asprilla is no exception. A victim of violence himself, Palacios lost 32 family members in 2002 when he, his relatives and scores of residents took refuge inside a church hit by mortar fire in an exchange between the Revolutionary Armed Forces of Colombia (FARC) and government troops. The Bojayá massacre – as the tragedy is remembered – was one of the worst moments of Colombia's armed conflict.

Recognizing that many voices raised together would be more powerful than groups of victims speaking out alone, in 2014, Palacios founded the Comité por los derechos de las víctimas de Bojayá (Committee for the Human Rights of the Victims of Bojayá). The Committee united the 32 semi-autonomous Emberá Amerindian and 19 Afro-Colombian communities of Bojayá in a common struggle to stop the violence and to fight for human rights and reconciliation.

"We've learned," says Palacios, "that one way forward, and to survive, is to recover the broken social fabric and bring black and indigenous communities together to find solutions."

Thanks in part to the 2017 Award funding, Palacios has worked in Bojayá to rebuild the decimated Bella Vista Church, where the massacre of Bojayá took place. The church has been renovated to serve as a community training centre dedicated to peace and pluralism. Workshops engaged 52 indigenous and Afro-Colombian community leaders in 2018, informing them on their constitutional and legal rights and empowering them to advocate more effectively. The funding has also helped subsistence farmers and other victims take part in these meetings, which can entail more than a day of travel from remote villages.

Bojayá community members celebrate the Global Pluralism Award in front of a "peace and pluralism" centre, built on the site of the 2002 massacre.

Credit: Jesús Durán



Leyner Palacios Asprilla at the 2017 Award ceremony

Credit: Patrick Doyle



Palacios was recently appointed to the Secretariat of Colombia's Inter-Ethnic Truth Commission of the Pacific, which represents more than 100 ethnic communities. He has also been active on the world stage: with Centre support, he briefed the Inter-American Commission on Human Rights of the Organization of American States in Washington, DC. In September 2018, he met with representatives of the United Nations Security Council in New York to highlight the situation of ethnic communities in Colombia.

The Colombian peace remains fragile, and the citizens of Bojayá face ongoing discrimination and pressure from paramilitaries, even as FARC has demobilized. In the face of such challenges, the courage of Leyner Palacios Asprilla and other ethnic leaders and victims' advocates is vital to ensure that, one day, all Colombians will enjoy a truly lasting peace.

"The Award has opened doors to international media. It has opened doors to greater support for our work and awareness of the injustice we are fighting."

DANIEL WEBB

IN AUSTRALIA

Ending the separation of refugee families

When Daniel Webb first visited Australia's offshore detention centre on Manus Island, off the coast of Papua New Guinea, he was shocked by the inhumane and overcrowded conditions.

"There were guards everywhere," says Webb, and "clear signs of the level of suffering being inflicted."

Indefinite detention on Manus and Nauru islands was part of a 2013 government response to prevent asylum seekers from settling in Australia.

Webb's tireless advocacy for these refugees – combining legal action and media advocacy – led to his nomination for the inaugural Global Pluralism Award. By focusing on the human stories of those detained, he and his team at the Human Rights Law Centre (HRLC) had begun to shift Australian public opinion in favour of migrants staying in Australia.

Human Rights Law Centre legal action and media campaigns put a human face on asylum seekers.

Credit: HRLC



#LetThemStay

Read more about our work standing up for the rights of refugees and people seeking asylum >>

In 2018, with support from the Global Centre for Pluralism and a growing network of allies and supporters, Webb and his colleagues at HRLC built on this momentum, with impressive results. They continued to advocate for detained refugees through legal action on health care and family reunification and through court action, UN appearances and media outreach.

At the Metropolis 2018 conference in Sydney, Australia, he and his colleagues discussed the contents of *Ripped Apart: The Permanent Separation of Refugee Families in Australia*, a forthcoming HRLC report that details the health, economic and social costs of separating refugee families.

The offshore detention of refugees by Australia received widespread media coverage in 2018. Webb reached national and global audiences through *The Guardian*, *The Sydney Morning Herald* and The Australian Broadcasting Corporation. In a feature in *The Washington Post*, he called attention to the development of “resignation syndrome” among child

Daniel Webb addresses the separation of refugee families at the 2018 Metropolis conference in Sydney.

Credit: Patrick Doyle



detainees, a coma-like condition that has been linked to trauma. A social media campaign by Webb and fellow advocates – #KidsOffNauru – successfully pushed for children to be released from their island detention.

While life remains uncertain for Australian asylum seekers, legal cases brought before the Federal Court of Australia in September 2018 secured medical evacuations from offshore detention for 160 people, including 43 children. Separated families have since been reunited in Australia.

IN AFRICA

Empowering women as peacemakers

The horrific effects of conflict on women are well documented, but as Alice Wairimu Nderitu has seen first-hand, they rarely enjoy a seat at the peace table.

Following Kenya's post-election violence in 2007–2008, which saw 1,300 people killed and 600,000 displaced, as a commissioner of the National Cohesion and Integration Commission Nderitu was one of three mediators – and the only woman – who led a dialogue that resulted in the region's first peaceful elections in 20 years.

In Nigeria, as lead negotiator in an armed conflict among 29 ethnic communities in Southern Kaduna, she insisted that women and youth be included in the process. The result was the Kafanchan Peace Declaration, signed in 2015. In 2017, in Nigeria's Southern Plateau, she was again lead mediator of an inclusive dialogue among 56 ethnic communities, and again, for the first time, women were included at all levels of the peace process.

“At the end of the day it's what then do you do with that difference. Do you use it to destroy? Or do you use it to build? Pluralism uses it to build.”

ALICE WAIRIMU NDERITU

Alice Wairimu Nderitu facilitates a workshop for African women mediators.

Credit: Faith Kanja



“[A] key element of a successful peace agreement is the ability of the whole community to sustain its outcomes,” says Nderitu. “This means bringing everyone on board.”

With women making up half the population, Nderitu has had to overcome their traditional exclusion from decision-making in many communities affected by conflict. This, she says, demands convincing warring parties that “women’s participation is not just a matter of gender equality, but also a long-term investment in peace.”

Using the funding and profile conferred by the 2017 Global Pluralism Award, Ms. Nderitu worked this year to open the door even wider to women in peacemaking. Over 2018, she developed a manual for women community mediators across Africa. Applying a pluralism lens, the manual will assist mediators in moving conflicting parties from seeing each other as a problem, to respecting their differences as crucial to finding a solution. The manual, which will be launched in 2019, is a first step in equipping a network of African women mediators to adopt a pluralism focus. In August, the Centre worked with Ms. Nderitu to host a workshop that brought

together 20 women from six African countries with international experts and academics to review the draft manual and provide feedback.

She has also taken her message on the need for a more inclusive approach to peacemaking to wider audiences. In February, the Centre co-hosted a Canadian launch for her book, *Kenya – Bridging Ethnic Divides: A Commissioner’s Experience on Cohesion and Integration*. In June, she delivered the keynote address at the second annual Oxford Symposium on Comparative and International Education, where she invited educators to consider their role in fostering the skills, knowledge, values and attitudes students need to confront uncertainty. In July, she briefed heads of state at the 31st African Union Summit on pluralism and the need to address ethnicism on the African continent.

There is no easy, lasting solution for the ongoing conflicts in several regions of Africa. But thanks to the work of Alice Nderitu and an expanding network of women mediators, those working for peace have a growing toolkit to draw upon, and more inclusive approaches to peacemaking.

Alice Wairimu Nderitu

Credit: Cloud in the Sky Studio/ Joseph Truong



Centre Funding and Financials

Fund Management

The 2006 Funding Agreement between the Government of Canada and the Global Centre for Pluralism created a \$40 million Endowment Fund. The Fund was fully invested in the market in accordance with the principles articulated in the Funding Agreement of 2006 and affirmed by the Centre's Statement of Investment Policy (SIP).

Subsequently, the Centre received a grant of \$15 million from the Government of Canada which was paid equally over two instalments in 2016 and 2017 and invested in the Endowment Fund. His Highness the Aga Khan also committed \$35 million through the Aga Khan Development Network to rehabilitate 330 Sussex Drive in Ottawa, a federal heritage building which the Government of Canada has made available to be the Centre's global headquarters.

Overall, the Endowment Fund has performed well. At the end of 2018, the Fund balance was \$66.5 million.

In 2018, the Centre received another clean audit from Ernst & Young – the auditors appointed by the Members of the Corporation and supervised by the Audit Committee of the Board of Directors. The audited financial statements for 2018 are included in this report. These statements have been approved by the Board of Directors and duly received by the Members of the Corporation.

Financial Statements

Independent auditor's report

To the Board of Directors of the Global Centre for Pluralism

Opinion

We have audited the financial statements of the **Global Centre for Pluralism** [the "Centre"], which comprise the balance sheet as at December 31, 2018, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at December 31, 2018 and its financial performance, changes in net assets 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Centre 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 generally accepted 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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to

fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

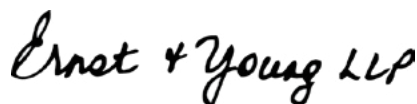
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 Centre'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 Centre's ability to continue as a going concern. If

we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre 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.

We 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.

The logo for Ernst & Young LLP is written in a black, cursive script font.

Chartered Professional Accountants
Licensed Public Accountant

Ottawa, Canada
June 12, 2019

Balance sheet

As at December 31

| Assets | 2018 \$ | 2017 \$ |
|--|------------|-------------|
| Current Assets | | |
| Cash and cash equivalents | 62,857 | 211,340 |
| Other receivables and prepaid expenses | 237,079 | 295,403 |
| | 299,936 | 506,743 |
| Investments <i>[note 3]</i> | 66,508,998 | 69,822,202 |
| Capital assets, net <i>[note 7]</i> | 31,637,820 | 33,221,581 |
| | 98,446,754 | 103,550,526 |
| Liabilities and net assets | | |
| Current Liabilities | | |
| Accounts payable and accrued liabilities | 608,861 | 786,702 |
| Deferred revenue <i>[note 8]</i> | 221,627 | 332,920 |
| | 830,488 | 1,119,622 |
| Net assets | | |
| Endowment Fund <i>[note 2]</i> | 40,000,000 | 40,000,000 |
| Unrestricted Fund | 26,060,124 | 29,290,731 |
| Invested in building held for charitable purposes, net <i>[note 1]</i> | 31,556,142 | 33,140,173 |
| Total net assets | 97,616,266 | 102,430,904 |
| | 98,466,754 | 103,550,526 |

See accompanying notes

Statement of operations

Year ended December 31

| | 2018 \$ | 2017 \$ |
|---|--------------------|-------------------|
| Revenue from operations | | |
| Investment income (loss) <i>[note 4]</i> | (928,682) | 2,349,305 |
| Grants | 23,133 | 7,524,241 |
| Donations | 30,882 | 16,750 |
| Rental income | 1,590,575 | 1,417,308 |
| | 715,908 | 11,307,604 |
| Contributed property / donations <i>[note 1]</i> | 1,114,787 | 34,001,218 |
| | 1,830,695 | 45,308,822 |
| Expenses | | |
| Programs and projects | 3,103,863 | 3,046,448 |
| Administration and other | 325,537 | 381,228 |
| Operations of 330 Sussex | 1,397,932 | 1,147,183 |
| Amortization of capital assets | 1,818,001 | 959,928 |
| | 6,645,333 | 5,534,787 |
| Excess (deficit) of revenue over expenses for the year | (4,814,638) | 39,774,035 |

See accompanying notes

Statement of changes in net assets

Year ended December 31

| | Endowment Fund \$ | Unrestricted Fund \$ | Invested in building held for charitable purposes \$ | 2018 \$ | 2017 \$ |
|--|-------------------------|----------------------------|--|-------------------|--------------------|
| Fund balance beginning of year | 40,000,000 | 29,290,731 | 33,140,173 | 102,430,904 | 62,656,869 |
| Excess (deficit) of revenue over expenses | - | (4,814,638) | - | (4,814,638) | 39,774,035 |
| Building held for charitable purposes | - | (166,405) | 166,405 | - | - |
| Amortization | - | 1,750,436 | (1,750,436) | - | - |
| Net asset balances, end of year | 40,000,000 | 26,060,124 | 31,556,142 | 97,616,266 | 102,430,904 |

See accompanying notes

Statement of cash flows

Year ended December 31

| | 2018 \$ | 2017 \$ |
|---|--------------------|--------------------|
| Operating activities | | |
| Excess (deficit) of revenue over expenses for the year | (4,814,638) | 39,774,035 |
| Add (deduct) items not involving cash | | |
| Contributed property | – | (34,001,218) |
| Amortization of office furniture and equipment | 67,565 | 86,828 |
| Amortization of building | 1,750,436 | 873,100 |
| Unrealized loss in investments <i>[note 4]</i> | 5,410,629 | 296,530 |
| Net change in non-cash working capital balances related to operations <i>[note 6]</i> | (230,810) | 368,408 |
| Cash provided by operating activities | 2,183,182 | 7,397,683 |
| Investing activities | | |
| Net purchase of investments | (2,097,425) | (7,440,378) |
| Additions to capital assets | (234,240) | (16,434) |
| Cash used in investing activities | (2,331,665) | (7,456,812) |
| Net increase (decrease) in cash and cash equivalents during the year | (148,483) | (59,129) |
| Cash and cash equivalents, beginning of year | 211,340 | 270,469 |
| Cash and cash equivalents, end of year | 62,857 | 211,340 |

See accompanying notes

Notes to Financial Statements

December 31, 2018

1. The Centre

The Global Centre for Pluralism [the “Centre”], located in Ottawa, Canada, was incorporated under Part II of the Canada Corporations Act by letters patent dated March 8, 2004. The Centre continued under the Canada Not-for-profit Corporations Act in 2014 and, accordingly, is exempt from income taxes. The Centre is an international initiative of His Highness the Aga Khan, 49th hereditary Imam of Ismaili Muslims, and the Aga Khan Development Network. Conceived as an international centre for the study, practice and teaching of pluralism, its core functions will include research, education, professional development, dialogue, governance reform and cultural exchange.

In 2006, the Government of Canada and His Highness the Aga Khan entered into a Funding Agreement to support the Centre. Pursuant to that agreement, the Centre took receipt of two major grants: a grant of \$30 million received from the Government of Canada and a donation of \$10 million received from His Highness the Aga Khan in 2007. Subsequently, the Centre received a grant of \$15 million from the Government of Canada which was paid equally over two instalments in 2016 and 2017. His Highness the Aga Khan also contributed \$35 million (2018 \$1M and 2017 \$34M) through the Aga Khan Development Network for the rehabilitation of 330 Sussex Drive, Ottawa, a federal heritage structure which the Government of Canada has made available as the Centre’s global headquarters. The rehabilitation work was completed in January 2017 and the Centre moved its operations to its headquarters.

The Centre is mandated to undertake activities which will fulfil its role as a global repository and source for knowledge and know-how about fostering pluralistic values, policies and practices in a variety of settings.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared by the Centre in Canadian dollars and in accordance with Part III of the *CPA Canada Handbook – Accounting*, “Accounting Standards for Not-For-Profit Organizations”, which sets out generally accepted accounting principles for non-publicly accountable enterprises in Canada and includes the significant accounting policies hereafter.

Donations and contributions

The Centre follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year during which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donations are recorded when received.

Financial instruments

Financial instruments include cash and cash equivalents, other receivables, investments, accounts payable and accrued liabilities.

Financial assets and financial liabilities are initially measured at fair value. Subsequently, they are measured at amortized cost, with the exception of investments which are recorded at fair value. Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

Investment income, which consists of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses, is recorded in the statement of operations in *Investment income*.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term investments with a short maturity of approximately three months or less from the date of purchase unless they are held for investment rather than liquidity purposes, in which case they are classified as investments.

Program and project expenses

The Centre's expenses on programs and projects are recognized as incurred.

Allocation of expenses

The Centre's expenses, other than the direct Program and project costs, are allocated between *Program, project, Administration and other* based on the proportion of Program and Administrative staff cost.

Capital assets

Property and equipment held for charitable purposes are recorded at the fair value at the time of donation or at cost where such information is available. Where fair value or cost are not available those assets are recorded at a nominal value. Costs associated with the acquisition, construction, restoration and betterment of properties held for charitable purposes are capitalized.

Amortization

Amortization of building held for charitable purposes is calculated using the straight-line method over a period of 15 to 40 years. Office furniture and equipment amortization is calculated using the straight-line method over a period of three to five years.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at exchange rates in effect as at the balance sheet date. All other assets and liabilities are translated at their historical rate.

Endowment Fund

The Endowment Fund [the "Fund"] has been established in accordance with the guidelines set out in the Funding Agreement with the Government of Canada. The agreement acknowledges that the contributions of both the Government of Canada and His Highness the Aga Khan must be capitalized in perpetuity, and only the revenue of the Fund is to be disbursed and used for the purposes of the Fund. Contributions to the Fund are recognized as a direct increase to net assets. Investment income related to the Fund is unrestricted and is recognized as revenue when earned.

3. Investments

As required by the Funding Agreement, the Board approved a Statement of Investment Policy in November 2011.

Investments consist of the following:

| | 2018 \$ | 2017 \$ |
|---|-------------------|-------------------|
| Cash and cash equivalents | 2,242,571 | 4,104,832 |
| Royal Bank of Canada guaranteed investment certificates | 1,375,881 | – |
| Other fixed income | | |
| Investment in pooled fund | 31,196,192 | 31,862,149 |
| | 34,814,644 | 35,966,981 |
| Equities | | |
| Canadian | 19,062,822 | 19,892,083 |
| US | 6,642,667 | 8,031,497 |
| Other international | 5,988,865 | 5,931,641 |
| | 31,694,354 | 33,855,221 |
| | 66,508,998 | 69,822,202 |

4. Investment income (loss)

Investment income (loss) on the Centre's investments consists of the following:

| | 2018 \$ | 2017 \$ |
|-----------------|-------------|------------|
| Interest | 995,688 | 819,550 |
| Dividends | 1,258,931 | 1,181,109 |
| Realized gains | 2,227,328 | 645,176 |
| Unrealized loss | (5,410,629) | (296,530) |
| | (928,682) | 2,349,305 |

5. Spending policy

The Centre is funded primarily from the investment income on an Endowment Fund established at its founding. The Board approves an annual expenditure budget from the Unrestricted Fund based on an established Spending Policy, which management then uses to budget its expenditures for the year. The Spending Policy is designed to provide a stable and predictable disbursement from the Unrestricted Fund to support the Centre and allow for multi-year planning, as well as maintaining the capacity of the

funds to support the Centre in perpetuity. Therefore, it is expected that in any given year, actual investment income as reported on the statement of operations may be greater or less than the Board-approved expenditure from the Endowment Fund, that determines the year's expenses.

6. Net change in non-cash working capital balances

The net change in non-cash working capital balances related to operations is comprised of the following:

| | 2018 \$ | 2017 \$ |
|--|------------|------------|
| Other receivables and prepaid expenses | 58,324 | (174,347) |
| Accounts payable and accrued liabilities | (177,841) | 234,076 |
| Deferred revenue | (111,293) | 308,679 |
| | (230,810) | 368,408 |

7. Capital assets

In 2007, the Centre and the National Capital Commission entered into a 99-year lease agreement for 330 Sussex Drive, Ottawa, for a nominal amount of \$1 per annum. The lease specifies that all costs related to the building, including renovation costs, operating costs and taxes, are to be borne by the lessee. Given the unique nature of the property and the consequent difficulties in assessing its fair market value, the lease has been valued at a nominal amount of \$1.

Pursuant to a Funding Agreement signed between His Highness the Aga Khan and the Minister for Canadian Heritage in October 2006, His Highness the Aga Khan agreed to contribute \$35 million. This funding was contributed through the Aga Khan Development Network and was directed towards the rehabilitation of the permanent institutional facilities for the Centre at 330 Sussex Drive, Ottawa, a federal heritage structure which the Government of Canada made available as the Centre's global headquarters.

| | 2018 | | 2017 | |
|--------------------------------|-------------|-----------------------------------|-------------|-----------------------------------|
| | Cost \$ | Accumulated amortization \$ | Cost \$ | Accumulated amortization \$ |
| Building | 34,179,678 | (2,623,536) | 34,013,273 | (873,100) |
| Office furniture and equipment | 393,023 | (311,345) | 325,188 | (243,780) |
| | 34,572,701 | (2,934,881) | 34,338,461 | (1,116,880) |
| Accumulated amortization | (2,934,881) | | (1,116,880) | |
| Net book value | 31,637,820 | | 33,221,581 | |

8. Deferred revenue

The following table illustrates a reconciliation of the deferred revenue opening and closing balance for the year ended December 31:

| | 2018 | | | 2017 |
|---|------------------------|--------------|-----------|----------|
| | Rental Income \$ | Grants \$ | Total | \$ |
| Deferred revenue, opening balance | 312,920 | 20,000 | 332,920 | 24,241 |
| Received during the year | 125,452 | 96,175 | 221,627 | 332,920 |
| Recognized into revenue during the year | (312,920) | (20,000) | (332,920) | (24,241) |
| Deferred revenue, closing balance | 125,452 | 96,175 | 221,627 | 332,920 |

9. Financial instruments

The Centre is exposed to various financial risks through transactions in financial instruments. The Centre manages these risks through compliance with the Statement of Investment Policy approved by the Board. The Centre also monitors and mitigates its financial risks by reviewing, periodically, various financial and investment metrics.

Foreign currency risk

The Centre is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including the underlying investments of its pooled funds denominated in foreign currencies, because of fluctuations in the relative value of foreign currencies against the Canadian dollar.

Credit risk

The Centre is exposed to credit risk in connection with its short-term and fixed income investments because of the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Interest rate risk

The Centre is exposed to interest rate risk with respect to its investments in fixed income investments and a pooled fund, which holds fixed income securities, the values of which will fluctuate with changes in market interest rates.

Other price risk

The Centre is exposed to other price risk through changes in market prices [other than changes arising from interest rate or currency risks] in connection with its investments in equity securities and pooled funds.



Remembering Kofi Annan (1938–2018)

His Highness the Aga Khan in conversation with the late UN Secretary-General Kofi Annan and GCP Secretary General John McNee

Credit: Image Tree Inc.

The Chair, Directors of the Board and staff of the Global Centre for Pluralism were deeply saddened at the death of Kofi Annan, who had served on the Centre's Board of Directors since its inception in 2010.

Among his many contributions, Mr. Annan served as the 7th Secretary-General of the United Nations and was the founder and chair of the Kofi Annan Foundation. His landmark 2013 Pluralism Lecture, "Pluralism: A Key Challenge of the 21st Century", was a defining moment in the life of the Global Centre for Pluralism, an organization whose direction he substantially helped shape in its formative years.

Wisdom, dedication and humanity defined Kofi Annan. He was an inspiration to us all. He is deeply mourned and greatly missed.