RPIA

Task Force on Climate Related Financial Disclosure (TCFD) Report

2021

RPIA

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BACKGROUND

In 2015, the Financial Stability Board established the TCFD to help identify information needed by investors to appropriately assess and price climate-related risks and opportunities. In 2017, the Taskforce published its recommendations for companies, including asset managers. We believe the adoption of TCFD's recommendations is critical for helping investors access transparent and standardized information on a company's governance and management of climate-related risks. These recommendations have gained support from organizations and regulators such as the Bank of Canada, the Expert Panel on Sustainable Finance, and the Capital Markets Modernization Taskforce.

The following sections detail how we are applying the TCFD recommendations to our business and promoting the framework to the companies in which we invest as well as those with whom we meet in preparation for a potential future investment.

CORE ELEMENTS OF CLIMATE RELATED DISCLOSURES

01 Governance

The organization's governance around climate-related risks and opportunities.

02 Strategy

The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

03 Risk Management

The processes used by the organization to identify, assess and manage climate-related risks.

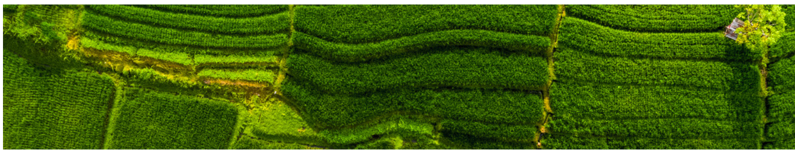
04 Metrics and Targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

GOVERNANCE

Recommended Disclosures:

a. Describe the board's oversight of climate-related risks and opportunities
b. Describe management's role in assessing and managing climate-related risks and opportunities



Governance of climate-related risks and opportunities is the responsibility of all employees of the firm, with oversight from RPIA's Principals, as well as the Risk and ESG Committees. We monitor exposure to these risks within our own operations and our funds.

ESG Committee

The ESG Committee is chaired by the Chief Investment Officer (at Year End 2021, Mike Quinn), and is comprised of individuals from all business units of RPIA. The Committee establishes the direction and goals for RPIA's ESG integration, helps set and update the firm's ESG Policy, researches and recommends new industry associations, and considers the adoption of new industry standards, among other projects. In addition, members of the committee work closely across business units to discuss client solutions, design and implement new products, assess outside data vendors, and oversee other ad-hoc ESG projects.

Risk Committee

The Risk Committee consists of experienced Risk and Portfolio Management individuals as well as risk management advisors. Risk personnel are functionally independent from the Portfolio Management group, with the Chief Risk Officer (at Year End 2021, Alexander Evis) reporting directly to the Chief Executive Officer (at Year End 2021, Richard Pilosof). The Risk Committee sets risk limits, monitors all strategies against their risk policies, alerting the respective decision makers on any portfolio positioning that is approaching policy limits and independently evaluating market conditions to assess evident risks. In the case of the RP Broad Corporate Bond (BBB, Carbon Reduced) strategy, the Committee monitors relative carbon intensity levels to ensure these measures remain in line with Risk Policy limits while simultaneously monitoring coverage levels versus the index.

COMMITEE / TEAM	FIRM FOCUS	INVESTMENT FOCUS
ESG Comittee	X	X
Risk Committee	X	X
Investment Committee		X
Portfolio Management Team		X
Principals	X	

Investment Committee

The Investment Committee consists of experienced investment professionals from the Portfolio Management and Risk teams and the committee reviews material ESG risks identified by the Portfolio Management team when appropriate/required. The Head of Credit Research (at Year End 2021, Louise Pitt) is a member of the Investment Committee and, separately, oversees our ESG integration framework and retains an ESG veto within the Portfolio Management team.

Portfolio Management Team

Credit Research Team

The Credit Research team conducts in-depth fundamental and relative value analysis on global sectors and issuers. Team members conduct ESG analysis alongside traditional fundamental analysis. The depth of ESG-related research is informed by the time horizon for our investments as well as the sectors impact on ESG risks.

The majority of RPIA's portfolios include ESG integration, which means we are not precluded from investing in an issuer due to higher ESG or climate risks. Rather, the Portfolio Management team will consider appropriate compensation given the ESG risks uncovered or, should ESG risks prove to be too substantial, the team may decide not to invest in an issuer/issue. The Credit Research team recommends relative value positions based on their fundamental views which also include ESG considerations where relevant/possible.

The Credit Research team are the stewards for our engagement initiatives, taking advantage of the number of management meetings the team holds on an annual basis. Team members engage with issuers on ESG-related information, encouraging management teams to increase the level of disclosure and transparency when reporting climate related information in line with TCFD recommendations. They also identify opportunities to engage in discussions with regulators or other relevant organizations if appropriate for an individual sector.

Structuring, Execution & Quantitative Teams

The Structuring, Execution, and Quantitative teams are comprised of investment professionals who construct and manage the portfolios and execute investment ideas across geographies/markets. These individuals are tasked with integrating the Credit Research Team's analysis with that of the Investment Committee to best structure the portfolio for maximum return relative to risk. Through ESG integration, we attempt to ensure that any ESG associated risks are included in the portfolio construction process. The team is highly integrated with the Credit Research Team and (re)positioning is done collaboratively.

For the RP Broad Corporate Bond (BBB, Carbon Reduced) Strategy, the Head of Portfolio Management (at Year End 2021, David Matheson) has ultimate responsibility to ensure the weighted average carbon intensity of the portfolio is within policy limits relative to the index. This includes actively managing the composition of the mandate (in collaboration with Credit Research and the broader Execution teams) aimed at continually producing strong risk-adjusted returns through investments that have lower GHG emissions and/or offer attractive risk premiums relative to carbon intensity.

Principals

The group of RPIA principals is comprised of all the equity owners of the business, in both an advisory and operating capacity. Within the scope of the Advisory, Executive, and Management Committees, principals ratify long-term strategic goals for the firm and ensure RPIA's views on climate-related risks are upheld across different groups. Supplementing the work done by the ESG Committee, principals ensure that the firm follows its own ESG philosophy and aligns itself with industry best practices, including the TCFD recommendations (where applicable). They also receive updates on the firm's UN PRI Assessment Report.

STRATEGY

Recommended Disclosures:

a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.
b. Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.
c. Describe the resilience of the organization's strategy, taking into consider different climate-related scenarios, include a 2°C or lower scenario.

RPIA's Operations

In 2021, in collaboration with an outside consultant, we took inventory of the greenhouse gas (GHG) emissions produced from our own operations in the FY2019 to FY2021 period. The composition of our GHG inventory included direct emissions created by natural gas and electricity consumption as well as waste disposal from our office location(s). As expected, most of our emissions came from the Scope 3 category, mainly through employee commuting and business travel.

To compare our results against peers', we analyzed our emissions scaled by the number of full-time employees in the firm. This comparison showed RPIA as being in-line with other asset management firms based in Canada.

By taking inventory of our GHG impact, we have identified several areas for improvement that we will implement overtime, including:

- Annual GHG inventory and tracking
- Setting a GHG reduction target for direct emissions
- Assessing opportunities to participate in carbon offset and renewable energy certificate markets

We also continue to promote workplace trends that we believe will help reduce our Scope 3 footprint, including:

- Promoting the use of public transit for commuting and in-person client meetings
- Subscribing to a corporate bike share program
- A reduction in air travel related to sales efforts
- Maintaining a flexible work from home policy for certain teams at RPIA

RPIA's Investment Activities

As an asset manager, our activities have an impact on the amount of GHG emissions we finance in the market through our investments. We also believe climate-related risks are an increasing concern for all geographies and sectors in which we invest. We aim to categorize and define these risks in line with the TCFD framework.

Physical Risks

Where applicable, we attempt to assess the impact from physical risks on the credit quality of our investments. We have found acute physical risks are material for issuers in the banking, insurance, transport, utility, housing, and energy sectors. We believe chronic risks could contribute to increasing volatility across all sectors and jurisdictions. We also subscribe to the latest IPCC Sixth Assessment Report which predicts that extreme weather events will continue to become more common if emissions are not abated in the global economy.

	DEFINITION	EXAMPLES
Acute	Extreme weather events	Hurricanes, wildfires, etc.
Chronic	Persistent impact from rising temperatures	Rising sea levels, heat waves, etc.

Every company, investor, & bank that screens new & existing investments for climate risk is simply being pragmatic.

- Jim Yong Kim, President of the World Bank (2012-2019)

Transition Risks

We believe most corporate bond sectors will be impacted by transition risks as global economies move towards a net-zero target. Transition risks are multi-dimensional across regulatory, technological and market dynamics.

	DEFINITION	EXAMPLES
Regulatory & Policy	• Introduction of regulations and policies that require corporate bond issuers to act on environmental impact	• Government taxonomies • Limitations on high emitting businesses • National net-zero pledges
Technology	• Risks of legacy technologies becoming obsolete or restricted due to the impact on environment • Opportunities for leaders in low-emission/low-environmental impact technologies	• Stranded assets for high-emitting industries • Supply chain risks as companies pivot to lower-emitting technologies • R&D and implementation of new technologies that are more efficient or help abate impact from legacy processes
Market Dynamics	• Supply and demand shifts caused by transition risks	• Investor sentiment towards/away from certain sectors which can pose funding risks/opportunities • Participation in and pricing of "ESG-linked" versus conventional securities

Scenario & Transition Analysis

In 2021, we updated our ESG-integration framework to include a dedicated module designed to analyze an issuer's exposure to transition risks. The module contains four key components:

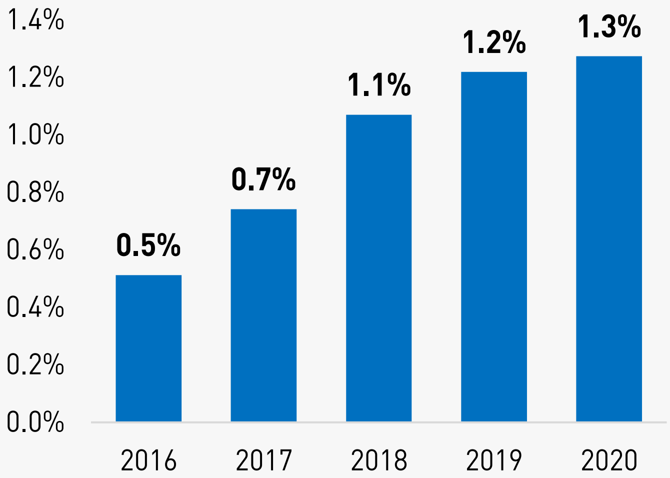
- Carbon budget showing a sector's percentage contribution to the overall market's GHG emissions and the issuer's percentage contribution to the sector's overall GHG emissions over time
- Carbon profile including absolute and intensity-based measures versus peer group and the broad sector (Scope 1, 2 and Scope 3 where available)
- Transition projections that compare the issuer's decarbonization pathway versus the sector average and a 1.5°C-Scenario
- Policy review that assesses how well an issuer's policies are aligned with TCFD recommendations

Case Study: Midstream Oil & Gas Issuer vs. Peers / Sector

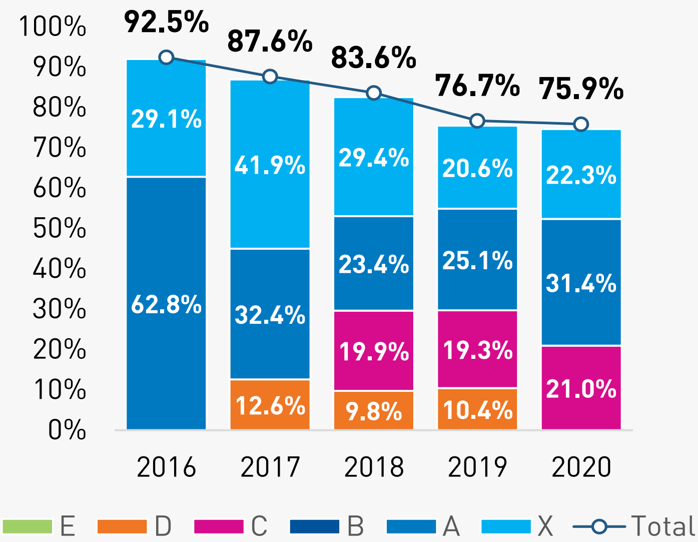
Midstream Oil & Gas issuers represent a smaller portion of the corporate bond market's overall emissions profile due to the nature of their operations, moving fossil fuel product from producers to refiners/users. The sector has represented ~1.1% of the markets overall GHG profile, on average. The issuer analyzed here ("Company X") represents a significant portion of the sector's overall emissions at 22% in 2020, second only to its peer, Company A. The subsector is highly concentrated amongst the top three issuers (on a debt outstanding basis), representing nearly 78% of the total subsector exposure.

Carbon Budget - Midstream - Oil & Gas Sector

Midstream - Oil & Gas as a % of Overall Market



Issuers as a % of Midstream - Oil & Gas Sector



The Issuer's carbon profile is equal weighted between Scope 1 & 2 emissions. On an absolute basis it ranks as one of the higher emitters in the industry but lower on an intensity basis which suggests the company is exhibiting some level of efficiency. As a midstream company, Scope 3 mitigation will be a crucial focus.

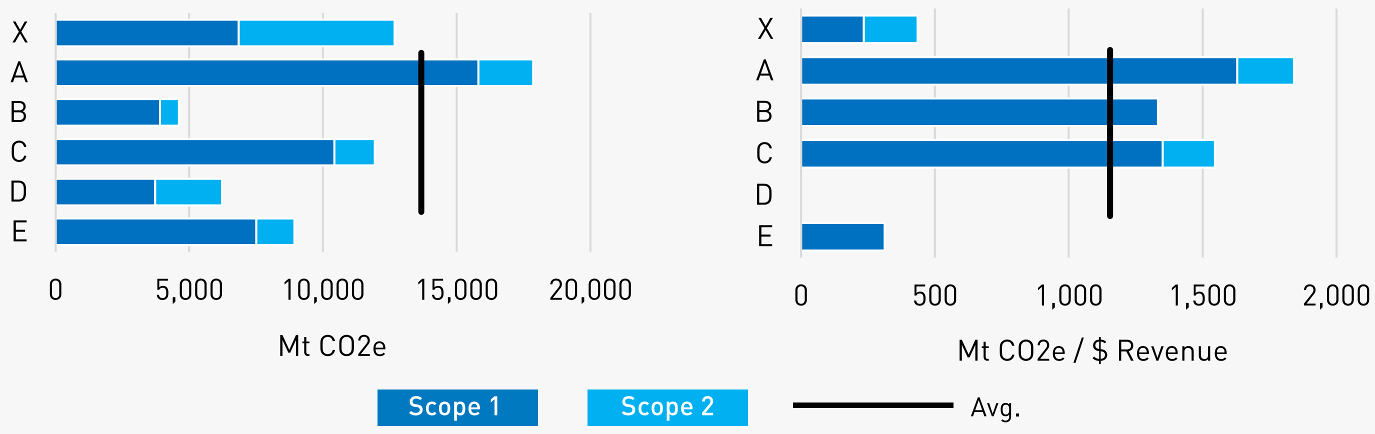
Carbon Profile & Trajectory — Average Rank: 2.4

Metrics (Absolute & Intensity)

Absolute Rank: 4.0
Intensity Rank: 2.0

	Absolute				Intensity			
	Total	Scope 1	Scope 2	Scope 3	Total	Scope 1	Scope 2	Scope 3
X	12,680.0	6,853.0	5,827.0	47,541.0	434.6	234.9	199.7	1,629.5
A	17,860.6	15,810.6	2,050.0	2,703.4	1,840.8	1,629.5	211.3	278.6
B	4,613.2	3,905.4	707.8	-	1,333.3	1,333.3	-	-
C	11,930.0	10,430.0	1,500.0	-	1,545.5	1,351.2	194.3	-
D	6,222.5	3,723.1	2,499.4	-	-	-	-	-
E	8,934.9	7,503.9	1,431.1	-	312.1	312.1	-	-
Avg.	13,671.2	10,256.5	3,414.7	33,418.0	1,154.3	955.5	198.9	2,578.1

For Illustration Purposes Only

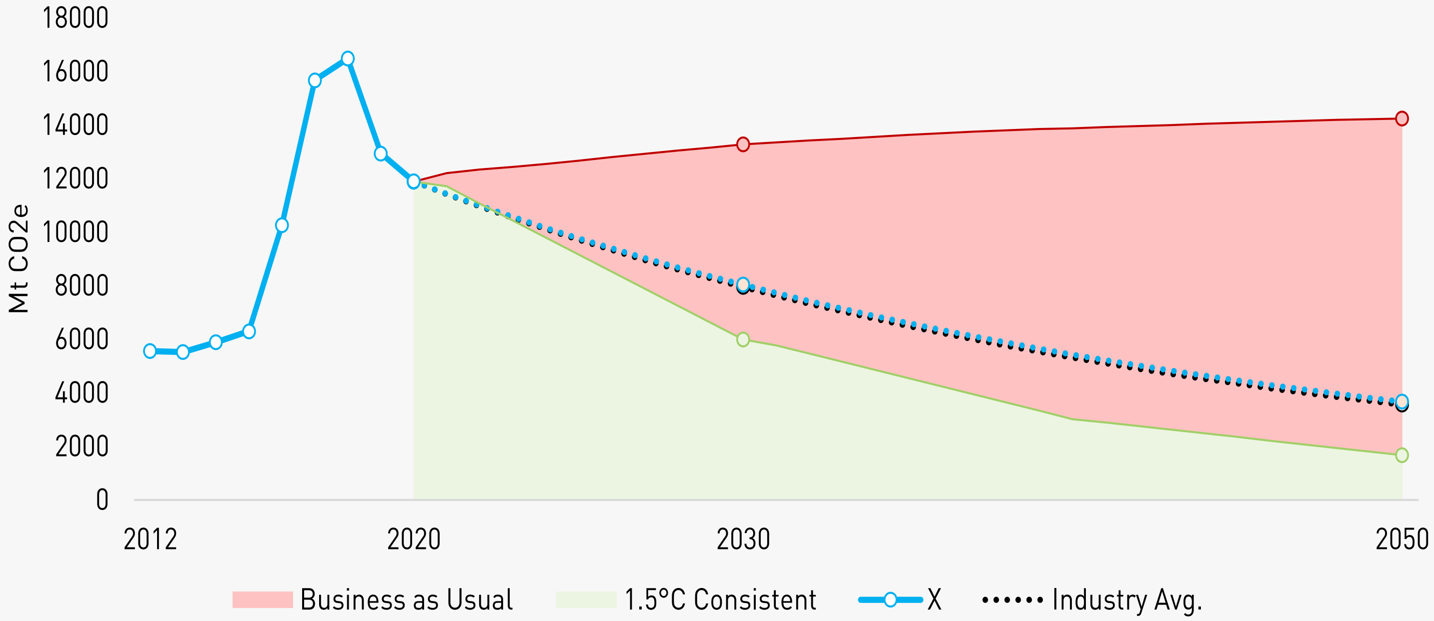


Source: Bloomberg, Company Filings

The issuer has set meaningful carbon reduction goals with interim targets. The projected pathway based on these targets is in line with the industry average and outperforms a business-as-usual trajectory, although the pathway does not meet the result suggested by a 1.5°C scenario. This leads to small industry gaps in 2030/2050 but large transition gaps (relative to 1.5 degree trajectory) which will require increasing emission reductions.

Carbon Trajectory Rank: 3.0

Projections	X	Avg.	1.5°C Trajectory	Industry Gap	Transition Gap
Base (2019)	11,893.0	12,694.1			
Projected (2030)	8,039.2	8,489.5			
% Reduction (2030)	-32%	-33%	-50%	+0.7%	+17.2%
Projected (2050)	3,673.3	3,797.0			
% Reduction (2050)	-69%	-70%	-86%	+1.0%	+16.8%



Source: Bloomberg, Company Filings, SBTi, TPI

TCFD Alignment	TCFD Disclosure Score:	56%

Governance	Policy in Place?	Score: 33%
a) Board Oversight of climate-related risks and opportunities		
CSR/Sustainability Committee	Yes	
Executive Director with Responsibility for CSR	No	
Non-Executive Director with Responsibility for CSR	No	
ESG Linked Compensation for Board	No	
Board level oversight of climate-related issues	No	
b) Management's role in assessing and managing climate-related risks and opportunities		
Executive Compensation Linked to ESG	Yes	
Incentives for Individual Mgmt of Climate Change	Yes	
Incentives for Climate Chg Linked to Monetary Rewards	No	
People Entitled to Incentives Based on Climate Chg	No	

Strategy	Policy in Place?	Score: 60%
a) Climate-related risks and opportunities the organization has identified over the short, medium, and long term		
Climate Related Risks with Substantive Impact	Yes	
Climate Related Opportunities with Substantive Impact	Yes	
b) Impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning		
Climate Change Integrated in Business Strategy	Yes	
c) Resilience of the Organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower Scenario		
Climate Scenario Analysis	No	
Carbon Pricing	No	

Risk Management	Policy in Place?	Score: 67%
a) Processes for identifying and assessing climate-related risks		
Climate Change Opportunities Discussed	No	
Risks of Climate Change Discussed	Yes	
b) Processes for managing climate-related risks		
Climate Change Policy	Yes	
Renewable Electricity Target Policy	No	
Energy Efficiency Policy	Yes	
Waste Reduction Policy	Yes	
Environmental Quality Management Policy	Yes	
Water Policy	Yes	
Emissions Reduction Initiatives	Yes	
Environmental Supply Chain Management	Yes	
Green Building Policy	Yes	
Biodiversity Policy	Yes	
New Products - Climate Change	No	
Activities to Reduce Emissions and/or Energy Use	No	
Net-Zero Emissions Policy	Yes	
Science Based Targets	No	
Emergency Response and Preparedness Policy	Yes	
Product Lifecycle Design	No	

For Illustration Purposes Only

RISK MANAGEMENT

Recommended Disclosures:

a. Describe the organization's processes for identifying and assessing climate-related risks.
b. Describe the organization's processes for managing climate-related risks.
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organizations overall risk management.

Structuring & Execution

- Rebalancing and active management that considers fundamental and ESG-related views of Credit Research
- Integrate these elements into relative value and pricing decisions
- Avoiding/managing risk from over/under concentration in industries or issuers that share similar fundamental and ESG related risks
- Provide feedback to underwriters about new structures and securities issued in an ESG format

Risk Management

- Monitor exposures and concentrations across sectors and issuers considering fundamental and ESG-related risks
- Ensure ESG-focused strategies are within Risk Policy limits including ESG-related constraints

Credit Research

- Analysis of ESG-related risks alongside more traditional credit fundamental factors
- Comparison of climate-related risks versus industry peers
- Monitor feasibility of transition plans and corresponding risks
- Internal ESG ratings for long-horizon exposures
- Assess new securities and structures from an ESG perspective and provide feedback to issuers where relevant

METRICS & TARGETS

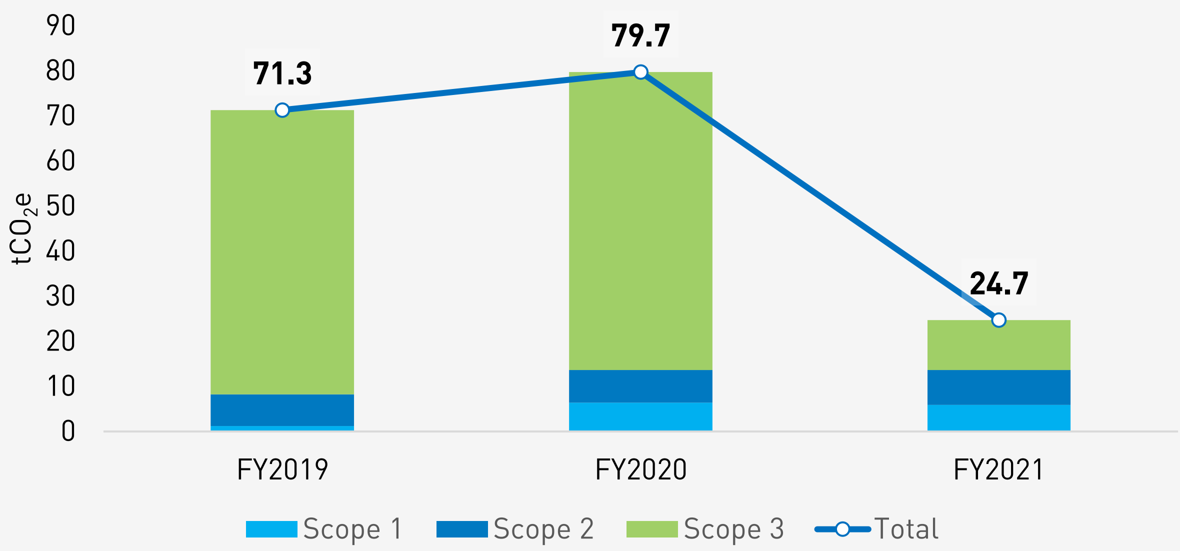
Recommended Disclosures:

a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.

RPIA's Operations

- Most of our direct emissions (Scopes 1 and 2) come from the natural gas and electricity consumption at our offices
- Most of our Scope 3 emissions come from travel-related activities including employee commuting and air travel

RPIA's GHG Profile



Source: S&P Trucost, FTSE Canada, Bloomberg

RPIA will continue to conduct annual GHG inventories to monitor trends in our GHG profile and manage related-risks by promoting public transit and alternative transportation options for our employees, continuing to reduce waste generated by our office, promoting virtual meetings, and allowing a flexible work-from-home policy for a portion of our workforce.

RPIA's Investment Activities

RPIA collects data on climate-related risks through the most recent GHG emissions disclosed by an issuer. Our preferred metric for analyzing GHG emissions data is Carbon Intensity which we define as Scope 1 and Scope 2 emissions adjusted by a firm's sales. Definitions for these metrics are as follows:

SCOPE 1 Greenhouse gas emissions generated from burning fossil fuels and production processes that are owned or controlled by the company, converted into equivalent tons of CO2, as defined in the GHG protocol.

SCOPE 2 Greenhouse gas emissions from consumption of purchased electricity, heat or steam by the company, converted into equivalent tons of CO2 as defined in the GHG protocol.

Source: S&P Trucost

The GHG emissions are then scaled by Sales. The resulting formula is GHG Emissions / $M Revenue for each issuer held in the portfolio which discloses such information. We then calculate a weighted average based on portfolio and index weightings to assess aggregate GHG emissions across the portfolio and index. The formula is as follows:

$$\sum_{n}^{i}\left(\frac{\textit{Market Value of Investment (C\$)}}{\textit{Market Value of Portfolio (C\$)}} \times \frac{\textit{GHG Emissions}}{\textit{issuer's \$M revenue (C\$)}}\right)$$

If an issuer has not reported for a given year but did report the prior year, the prior year's data is used until the current year's data becomes available. Issuers not disclosing GHG emissions data will be excluded from this calculation in both the portfolio and the benchmark (if applicable). The "issuer" is defined as the ultimate parent company unless specific operating company metrics are available. The Market Value of Investment, Market Value of Portfolio, Market Value of GHG Reporting Investment, and Total Portfolio Market Value are for Credit positions only.

RPIA's strategies do not explicitly target carbon intensity levels on an absolute or relative basis (excluding RP Broad Corporate Bond (BBB, Carbon Reduced)). However, all strategies assess environmental risks as part of our investment process. Although higher carbon intensity may not preclude a strategy from investing in an issuer, it could create a higher hurdle for investment with additional required compensation through yield/spread.

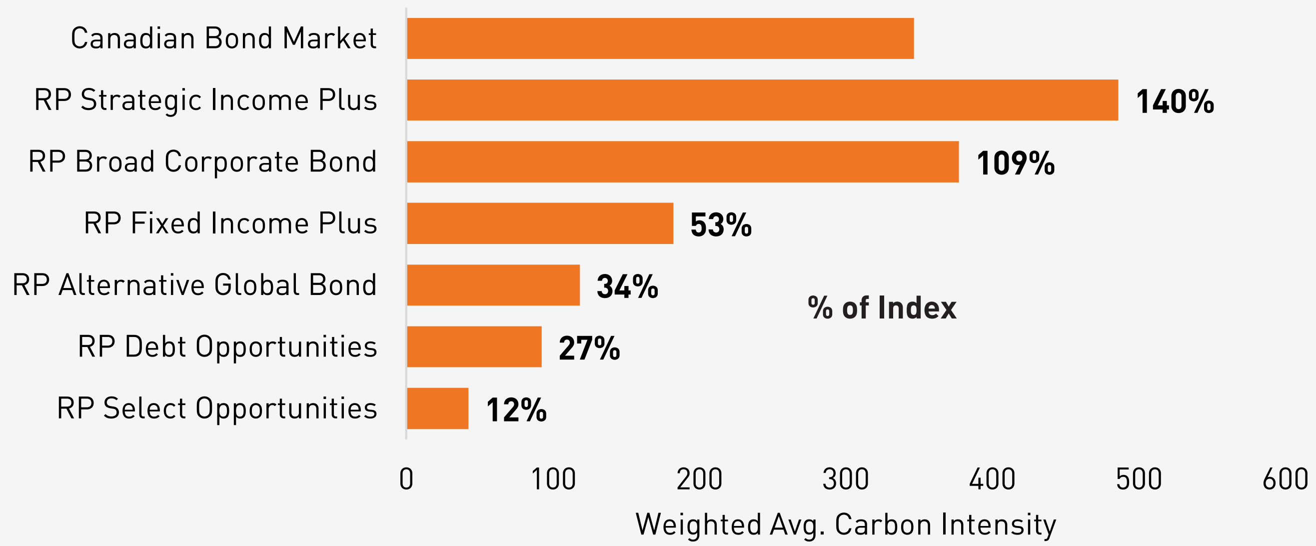
We also aggregate data from the Science Based Targets Initiative, Climate Disclosure Project, and Bloomberg New Energy Finance to analyze carbon reduction targets set by issuers and estimates for future GHG emissions pathways.

$4.7B

Credit exposure in issuers who report GHG emissions

As of Dec 31, 2021

Carbon Intensity Profile of RPIA Strategies vs. Canadian Bond Market



Source: S&P Trucost, FTSE Canada, Bloomberg

RP BROAD CORPORATE BOND (BBB, CARBON REDUCED)

Previously called RP Corporate BBB Index

RP Broad Corporate Bond (BBB, Carbon Reduced) aims to deliver on two outcomes:

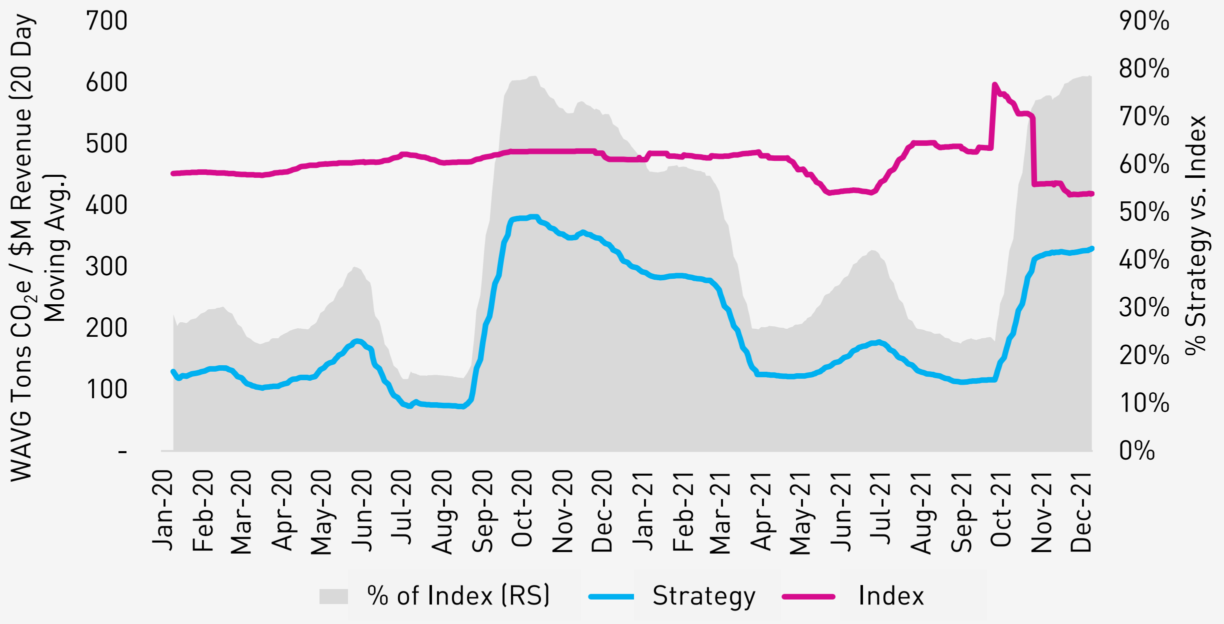
1. Producing excess risk-adjusted returns relative to its index

2. Focusing on climate-related risk

The strategy began in January 2020 and actively invests across global corporate bond markets to build a portfolio with substantially lower carbon intensity than the strategy's benchmark (FTSE Canada BBB Corporate Bond Index). The mandate has not only produced meaningful outperformance vs the benchmark index, but has also resulted in a portfolio that we believe is better positioned to manage future downside risks related to climate change.

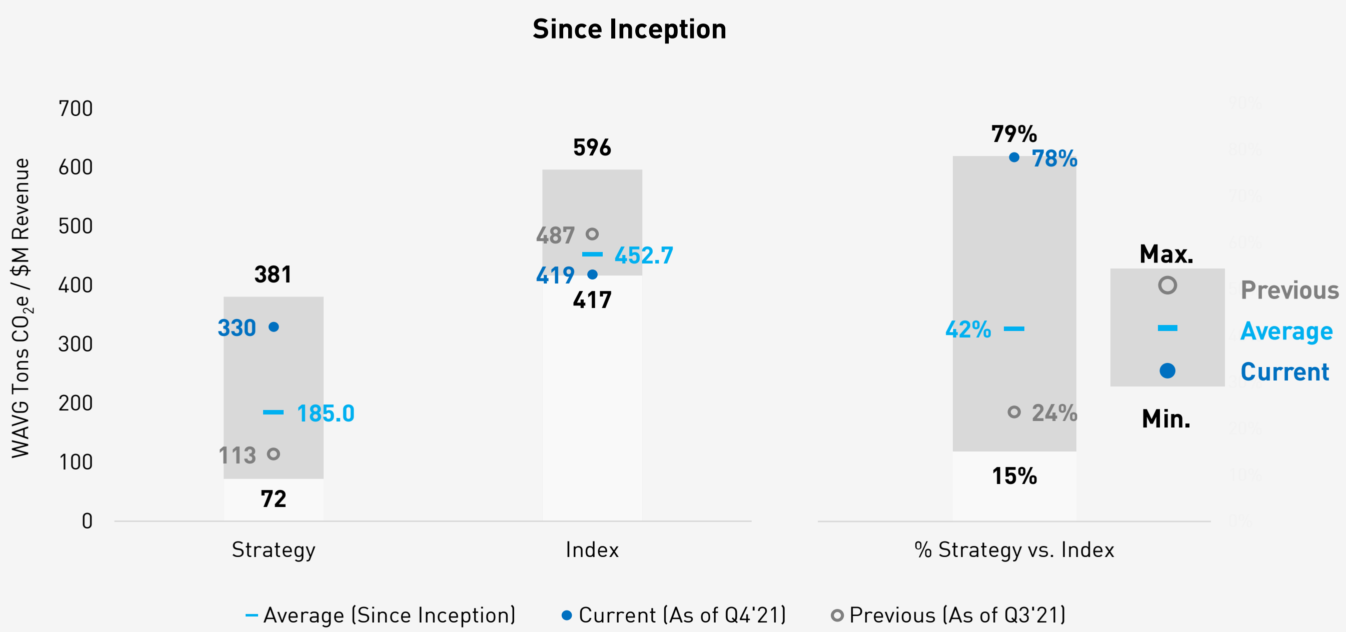
The RP Broad Corporate Bond (BBB, Carbon Reduced) strategy has delivered on its dual goals of outperforming the fund's benchmark while maintaining carbon intensity levels below the index. The market-value weighted carbon intensity of the portfolio has been, on average, 58% of the benchmark with an excess return of 308 bps, gross of fees. The portfolio's lower carbon intensity profile has been driven by sector allocation (ex. underweight energy) and by security selection within higher GHG emissions sectors (ex. energy and infrastructure).

Strategy's Carbon Intensity Profile vs. Index Since Inception



Source: S&P Trucost, FTSE Canada, Bloomberg

Strategy's Carbon Intensity Ranges Since Inception



Source: S&P Trucost, FTSE Canada, Bloomberg

As at December 31, 2021

Strategy's Carbon Intensity Exposures Across Sector, Rating & Geography

Strategy

Sector	Share of Total GHG	Share of Credit Exposure	Ratio
Communication	0.9%	16.5%	0.1
Energy	90.2%	13.1%	6.9
Financial	0.6%	20.5%	0.0
Industrial	5.6%	38.1%	0.1
Infrastructure	0.0%	0.0%	-
Real Estate	2.6%	11.6%	0.2

Rating	Share of Total GHG	Share of Credit Exposure	Ratio
AAA	0.0%	0.0%	-
AA	0.0%	0.0%	-
A	3.0%	10.6%	0.3
BBB	77.1%	83.3%	0.9
BB	19.9%	6.1%	3.2

Geography	Share of Total GHG	Share of Credit Exposure	Ratio
Canada	91.9%	23.7%	3.9
Europe	0.3%	10.4%	0.0
U.K	0.0%	1.8%	0.0
U.S.	7.3%	61.3%	0.1
Asia Pacific	0.4%	2.5%	0.2

Index

Sector	Share of Total GHG	Share of Credit Exposure	Ratio
Communication	1.2%	19.8%	0.1
Energy	63.4%	38.1%	1.7
Financial	0.3%	11.8%	0.0
Industrial	4.1%	12.2%	0.3
Infrastructure	29.1%	7.1%	4.1
Real Estate	2.0%	11.0%	0.2

Rating	Share of Total GHG	Share of Credit Exposure	Ratio
AAA	0.0%	0.0%	-
AA	0.0%	0.0%	-
A	0.0%	0.0%	-
BBB	100.0%	100.0%	1.0
BB	0.0%	0.0%	-

Geography	Share of Total GHG	Share of Credit Exposure	Ratio
Canada	98.6%	96.9%	1.0
Europe	0.0%	0.0%	-
U.K	0.0%	0.0%	-
U.S.	1.4%	3.1%	0.5
Asia Pacific	0.0%	0.0%	-

As at December 31, 2021

Absolute and Intensity Exposures Relative to Index

WAvg. Carbon Intensity

Sector	BCB BBB	Index	Relative
Communication	3.4	4.9	-1.5
Energy	310.2	273.7	+36.5
Financial	2.0	1.1	+0.9
Industrial	19.2	17.7	+1.5
Infrastructure	-	125.5	-125.5
Real Estate	9.0	8.8	+0.2
Total	343.8	431.8	-88.0

Rating	BCB BBB	Index	Relative
AAA	-	-	0.0
AA	-	-	0.0
A	10.4	-	+10.4
BBB	264.8	431.8	-166.9
BB	68.5	-	+68.5
Total	343.8	431.8	-88.0

Geography	BCB BBB	Index	Relative
Canada	315.9	425.6	-109.7
Europe	1.0	-	+1.0
U.K	0.0	-	+0.0
U.S.	25.2	6.2	+19.0
Asia Pacific	1.6	-	+1.6
Total	343.8	431.8	-88.0

Absolute Carbon Intensity

Sector	BCB BBB	Index	Relative
Communication	19.1	21.9	-2.9
Energy	2,358.2	767.2	+1590.9
Financial	10.8	9.5	+1.4
Industrial	50.7	143.7	-93.0
Infrastructure	-	2,547.8	
Real Estate	71.5	70.3	+1.2

Rating	BCB BBB	Index	Relative
AAA	-	-	
AA	-	-	
A	100.6	-	
BBB	319.3	431.8	-122.5
BB	1,028.6	-	

Geography	BCB BBB	Index	Relative
Canada	1,272.5	436.8	+835.7
Europe	11.3	-	
U.K	2.4	-	
U.S.	40.8	241.6	-200.8
Asia Pacific	59.3	-	

BCB BBB = RP Broad Corporate Bond (BBB, Carbon Reduced)

Sectoral Carbon Intensity isolates carbon intensity metrics for each sector and compares to the index, eliminating the impact from sector allocation positioning and focusing on security selection. A lower reading in this metric suggests we are selecting lower emitters within the industry.
Source: S&P TruCost, FTSE Canada

As at December 31, 2021

Top 5 Contributors - Strategy

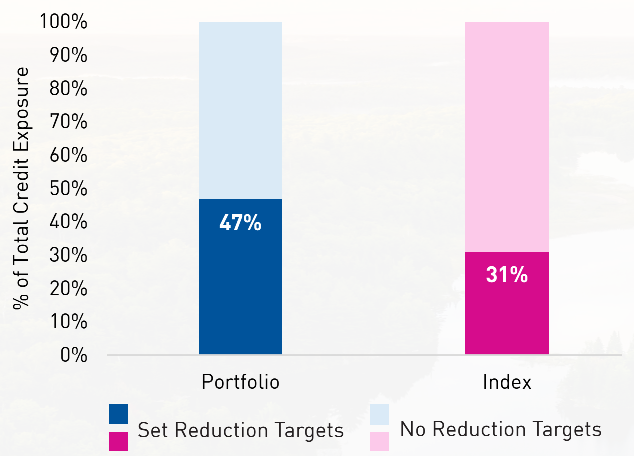
ISSUER	SECTOR
TransCanada Pipeline	Energy
Enbridge	Energy
Canadian National Railway	Industrial
Broadcom	Industrial
Molson Coors	Industrial

Top 5 Contributors - Index

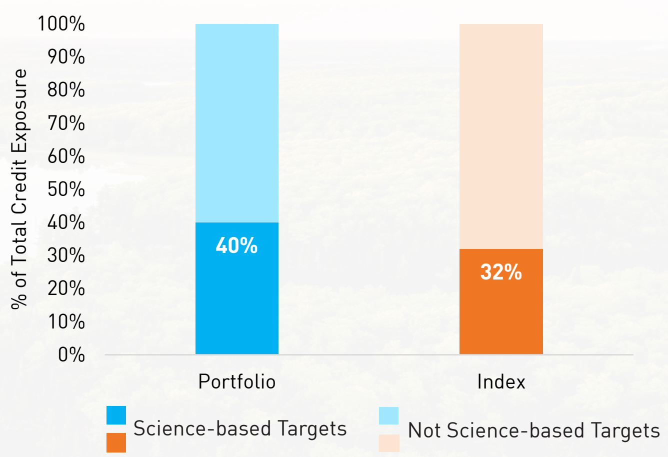
ISSUER	SECTOR
TransCanada Pipeline	Energy
Capital Power	Energy
Nova Scotia Power	Infrastructure
Enbridge	Energy
Pembina Pipeline	Energy

Source: S&P Trucost, FTSE Canada, Bloomberg

% of Exposure with Carbon Reduction Taregts



% of Targets That Are Science Based



Source: S&P TruCost, FTSE Canada
As at December 31, 2021

Carbon Attribution

Total

Average Carbon Emissions vs Index	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Total
Total	**-60%**	**-46%**	**-69%**	**-70%**	**-35%**	**-58%**
Communication	0%	0%	0%	0%	0%	**0%**
Energy	-43%	-33%	-59%	-60%	-10%	**-42%**
Financial	1%	1%	1%	0%	0%	**1%**
Industrial	2%	5%	7%	6%	2%	**4%**
Infrastructure	-20%	-19%	-17%	-16%	-27%	**-20%**
Real Estate	0%	0%	0%	0%	0%	**0%**
Securitization	0%	0%	0%	0%	0%	**0%**

Allocation

Average Carbon Emissions vs Index	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Total
Total	**-62%**	**-67%**	**-70%**	**-66%**	**-64%**	**-65%**
Communication	0%	0%	0%	0%	0%	**0%**
Energy	-49%	-53%	-58%	-45%	-45%	**-51%**
Financial	0%	0%	1%	0%	0%	**0%**
Industrial	5%	5%	4%	8%	8%	**6%**
Infrastructure	-19%	-19%	-17%	-27%	-27%	**-19%**
Real Estate	0%	0%	0%	0%	0%	**0%**
Securitization	0%	0%	0%	0%	0%	**0%**

Selection

Average Carbon Emissions vs Index	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Total
Total	**4%**	**50%**	**-24%**	**-36%**	**75%**	**10%**
Communication	0%	0%	0%	0%	0%	**0%**
Energy	25%	68%	-8%	-20%	103%	**30%**
Financial	0%	0%	0%	0%	0%	**0%**
Industrial	-1%	0%	1%	0%	-2%	**-1%**
Infrastructure	-20%	-19%	-17%	-16%	-27%	**-20%**
Real Estate	0%	0%	0%	0%	0%	**0%**
Securitization	0%	0%	0%	0%	0%	**0%**

Interaction

Average Carbon Emissions vs Index	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Total
Total	**-2%**	**-29%**	**25%**	**32%**	**-45%**	**-3%**
Communication	0%	0%	0%	0%	0%	**0%**
Energy	-19%	-48%	6%	15%	-68%	**-21%**
Financial	0%	0%	0%	0%	0%	**0%**
Industrial	-2%	0%	2%	1%	-4%	**-1%**
Infrastructure	19%	19%	17%	16%	27%	**19%**
Real Estate	0%	0%	0%	0%	0%	**0%**
Securitization	0%	0%	0%	0%	0%	**0%**

Source: S&P TruCost, FTSE Canada
As at December 31, 2021

> There's one issue that will define the contours of this century more dramatically than any other, and this is the urgent threat of a changing climate.
>
> -Barack Obama, 44th President of the United States

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RPIA managed strategies and funds carry the risk of financial loss. Performance is not guaranteed and past performance may not be repeated. Unless indicated otherwise, all returns are presented as of the last business day of the stated month and returns presented for periods greater than one year are annualized. RP Broad Corporate Bond (BBB, Carbon Reduced) strategy performance presented represents the returns of RP Broad Corporate Bond (BBB, Carbon Reduced) Fund (formerly RP Corporate BBB Index Plus Fund), gross of management and performance fees. 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 RP Strategic Income Plus Fund and RP Alternative Global Bond Fund is weighted less than the core financial and credit analysis employed in the management of these funds. Please see the simplified prospectus for additional information.

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