



2024 Sustainability Report



RPIA

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1 OVERVIEW

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FOREWORD

At RPIA, we are committed to working closely with our investors to leverage our expertise in pursuit of their investment goals. We take pride in our ongoing partnerships with clients to develop sustainable investment solutions that align with their objectives.

In 2024, as we celebrated our firm's 15-year anniversary, we reflected on our purpose and the progress we have made alongside our clients. As global fixed-income experts and stewards of our investors' capital, we recognize that Environmental, Social, and Governance (ESG) factors play a critical role in shaping the risk and return profile of corporate fixed-income securities. By integrating ESG considerations into our fundamental and credit analysis, we aim to manage downside risk while identifying new opportunities to create long-term value for investors.

This report highlights how we embed ESG considerations across key areas, including our investment process, corporate sustainability practices, and firm culture. Over the past year, we have continued to strengthen our commitment to sustainability – both as an investment manager and as an employer.

As ESG frameworks continue to evolve within the investment industry, we remain dedicated to integrating sustainability considerations into our investment process through the expertise of our team and the proprietary tools we have developed to aid our ESG assessments. In addition to our own engagement efforts, we have expanded our participation in collective initiatives with industry associations that are working to enhance accountability and disclosure standards related to sustainability.

Within our firm, the addition of our Chief People Officer, Sara D'Elia, has been instrumental in launching new initiatives that empower employees and enrich our workplace culture through diverse perspectives and expertise.

We are proud of our progress, and eager for the future. If you would like to discuss our approach to sustainability within the firm and our investment process, please feel free to contact us at investors@rpia.ca.

Sincerely,

David Matheson & Peter Metcalfe



David Matheson
*Principal,
Co-Chief Investment Officer*



Peter Metcalfe
*Principal,
Co-Chief Investment Officer*

ABOUT RPIA

RPIA is an investment management firm, independently owned by employees and specializing in global fixed income strategies. The firm was founded in 2009 by experienced investment professionals who have extensive international debt market expertise and over the past 15 years, has grown to over 100 team members. At the end of 2024, RPIA was managing approximately \$14 billion of assets for institutions, high-net-worth individuals, and investment advisors.

As stewards of our investors' capital, we believe sustainability considerations are a vital component of our investment philosophy and our business. In this publication, we are proud to report updates on our progress over the past year.

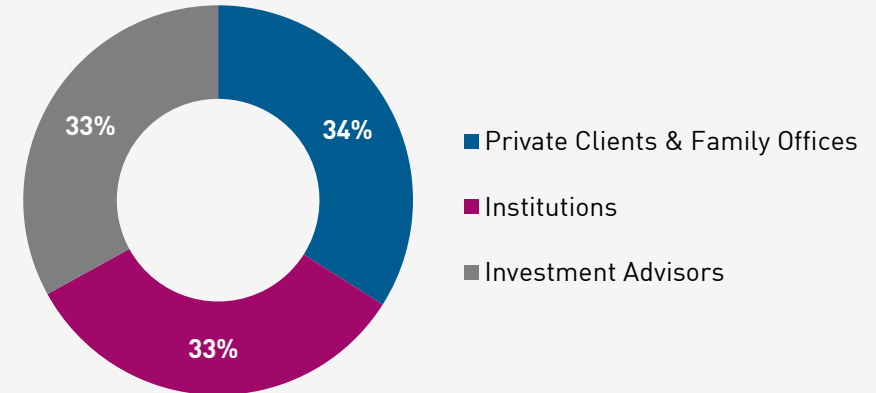
Founded in
2009

14B+
Assets Under
Management

\$567M
ESG-Focused
Assets¹

UN PRI
Signatory
Since 2018

We Serve Diverse Investor Needs



Investor base breakdown is an internal estimate as of December 31, 2024. For illustrative purposes only.

Core Values



Data as of December 31, 2024.

¹Assets invested in private pooled strategies with a fossil fuel exclusion mandate, namely, RP Broad Corporate Bond (Fossil Fuel Exclusion) and RP Broad Corporate Bond (BBB, Fossil Fuel Exclusion).



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INDUSTRY & COMMUNITY COMMITMENTS

We continue to solidify our commitment to integrating ESG into our firm and investment process through memberships in leading organizations that align with our goals and provide forums for thoughtful discussions on evolving topics, initiatives, and disclosure standards. We also seek to identify industry groups that provide our firm the opportunity to amplify our voice and make an impact through collaborative action.

We are proud members of:

Standards & Regulations

Signatory of:



UN Principles for Responsible Investing

The United Nations Principles for Responsible Investing (UN PRI) is an internationally recognized proponent of responsible investment. As a signatory of UN PRI, RPIA publicly demonstrates our commitment to responsible investment and place it at the heart of a global community seeking to build a more sustainable financial system. In 2024, RPIA attended the PRI In-Person Conference in Toronto where we gained insights from panels of industry professionals and engaged in thoughtful discussions with global investors.

Please see our 2024 [UN PRI Assessment](#) and [Transparency Reports](#) to learn more about RPIA's responsible investing practices.



FSB Task Force on Climate-Related Financial Disclosures

In 2015, the Task Force on Climate-Related Financial Disclosures (TCFD) was created by the Financial Stability Board (FSB) to recommend climate-related disclosure requirements that supports market transparency and more informed capital allocation.

RPIA has published an annual TCFD report since 2021. Please see our 2024 TCFD Report (link TBD) to read more about RPIA's efforts in these areas.

As of October 2023, the TCFD fulfilled its remit and was disbanded. The TCFD's recommendations were adopted by the IFRS Foundation's International Sustainability Standards Board (ISSB) while creating the IFRS S2 Standards. RPIA is dedicated to monitoring industry trends and transitioning our annual TCFD reporting to align with IFRS S2 standards.



The Sustainability Accounting Standards Board

Founded in 2011, the Sustainability Accounting Standards Board (SASB) is a non-profit organization that establishes industry-specific sustainability accounting standards. As a member, RPIA partakes in the organization's mission to help businesses globally identify, manage, and report on the sustainability topics that are material to their business and important to their investors. Additionally, the SASB materiality matrix is embedded in RPIA's ESG Integration efforts and the RP Barometer.

Industry Collaborations



Canadian Coalition for Good Governance

The Canadian Coalition for Good Governance (CCGG) promotes good governance practices in public Canadian companies and the improvement of the regulatory environment to best align the interests of boards and management with those of their stakeholders, and to promote the efficiency and effectiveness of the Canadian capital markets. RPIA participates in CCGG committees and provide inputs to engagements with company boards and Canadian regulators.



Climate Engagement Canada

Climate Engagement Canada (CEC) is a finance-led initiative that drives dialogue between finance and industry to promote a just transition to a net-zero economy. CEC's focus is to strategically engage with top emitters in the Toronto Stock Exchange (TSX) for the alignment of expectations on climate risk governance, disclosure, and the transition to a low-carbon economy in Canada. As a member, RPIA participates in collective engagements that helps align Canada's financial system with a low-carbon future.

Cultural Enrichment



VersaFi (formerly Women in Capital Markets)

VersaFi is the largest network of professionals in Canadian Finance. The organization aims to advance equity for women in the finance sector by fostering a growing pipeline of talent, leading the gender equity conversation, and partnering with industry members. RPIA employees participates in various VersiFi initiatives, events, and mentorship programs.



United Way ILEO Charter

The United Way Inclusive Local Economic Opportunity (ILEO) Charter is committed to increasing shared and inclusive economic opportunity within our local community in Toronto. The organization takes action to address growing economic disparity, which is one of the biggest challenges of our time. In 2024, RPIA employees prepared 160 hygiene and food kits that were distributed to the local community.



The 30% Club

The 30% Club's mission is to reach at least 30% representation of women on all boards and C-suites. It acknowledges that business leadership is vital to the mission, taking the issue beyond a specialist diversity effort and integrating it into enterprise-wide strategy development. RPIA is aligned and committed to achieving this goal; please see our 'Women in the Workplace' data on [page 27](#).

CORPORATE GOVERNANCE

ESG and Climate Governance

Our commitment to responsible investment and ESG integration, and, by extension, climate related risks and opportunities, is overseen by the Firm's Investment Committee, ESG Steering Committee, and Risk Committee. The Firm seeks to ensure these commitments are upheld and embedded into each employee's role.

Principals

RPIA Principals include all the equity owners of the business, in both advisory and operating capacities. Within the scope of the Executive and Management Committees, Principals ratify long-term strategic goals for the firm, including ensuring RPIA's views on climate related risks are upheld across different groups. Supplementing the work done by the ESG Steering Committee, Principals ensure that the firm adheres to our ESG philosophy and aligns itself with industry best practices including the TCFD recommendations, where applicable.

More details regarding oversight and accountability can be found on [page 16](#).

Committee/ Team	Description	Firm-level Focus	Investment-level Focus
ESG Steering Committee	<ul style="list-style-type: none"> Cross-functional body comprised of representatives from across RPIA Oversees Firm and Investment-level approach to ESG 	X	X
Risk Committee	<ul style="list-style-type: none"> Risk and Portfolio Management Leaders, the Chief Operating Officer, and the Chief Compliance Officer Oversees management of exclusions and investment-level ESG considerations 	X	X
Investment Committee	<ul style="list-style-type: none"> Reviews material investment-level ESG and climate-related risks 		X
Investment Team	<ul style="list-style-type: none"> Divided into the portfolio management, research and quant, structuring and execution teams Each team has individual responsibilities related to ESG and climate integration 		X

Cybersecurity

Protecting our investors' data is a responsibility we take seriously, and we have dedicated resources and programs to ensure that we are not complacent about the ongoing efficacy of our cybersecurity frameworks. Our cybersecurity philosophy centers on proactive defense, continuous improvement, and Zero Trust principles to safeguard our organization's digital assets.

In 2024, we strengthened our security posture by onboarding Cloudflare for enhanced web and email protection, deploying Microsoft Sentinel for advanced threat detection, and implementing additional security controls for our Client Relationship Management platform. We also improved our vulnerability management program, reducing security exposure, and enhanced staff awareness through periodic phishing campaigns.

Looking ahead, in 2025, we will continue to enhance our Data Loss Prevention and mobile device management security frameworks to provide stronger protection for our digital assets and those of our investors. As technology evolves, we aim to continuously ensure our systems and processes are resilient against new cyber threats that may arise.



MEASURING OUR CLIMATE IMPACT

RPIA acknowledges that our activities as an employer and an investment manager have an impact on climate. As part of our sustainability strategy, we are committed to acknowledging, addressing and, to the best of our abilities, mitigating this impact.

As part of our ongoing education related to our climate impact, we recognize that understanding the sources of our greenhouse gas (“GHG”) emissions is a key step in addressing and setting impactful goals for mitigation and, where possible, reduction. In 2024, we continued our partnership with BMO Radicle to update our GHG inventory and to review and assess our plans for mitigation and reduction. Important components of our efforts in 2024 include the implementation of energy consumption reminders and the purchase of offsets. By completing all component parts of the BMO Radicle Climate Smart program in 2024, we received Radicle’s Climate Smart Certification.

The activities captured covered emissions for the fiscal period of 2024:

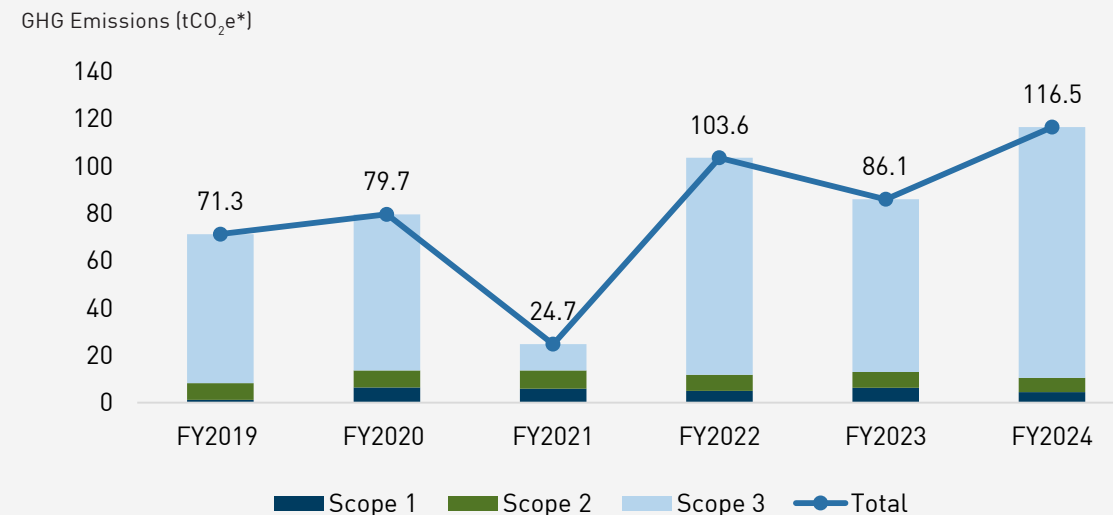
Scope 1: Office natural gas consumption

Scope 2: Office electricity use

Scope 3: Office waste management, business travel (air/rail travel, hotels, taxis/ Ubers/Lyfts), daily employee commuting, paper consumption, and heat/electricity from work-from-home

RPIA emitted a total of 116.5 tonnes of greenhouse gases in FY2024, most of which resulted from Scope 3 emissions. More specifically, our largest emissions contributors include staff commuting, business travel (road, air, and accommodation), and heating. Although this represents a ~35% increase from our total emissions reported in FY2023, the change reflects our growing team and the return of more frequent business travel. We continue to operate with a hybrid working model with employees commuting into the office from across the Greater Toronto Area. Our Scopes 1 and 2 emissions continue to remain steady year after year; however, we expect that to change in the future as we acquire more office space to meet our needs.

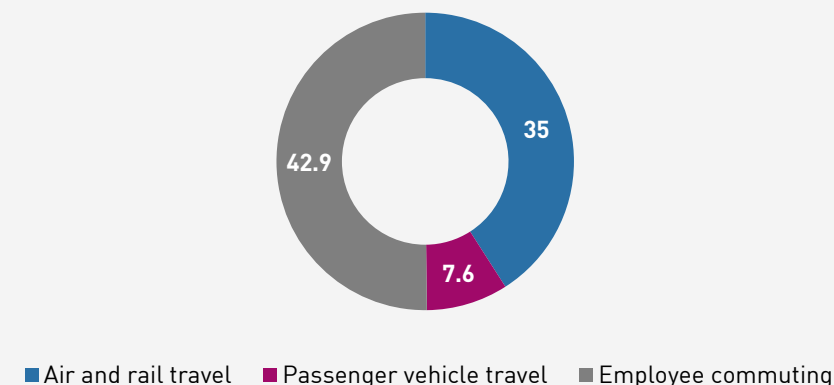
GHG Inventory Results



Heat/electricity from WFH (scope 3) was a newly introduced category in FY2022 and was therefore not accounted for in previous years. Excluding this, our emissions are in line with 2019 and 2020 levels despite our workforce having grown significantly since then.

RPIA’s current emissions inventory does not include certain Scope 3 categories (as defined by the GHG Protocol), including Category 15: Investments. RPIA will continue to evaluate our ability to do so in the future.

Scope 3 Transportation Breakdown FY2024 (tCO₂e)



Carbon Offset Purchases: A Commitment to Sustainability

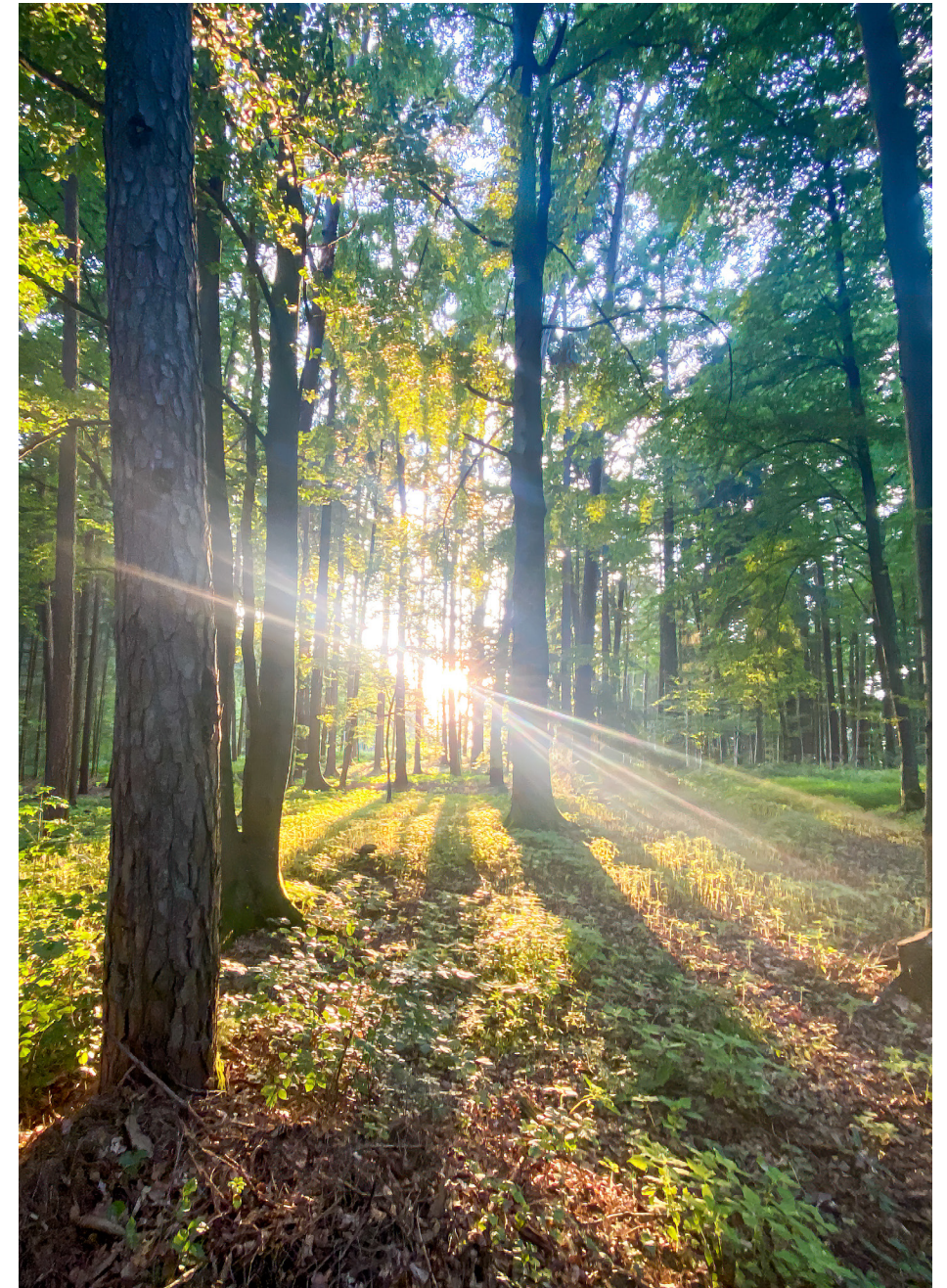
As part of our commitment to reducing our environmental impact, we have taken an important step toward offsetting the carbon emissions generated by our operations through the purchase of carbon offsets. Carbon offsets allow us to neutralize the emissions we cannot eliminate directly by investing in projects that prevent or remove greenhouse gases from the atmosphere.

In 2024, we supported two impactful carbon offset projects:

- 1. The Great Bear Forest Carbon Project** in British Columbia protects vital temperate rainforests and supports Indigenous communities and generates up to 1,000,000 tCO₂e in credits per year over its 25-year lifespan.
- 2. The Northwood Pulp #1 Recovery Boiler Project** reduces emissions by improving energy efficiency in a lumber mill and is responsible for an estimated emissions reduction of more than 19,000 tonnes of carbon dioxide equivalent (tCO₂e) annually. These projects contribute to carbon sequestration, energy efficiency, and the preservation of critical ecosystems.

This purchase has helped offset the CO₂ equivalent of the annual emissions of 27.3 gasoline-powered passenger vehicles driver for a year.² Beyond environmental benefits, these projects also create jobs, support local economies, and promote biodiversity conservation.

Looking ahead, we are committed to continuing our investment in carbon offsets as part of our broader sustainability strategy. We believe that every step counts in combating climate change, and we are proud to play our part in fostering a more sustainable future.



²U.S. Environmental Protection Agency. (n.d.). Greenhouse gas equivalencies calculator. Retrieved March 18, 2025, from <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator#results>.

THOUGHT LEADERSHIP

Explore Our ESG-Related Market Insights >>



How Issuer Engagements Inform Portfolio Positioning Credit Research Case Study

At RPIA, our belief is that engaging with issuers is a valuable part of our role as stewards of capital. In this case study, we showcase how ESG factors are integrated into our investment decision-making through active engagement with issuers.

[| Read publication](#)



ESG Trends: Swapping debt for sustainability-linked financing

D4N swaps are re-emerging as a potential solution to economic and climate crises

Debt-for-nature (D4N) swaps are re-emerging as a promising solution for developing countries to reduce foreign debt while committing to environmental conservation. However, despite their significant potential, D4N swaps still face ongoing challenges that could hinder their overall effectiveness.

[| Read Post](#)



The Future of Sustainability-Related Disclosures Insights from the IFRS Sustainability Symposium 2024

The IFRS Sustainability Symposium 2024 provided valuable insights into the future landscape of sustainability-related financial disclosures and our own ESG integration approach.

[| Read Post](#)

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT

Climate change continues to be an urgent source of ESG risk for humanity and global economies. No sector has escaped the present or potential impact of climate change risks. As stewards of our investors' capital, we continue to monitor short, medium, and longer-term effects on corporate credit arising from physical and transition risks. More frequent extreme weather events and the continued transition away from fossil fuels have significant impacts on many sectors in which we invest, such as Energy, Transportation, Automotive, and Financials to name a few.

We encourage you to review our annual TCFD report³, which outlines our views on climate change and how we integrate this analysis into our investment process.

[Read the TCFD Report](#)

³As of October 2023, the TCFD fulfilled its remit and was disbanded. TCFD's recommendations were adopted by the IFRS Foundation's International Sustainability Standards Board (ISSB) while creating the IFRS S2 standards. RPIA is dedicated to monitoring industry trends and transitioning our annual TCFD reporting to align with IFRS S2 standards as applicable in the future.





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OUR ESG INTEGRATION PROCESS

Integration Framework

Our ESG integration approach emphasizes our belief that supplementing our fundamental and technical analysis with relevant ESG factors is important in assessing risks and opportunities. Incorporating ESG factors into our investment process – both at the issuer-level and in the context of specific sectors and regions – enables us to have a complete view of material credit risks. As the landscape evolves with new ESG data, disclosures, regulations, and reporting frameworks, we will continue to mature our approach to ESG integration.

Our ESG integration framework enables the investment team to collect and analyze ESG-related data and disclosures from issuers. As part of our framework, we leverage the SASB standards, TCFD guidance, and our unique views and deep sector knowledge to assess ESG topics and trends that we believe are most likely to impact the investments we make on behalf of the portfolios we manage.

ESG analysis occurs in line with portfolio objectives and in collaboration with our fundamental credit analysis when assessing potential investment opportunities. We also benefit from our global capital markets expertise, which enhances the team's ability to engage with issuers on disclosures, trends, gaps and risks, including ESG risks, that we have identified.

The application of ESG integration varies in weight and prominence between strategies, we encourage investors to review the offering documents of the respective RPIA managed funds for additional information. Apart from our thematic portfolios (see page 23), our approach to integrating ESG considerations does not impose investment limitations.

We are able and willing to invest in companies that are still developing their ESG practices or are early in their ESG journeys. Recognizing the magnitude of efforts required to address sustainability and climate challenges, we aim to support corporations in adapting to meet these demands, rather than avoiding the challenges they face.

ESG information, including details related to material risks and opportunities is part of the total mix of information RPIA considers as part of its investment decision making, and is not itself investment determinative. There is considerable nuance involved in balancing the probability and potential severity of ESG risks against the need for additional spread compensation. To navigate this complexity, we rely on our investment team's expertise and experience for guidance.

As previously mentioned, RPIA offers thematic portfolios that focus on specific ESG objectives. We are pleased to share an update on the progress of the Fossil Fuel Exclusion strategy on page 23 of this report.

Oversight and Accountability

Our ESG policy is applicable to all RPIA employees as it relates to their role within the firm and our commitment to responsible investment is overseen by the firm's Investment Committee, ESG Steering Committee, and Risk Committee, and supported by each of the firm's Principals.

ESG Steering Committee

The ESG Steering Committee is a cross-functional body comprising senior designees from different business units. The Committee's goal is to evolve and guide RPIA's approach to ESG, as applied to the firm's operations and corporate culture. When reasonable, the Committee will also exercise oversight of the firm's investment practices where alignment between the firm and our commitment and disclosures provided to United Nations Principles of Responsible Investing (UNPRI) is needed.

The ESG Steering Committee provides strategic oversight of the firm's ESG Policy as necessary, reviews and approves ESG related disclosures prepared for industry organizations; reviews and approves RPIA's association or membership with industry organizations or initiatives that aim to promote ESG; reviews and approves RPIA's direct or indirect engagement with policy makers with respect to ESG and sustainable investment; and champions improvement on RPIA's ESG related commitments.

Risk Committee

The Risk Committee consists of experienced Risk and Portfolio Management team members, the Chief Risk Officer, the Chief Financial & Operating Officer, and the Chief Compliance Officer. The Risk Committee sets limits, monitors all strategies against their risk policies, alerts the respective decision makers on any portfolio positioning that is approaching policy limits, and independently evaluates market conditions to assess evident risks.

Investment Committee

The Investment Committee consists of experienced investment professionals from the Portfolio Management and Risk Teams. The Investment Committee reviews material ESG risks identified by the Portfolio Management Team when appropriate or required. The Co-Chief Investment Officers and Head of Credit Research are members of the Investment Committee.

Principals

Within the scope of the Advisory, Executive, and Management Committees, Principals ratify long-term strategic goals for the firm. Supplementing the work done by the ESG Steering Committee, Principals have a responsibility to oversee that the firm follows its ESG philosophy and aligns itself with industry best practices. Principals direct firm strategy, and as part of this, how RPIA considers its approach to ESG, which is ultimately executed by the firm's various committees and functional departments.

Implementing Our ESG Integration Approach

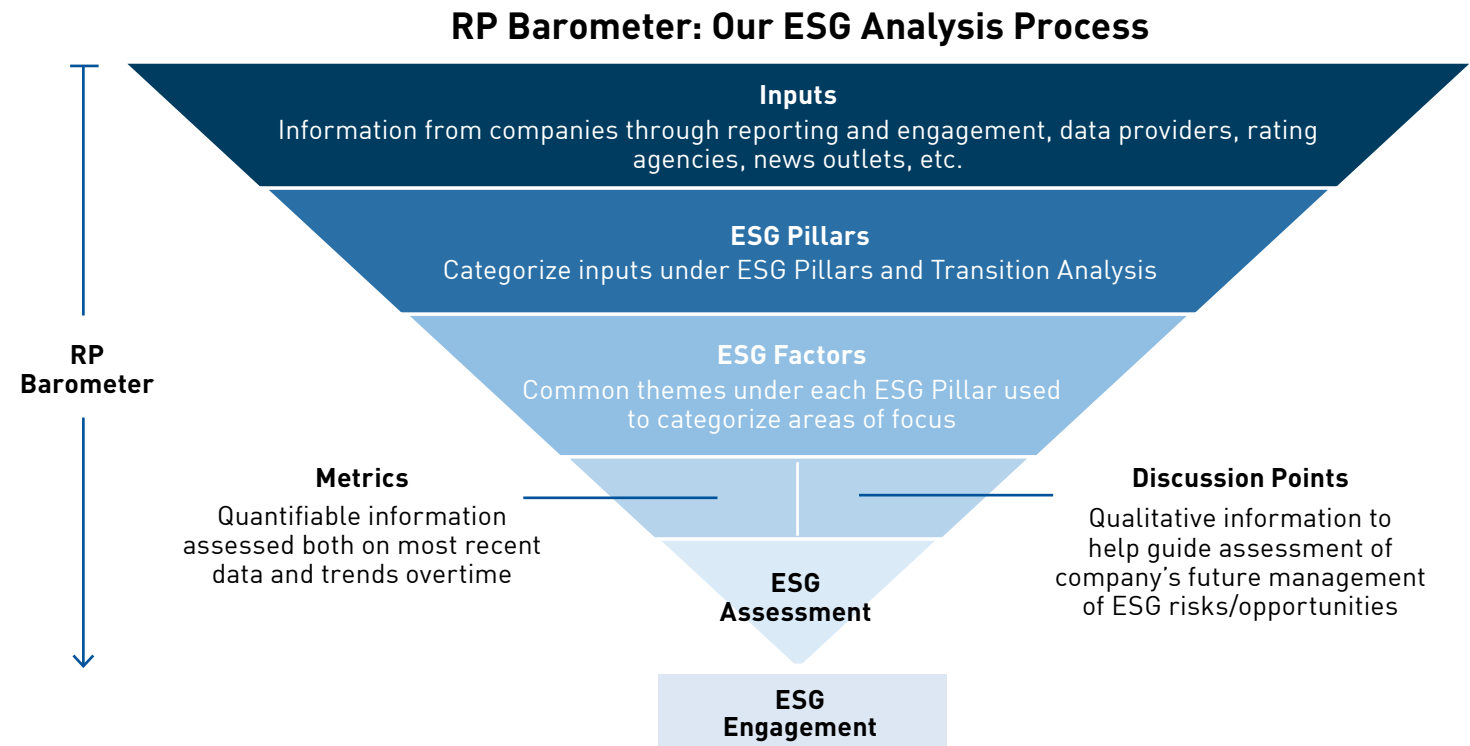
RPIA's ESG integration approach, comprised of our analysis and engagement efforts, applies to all strategies managed by the firm. The approaches and degrees may vary between portfolios based on individual portfolio objectives, strategies, and composition. As we analyze and engage on ESG factors, we consider three pillars of ESG: (1) environmental factors; (2) social factors; and (3) governance factors and seek to identify risks and opportunities that are likely to be material to the issuers we invest in over the short, medium, and long term.

Analysis of Issuers

As part of our focus to determine the existence and materiality of the ESG risks and opportunities an issuer may face, we prioritize understanding the context in which an issuer operates, which includes an assessment of, among other items, its public reports, industry news, and feedback from rating agencies. To enhance our analysis, we deploy our proprietary tool, the RP Barometer, to build a better understanding of the ESG risks an issuer may face.

The RP Barometer captures quantitative metrics (e.g. current data and trends over time) and qualitative data that provide insights into how an issuer's management team and boards develop and present ESG risks and deliver improvements. The RP Barometer is designed to supplement our fundamental analysis and includes an evaluation of an issuer's transition risk and workplace equity. Data outputs from the RP Barometer can also be used to understand the overall ESG performance of the issuers we invest in and can help the investment team identify engagement opportunities. Qualitative inputs to our ESG analysis are important to understand the context of an issuer's operations.

We also leverage information from third party research organizations and rating agencies.



STEWARDSHIP

Engagement Activities in 2024

As an active fixed income investor, we occupy an important position among capital providers to many corporations. We believe engaging with issuers is a valuable part of our role as stewards of capital. There are unique opportunities for engagement within fixed income as outstanding debt is typically a larger portion of company balance sheets than equity, and private companies also issue debt in global capital markets. This allows fixed income asset managers to engage with influential companies not available to public equity investors.

Engagements with issuers can be conducted at different stages of the credit story: pre-issuance or pre-deal stages, pre-investment stage, holding period, refinancing stage, or if an issuer faces a material credit impact. The level and focus of engagements may vary between issuers, according to the most material ESG risks and opportunities for each company.

In the discussions we have with issuers, we gain deeper insights in addition to available data and reports. Here, management teams share their future visions for managing ESG-related risks and opportunities, and we can discuss where companies can improve and share the ESG topics that are important to our investors.

We incorporate ESG into our engagement practice by:

- Identifying industry and company specific ESG factors on which to engage with issuers
- Advocating for initial or improving ESG disclosures that aligns with globally recognized reporting standards and frameworks
- Assisting issuers with identifying material information, gaps, and best practices
- Updating our understanding of the issuer's ESG profiles that we develop on an on-going basis, including our understanding of the issuer's future targets and progress towards it
- Emphasizing our belief that management presentations and communications should support transparent disclosure of ESG strategy and achievements

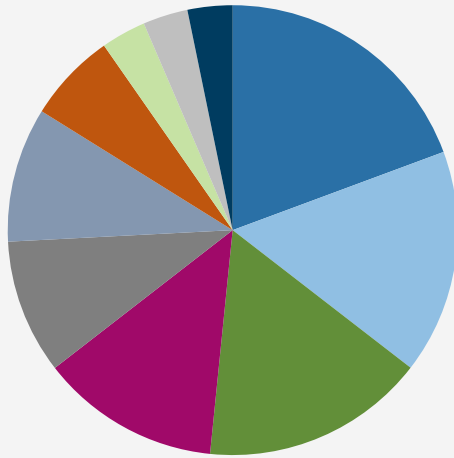
Through engagement, we can deepen our assessment of an issuer's ESG profile on several fronts:

- Breadth of an issuer's disclosures across different business areas and whether meaningful metrics are tracked and reported
- Quality of the information provided
- Forward-looking plans for ESG-related risks and opportunities
- How well management teams are equipped to execute these plans
- Insights regarding any headlines and other material changes to the company



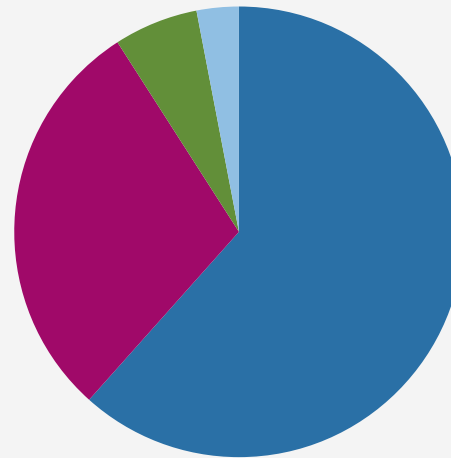
2024 Engagement Breakdown

Engagements by Sector



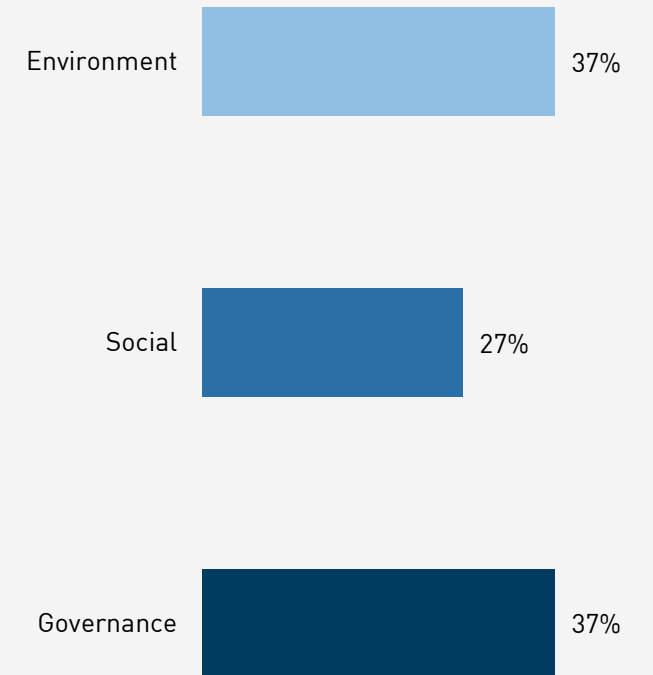
■ Health Care	19%
■ Energy	16%
■ Financials	16%
■ Utilities	13%
■ Consumer Staples	10%
■ Industrials	10%
■ Technology	6%
■ Communications	3%
■ Consumer Disc.	3%
■ Real Estate	3%

Engagements by Geography



■ USA	61%
■ Canada	29%
■ Europe	6%
■ Other	3%

ESG Discussion Topics



Data has been rounded to the nearest number, and the sum may not equal to 100%.

Collective Engagement Example

Issuer engagement is an integral part of RPIA's ESG integration approach. On top of conducting regular engagement calls with issuers, RPIA also participates in collective engagements with industry organizations such as the Canadian Coalition for Good Governance (CCGG) and Climate Engagement Canada (CEC). RPIA's participation in both organizations can be summarized as such:

- **CCGG:** RPIA participates in CCGG committee meetings and provide inputs to engagement dialogues with Canadian companies and regulators with the goal of promoting good governance practices.
- **CEC:** RPIA participates in engagements with companies identified in the CEC Focus List, which consists of top emitters on the TSX. See below for an example of a 2024 CEC engagement that RPIA participated in.

Canadian Energy Infrastructure Company

Sector: Energy

Geography: Canada

Discussion Topic: Environment & Governance

Engagement Rationale

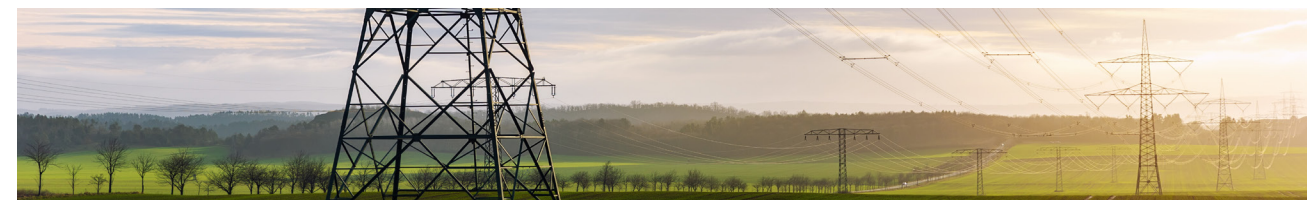
- This issuer was included in CEC's 2024 Focus List because it was identified as one of the top emitters in the TSX and/or with a significant opportunity to contribute to the transition to a low-carbon future. This issuer had also removed some of their environmental and climate disclosures from their website after the Royal Assent of Bill C-59 in June 2024.
- Given that RPIA holds this issuer across several mandates and are familiar with their operations, we participated in the CEC engagement to better understand its sustainability commitments and decarbonization plans.

Highlights

- **Bill C-59:** among its numerous provisions, Bill C-59 aims to tackle greenwashing through the Competition Act. This new provision places greater onus on advertisers and introduced significant monetary penalties for violations, which sent ripples of uncertainty and backpedaling in the industry.
- **Sustainability Commitments:** the issuer assured that all ESG goals have been unchanged, and they will continue to publish annual ESG reports. However, they will not be making a net zero commitment due to uncertainties and risks surrounding Bill C-59. Note that since the engagement, the issuer had restored some of its sustainability and climate disclosures on their website, alongside a disclaimer.
- **Decarbonization:** the issuer highlighted its extensive internal climate scenario analysis and modelling which informs its emission reduction plan, which they have no plans of disclosing externally. The issuer reaffirmed that its view of emission reduction has not changed and that they will continue to update this data in their annual ESG reports. As previously mentioned, the issuer will not make public commitments on emission reduction.

Outcome

- Considering the lack of publicly disclosed information, this engagement provided valuable clarity on how the issuer remains steadfast in its sustainability goals and decarbonization efforts. We felt encouraged by the company's ESG efforts; it is a credit we fundamentally like, and we believe our engagement can steer the company in the right direction. As a result, we did not alter our portfolio positioning following the engagement.



The Barometer in Action

The RP Barometer is a proprietary tool built on the SASB Standards that supports RPIA's ESG integration approach by aggregating relevant ESG Data, identifying material ESG factors, and presenting them in a consistent format.

When utilizing the RP Barometer, we generally focus our efforts on issuers wither where there is a current concern or a concerning trend. We may already own the issuer's debt, or we may be contemplating making an investment.

■ Barometer Output for Canadian Energy Infrastructure Company

The RP Barometer output on the following page is of a Canadian Energy Infrastructure Company who we engaged with as part of Climate Engagement Canada on [page 20](#) of this report. This example focuses on an issue we were holding in several of our portfolios. The company had removed its Sustainability resources and reports while also being one of the top emitters in the TSX, prompting us to conduct a deep dive into both the credit fundamentals and pertinent ESG risks of the issuer. In this case, the RP Barometer played a crucial role in providing us with essential data since the company's reports have been taken down. Specifically, we were interested in what the data would reveal about the company's performance in the context of industry peers.



Sample Barometer Output

Company X: Energy Infrastructure Company **Company A-E:** Competitors

Environmental Risk Factors	Overall Rank: 3.0
Metrics (Current & Trend)	Current Rank: 3.0 Trend Rank: 3.0

Factors	Metric	Unit	Current	Curr Rank	Trend	Trend Rank
GHG Emissions	Total GHG CO2 Emissions Intensity per Sales	CO2e/Rev	158.7	● 2	-26.4	● 2
Resource Management	Energy Intensity per Sales	MWh/Rev	245.7	● 2	-15.7	● 2
Resource Management	Pct Renewable Energy Consumed	%	0.9	● 3	-0.0	● 3
Ecological Impact	Water Use/Withdrawal Intensity per Sales	m ³ /Rev				
Ecological Impact	Waste Generated per Sales	Mt/Rev				

The data revealed that environmental risk factors such as GHG Emissions per Sales (CO2e/revenue) and Energy Intensity per Sales (MWh/revenue) were trending positively. At the time of the report, the company was ranked second in its industry peer group.

Metrics (vs. Peer Group)

Metric	X	A	B	C	D	E
Total GHG CO2 Emissions Intensity per Sales	158.7	335.1	1,439.6	734.6	1206.5	1,979.6
Energy Intensity per Sales	245.7	1,113.3	6,468.6		508.3	
Pct Renewable Energy Consumed	0.9	5.5	0.0		0.0	

In the context of the Energy industry, we were comfortable with the company's metrics relative to those of their peers. Company X's total GHG CO2 Emission Intensity per Sales and Energy Intensity per Sales are lower than all 5 competitors.

Policy Implementation

Factor	Policy	Count: 0/1	Y/N
GHG Emissions	GHG Reduction / Energy Use Policy		No

Despite a lack of formal GHG reduction policy and commitments due to uncertainties around Bill C-59, we spoke with the company and felt comfortable that the company had enough incentives from a fundamentals perspective to continue trending positively.

In addition to these excerpts, the complete RP Barometer assesses transition risks based on carbon budget trends in a sector versus the overall market and for issuers versus their sectors. Transition risks are also evaluated in the context of an issuer's carbon profile and trajectory of both an absolute intensity basis for scopes 1, 2, and 3 emissions.

The RP Barometer also includes a framework which grades workplace equity based on five key pillars: workforce participation, equal pay, upward mobility, representation, and leadership. Governance considerations underpin the data analyzed for both environmental and social factors, including assessing policies and action plans published by the company.

THEMATIC PORTFOLIOS

FOSSIL FUEL EXCLUSION STRATEGIES

We have two thematic strategies, the RP Broad Corporate Bond (Fossil Fuel Exclusion) strategy and the RP Broad Corporate Bond (BBB, Fossil Fuel Exclusion) strategy. Both strategies employ a negative screening approach, in line with stated ESG-related investor objectives.

In partnership with one of our institutional investors, we developed a first-of-its kind fossil fuel excluded corporate bond strategy in Canada for investors who take exclusionary approach to ESG. The approach is an evolution of our RP Broad Corporate Bond strategy, which has a ten-year track record of adding 174 bps of added value above the FTSE Canada All Corporate Bond Index (gross, annualized, since inception).

The RP Broad Corporate Bond (Fossil Fuel Exclusion) strategy was launched in July 2022 and takes a rules-based exclusions approach to screening fossil fuel intensive issuers out of the fund and the benchmark. As its name suggests, this strategy excludes all companies with direct involvement in or significant ownership of fossil fuel products at the time of investment. We also screen and exclude tobacco and cluster munition involvements.

The strategy maintains the performance target of the “original” strategy but has an additional objective of maintaining a lower WACI (Weighted Average Carbon Intensity) than the already carbon-reduced FTSE Canada All Corporate ex-Fossil Fuels Enhanced Bond Index. The strategy is an innovative solution through which our investors were able to achieve both reducing fossil fuel exposure and superior returns.

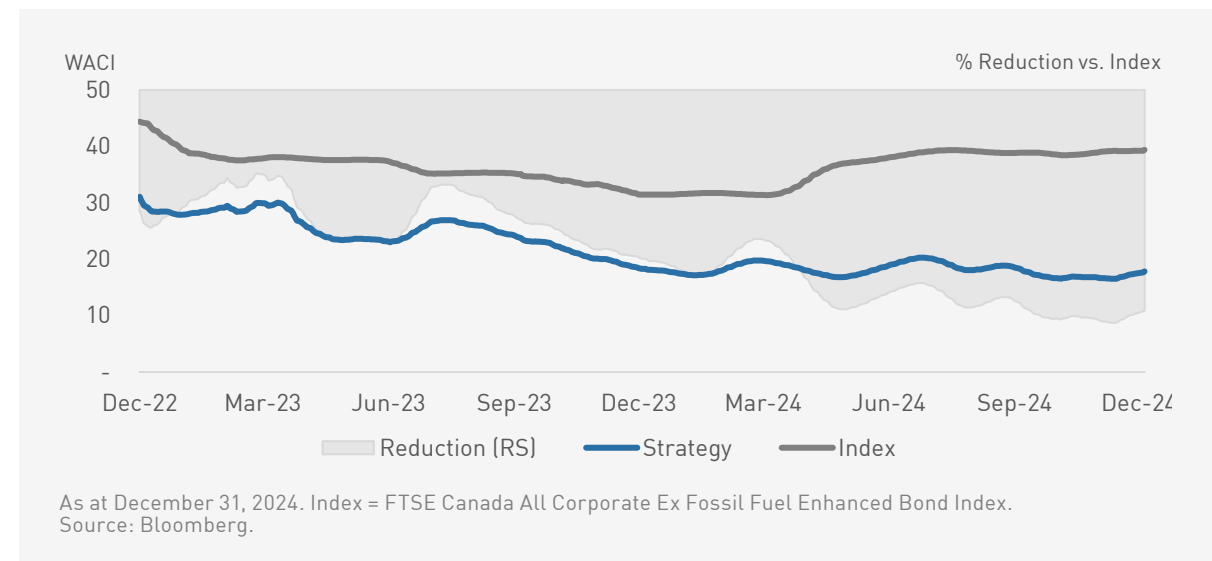
Performance as of December 31, 2024

Strategy AUM: \$223 Million

	1 Mo	3 Mo	YTD	1 Yr	SI
RP BCB FFE	0.00%	0.90%	7.52%	7.52%	8.15%
Index	0.00%	0.90%	6.74%	6.74%	6.26%
Added Value	0.00%	0.00%	0.78%	0.78%	1.89%

RP BCB FFE= RP Broad Corporate Bond (Fossil Fuel Exclusion). Index = FTSE Canada All Corporate Ex Fossil Fuel Enhanced Bond Index. Source: FTSE.

RP BCB FFE Weighted Average Carbon Intensity Relative to the Index





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SUPPORTING OUR EMPLOYEES

At RPIA, we prioritize employee engagement as a cornerstone of our culture by empowering and inspiring individuals to thrive in both their professional and personal lives. Guided by our core values (excellence, partnership, transparency, integrity, and community), we believe that employee engagement is not a one-time initiative but rather, an ongoing process that adapts to the needs of our people and the organization.

In 2024, we elevated our employee engagement efforts by appointing a Chief People Officer to align our people strategies with the firm's broader business objectives. This role has been instrumental in enhancing how we approach talent acquisition, development, and retention, ensuring that all aspects of the employee experience are designed to foster productivity, collaboration, and inclusivity. By intentionally aligning engagement with business priorities, we can create an environment where employees are empowered to succeed and feel connected to RPIA's mission.

We also focused on improving the efficacy of our communication channels to strengthen our One Team, One Culture mindset. These efforts reflect our commitment to fostering alignment, clarity, and shared purpose across the firm. Additionally, we've made strides in building structures and programs that better support recognition and tailored development, ensuring that employees feel valued for their contributions while receiving the resources they need to continue developing.

As we look ahead, we remain dedicated to embedding engagement into the core of our culture, fostering a workplace where employees feel supported, connected, and empowered to achieve their full potential.



Our Journey

Career Pathways

In 2024, we strengthened our focus on career development by launching personalized Employee Development Plans across all departments, aligning individual goals with firm-wide objectives. We also finalized a competency framework (Career Pathways), providing transparency into the skills and expectations needed for success at every level of the organization.

Our promotion rate increased from 12% in F2023 to 14% in F2024, reflecting our commitment to fostering leadership and creating clear career pathways for growth within the organization. By developing talent from within, we are building a strong pipeline of future leaders while providing employees greater opportunities to advance their careers and make an impact. We also continued offering tailored coaching and development opportunities, empowering employees to grow their skills and contribute to the firm's success.



Looking ahead: We will continue refining our career development strategies to align with the firm's growth objectives, focusing on building internal leadership pipelines and providing employees with clear, actionable paths to advance their careers within RPIA.



Connected Communities

Over the past year, we enhanced our internal communication to foster greater alignment, engagement, and connection amongst employees. A key highlight was the launch of our bi-weekly Marketing Digest, which provides timely updates on events, RPIA publications, and key client and community initiatives. This initiative has improved internal awareness and encouraged stronger collaboration across teams.

We also restructured our monthly Townhalls to create a more dynamic platform for engagement. These sessions now deliver clear updates on business priorities and objectives, celebrate achievements, and reinforce our shared mission and values. We also leverage our Townhalls as a forum for our reward and recognition program (Talent Spotlight Award). Together, these efforts have strengthened employee connections and fostered a more informed, unified workplace.



Looking ahead: Building on this year's progress, we will continue enhancing communication strategies to support a more engaged and aligned RPIA community.

Productivity Sessions

In 2024, we launched Productivity Sessions, an initiative designed to support cross-functional learning and knowledge-sharing across the firm. The program features two key workstreams:

- Leadership Insights Series: Fireside chats with senior leaders sharing their career journeys and leadership philosophies.
- Department Deep Dives: Sessions led by department leaders to highlight their team's work, contributions, and key priorities.

This initiative fosters a culture of continuous learning while strengthening unity and connection across teams. Employees have embraced the opportunity to expand their knowledge, build relationships, and deepen their understanding of the firm's operations.



Looking ahead: We will continue to build on this foundation, offering employees diverse opportunities to develop and learn, ensuring alignment with their personal growth and the firm's objectives.

Great Place To Work (GPTW)

For the third consecutive year, RPIA achieved certification as a Great Place to Work (GPTW), reflecting our dedication to fostering a workplace where employees feel valued, supported, and empowered to succeed. This recognition highlights the collaborative, respectful, and high-performing culture our employees contribute to every day.

In F2024, we saw a 3% increase in our overall employee engagement score. This serves as a testament to the effectiveness of our intentional approach to listening and acting on feedback. Insights from the GPTW survey guided meaningful updates to our policies, practices, and initiatives, strengthening workplace culture and providing employees with the resources they need to perform at their best.



Looking ahead: We will continue leveraging feedback from the GPTW survey to guide our People & Culture strategy. Our focus remains on creating a workplace where employees feel supported, engaged, and aligned with the firm's goals.

Talent Spotlight Award

In 2024, we introduced the Talent Spotlight Award. Receiving a Spotlight Award is RPIA's highest honor. This is our reward and recognition program that recognizes employees who go above and beyond in their contributions. Through this, we are able to reinforce a culture of gratitude and celebrates individuals who embody the firm's core values.

The Spotlight Award is a key part of our ongoing efforts to foster a workplace where achievements are meaningfully rewarded and appreciated. By highlighting these exceptional efforts, we are inspiring all employees to reach their potential while strengthening our shared commitment to excellence and collaboration.



Looking ahead: We remain committed to sustaining a culture of appreciation and will continue recognizing the exceptional efforts of our people who drive RPIA's success.

EMPOWERING WOMEN IN THE WORKPLACE

At RPIA, we remain committed to fostering a workplace where diverse perspectives lead to better decision-making, stronger business outcomes, and a more innovative culture. We recognize that building an inclusive, high-performing culture is key to attracting and developing top talent while delivering value to our stakeholders.

Over the past year, we have strengthened our leadership accountability, refined our talent development strategies, and enhanced workplace initiatives to ensure our organization continues to evolve. Our leadership team is actively engaged in embedding inclusive practices across hiring, career development, and governance to create an environment where every employee can thrive. We understand that meaningful workplace progress extends beyond representation and requires a focus on advancement, opportunity, and impact. As part of this commitment, we continue to align with industry-leading best practices to build a more equitable and sustainable talent pipeline.

2024 Progress

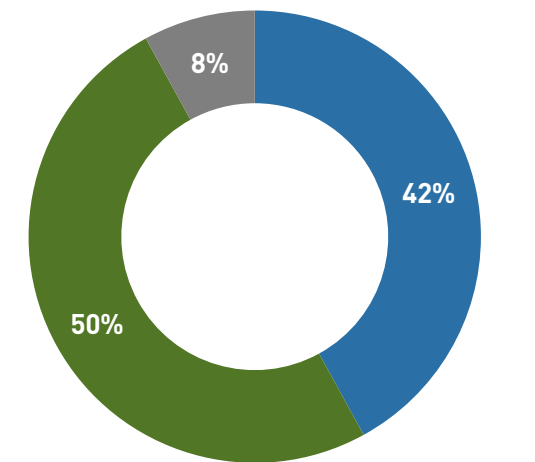
This year, we reinforced our commitment to workplace equity and leadership accountability, ensuring that women have greater access to career growth and senior decision-making roles. Under the leadership of our Chief People Officer, Sara D'Elia, we refined succession planning frameworks, introduced clearer career pathways, and leveraged data-driven insights to track representation and advancement. These efforts have helped create more structured opportunities for women progressing into leadership positions.

Our progress is reflected in key representation improvements as women now hold 36% of executive roles and 50% of management committee positions, increasing their presence in leadership and governance. At the associate level, representation remains strong at 51%, ensuring a solid talent pipeline for future leadership growth.

Additionally, we launched the ACE Scholarship for Women in Finance at the Schulich School of Business, reinforcing our commitment to supporting the next generation of female leaders in the industry. This initiative complements our broader focus on expanding recruitment partnerships and driving sustainable progress in gender representation at all levels of the firm.

Women in the Workplace

Firm-Wide



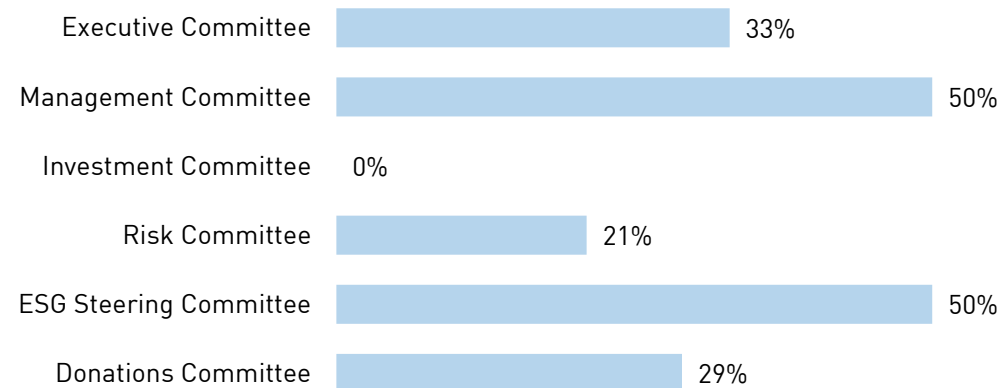
■ Women ■ Men ■ Prefer not to answer

Women in the Workplace

Across Seniority Levels¹



In Governance Roles and Committees²



¹Executive refers to all C-suite level members; Management refers to all department heads, directors, and managers with direct reports; Experienced Professional refers to sales directors, managers without direct reports, portfolio managers, associate portfolio managers, and accountants; and Associate Professional refers to all analysts, associates, and any other junior roles.

²The Executive Committee and Management Committee are key decision-making groups within the firm and comprise both Executive and Management seniority levels.

2025 Goals

In 2025, we will focus on deepening leadership accountability and ensuring sustained progress in gender representation across all levels of the firm. This includes enhancing succession planning and refining talent identification strategies.

A key priority will be broadening recruitment efforts to attract and retain top female talent in underrepresented areas, particularly in investment management roles, where gender diversity remains an opportunity for growth. We will also continue leveraging data-driven insights to track progress, measure impact, and refine our approach to career development and leadership advancement.

Additionally, we will strengthen partnerships with industry organizations that support women in finance, providing access to professional development opportunities, mentorship, and broader networks that help advance female leadership in the sector.

By embedding these priorities into our long-term talent strategy, we aim to create a more equitable workplace where women have clear pathways to leadership, the resources to succeed, and the representation necessary to shape decision-making at the highest levels.

GIVING BACK TO OUR COMMUNITY

At RPIA, giving back to our community is an important facet of our culture and values. Our mission is to facilitate charitable giving within our organization and the broader community by working collaboratively with our investors, employees, and community partners.

Our focus areas include:

Empowering Our Communities

Provide resources and support necessary to empower individuals and their broader communities to grow and prosper.

Enhancing Quality of Life

Improve well-being and stability through better access to resources and opportunities that can facilitate better quality of life.

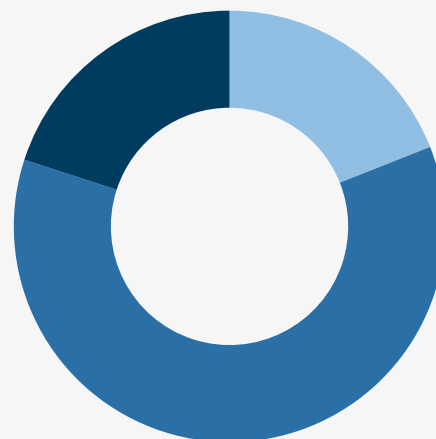
Fostering Diversity, Equity & Inclusion

Address systemic barriers that limit opportunities for marginalized groups and promote fair, equitable, and inclusive decision-making.

Under the guidance and leadership of our Donations Committee, which comprises of six Principals and is chaired by the CEO, we carefully evaluate the impact of our donations, how it benefits the pressing needs of our communities, and how it aligns with the values of our investors and employees.

The past few years have been tough for many in our community who were faced with the harsh realities of high inflation and rising or high interest rates. Quality of living both globally and across Canada struggled in this environment and the burden of this cost reverberated throughout our community. As such, in 2024, our charitable giving efforts focused largely on our second pillar, Enhancing Quality of Life, aiming to make a meaningful impact and alleviate some of the burden and improve well-being and stability.

Donations in FY2024



19%
Empowering Our Communities

61%
Enhancing Quality of Life

20%
Fostering Diversity, Equity & Inclusion



Charitable Giving

Empowering Our Communities



ART & CULTURE



CHILDREN & YOUTH



IMMIGRATION



INDIGENOUS COMMUNITIES



JEWISH COMMUNITIES



LOCAL COMMUNITIES



SPORTS

Enhancing Quality of Life



EDUCATION



ENVIRONMENT



FOOD SCARCITY



HEALTH CARE



HEALTHCARE RESEARCH



HOUSING SECURITY



MENTAL HEALTH



WATER & SANITATION

Fostering Diversity, Equity & Inclusion



CIVIL RIGHTS



HUMAN RIGHTS



LGBTQ+



RACIAL EQUITY



WOMEN'S RIGHTS



RPIA ACE PROGRAM

First launched in 2022, the RPIA Academic and Community Empowerment (ACE) Program aims to provide a wealth of opportunities to disenfranchised groups through academic and community driven initiatives. The program strives to support the next generation of leaders from all backgrounds in Canada through scholarships, internships, and mentorship. As a firm, we are committed to empowering and nurturing the potential in our community, and doing our part to improve access to the industry in which we operate.

Active Scholarships

RPIA ACE Scholarship in Rotman Commerce at the University of Toronto



RPIA has pledged \$5,000 CAD per year for a non-renewable expendable scholarship for an upper year student in the Rotman Commerce Program who self-identifies as either Black or Indigenous to Canada and maintains good academic standing. Although not required, preference is given to students with an interest and/or completed coursework in Finance.

RPIA ACE Finance Award for BIPOC Students at the University of Victoria




RPIA has pledged \$5,000 CAD per year for a non-renewable award for a third or fourth year undergraduate student who self-identifies as Black, Indigenous, or a Person of Colour (BIPOC). The student must have a minimum GPA of 3.0 to be eligible and also demonstrate an interest in pursuing a career in the financial industry.


RPIA ACE Scholarship for Women in MFin at the Schulich School of Business at York University




RPIA has pledged \$5,000 CAD per year for a non-renewable scholarship for a student who identifies as female and is accepted into the Master of Finance program at the Schulich School of Business at York University. The student must maintain good academic standing and demonstrate a strong desire to pursue a career in capital markets. Preference will be given to students with financial need.


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The RP Broad Corporate Bond (Fossil Fuel Exclusion) strategy is offered pursuant to available prospectus exemptions to eligible Canadian investors through units of RP Broad Corporate Bond (Fossil Fuel Exclusion) Fund. RP Broad Corporate Bond (Fossil Fuel Exclusion) performance presented represents the returns of RP Broad Corporate Bond (Fossil Fuel Exclusion) Fund, gross of management and performance fees. Investor level fund performance may differ from the strategy level performance presented. The index performance comparisons presented are intended to illustrate the historical performance of the indicated strategies compared with that of the specified market index over the indicated period. The comparison is for illustrative purposes only and does not imply future performance. There are various differences between an index and an investment strategy or fund that could affect the performance and risk characteristics of each. Market indices are not directly investable and index performance does not account for fees, expense and taxes that might be applicable to an investment strategy or fund.

RPIA is a signatory of the UN Principles for Responsible Investment and as part of our commitment, we consider Environmental, Social & Governance (“ESG”) factors as part of our firm-level activities, including our investment process. ESG factors are important considerations in our investment management process but is supplemental to our primary financial and credit research and analysis functions. ESG factors that may be considered as part of our investment process include matters relating to climate change, energy use, energy efficiency, emissions, waste, pollution, matters related to human rights, impact on local communities, labour practices, employee working conditions, health and safety of the employees and affiliates, employee relations and diversity, executive compensation, bribery and corruption, board independence, board composition and diversity, alignment of interest between the shareholders and the executives, shareholder rights, and companies’ policies relating to ESG.

ESG integration, including components relating to issuer engagement, is a firm-wide investment approach but the weight and importance of it in our investment management process can vary across the investment funds we manage. Always refer to the relevant fund offering documents for important information on the investment objectives, strategies and associated risks of a particular fund. The consideration and implementation of ESG factors are also subject to RPIA’s internal investment and risk management policies and may be revised as a result of investment suitability requirements, current portfolio positioning and external market and economic factors.

The consideration of ESG factors in the investment process for RPIA managed mutual funds, including RP Strategic Income Plus Fund, RP Target 2026 Discount Bond Fund and RP Alternative Global Bond Fund is limited and weighted less than the primary financial and credit analysis employed in the management of these funds. Please see the fund’s simplified prospectus for important information about the investment objectives, strategies and risks of each fund. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Always consult with your registered investment dealer before investing in mutual funds.



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