RPIA

Task Force on Climate Related Financial Disclosure (TCFD) Report

2022

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.

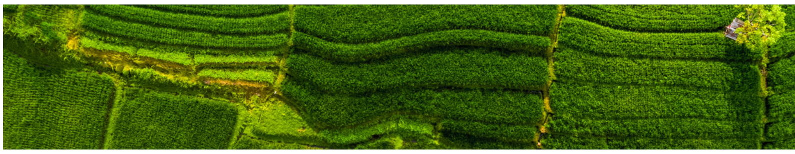
04 Metrics and Targets

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 a cross-functional body comprised of designees from all business units. The Committee's goal is to evolve and guide RPIA's firm-level approach to ESG as applied to our investment strategies, operations, and firm culture. The ESG Committee develops and updates the firm's ESG Policy as necessary and considers the adoption of new industry standards where appropriate. In addition, the Committee supports RPIA's ESG Innovation Team in its mandate of driving the firm's ESG integration by developing benchmarks, setting goals, conducting research, and providing recommendations to implement ESG-related practices within the workplace and our investment processes.

Risk Committee

The Risk Committee, chaired by the Chief Risk Officer, consists of experienced Risk and Portfolio Management team members, as well as risk management advisors from other functions. Risk personnel are functionally independent from the Portfolio Management group, with the Chief Risk Officer reporting directly to the Chief Executive Officer.

The Risk Committee sets risk 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. In the case of the RP Broad Corporate Bond (FFE) and RP Broad Corporate Bond (BBB, FFE) strategies, 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.

Committee/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 2022, 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 (FFE) and RP Broad Corporate Bond (BBB, FFE) strategies, our CIO 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

RPIA principals include all the equity owners of the business, in both advisory and operating capacities. 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 2022, RPIA partnered with Radicle to take inventory of the greenhouse gas (GHG) emissions produced from our own operations during the FY2022 period, from June 1, 2021 to May 31, 2022. 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, primarily through employee commuting and business travel.

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
- The purchase of carbon credits to offset our emissions

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 and 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

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.

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

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

METRICS & TARGETS

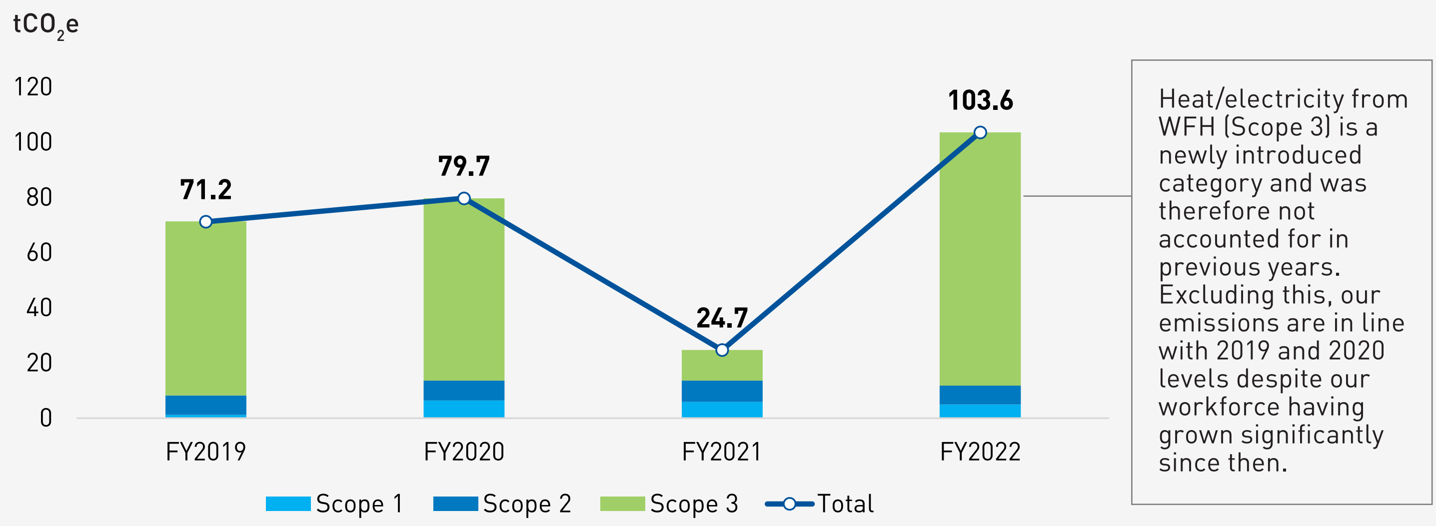
Recommended Disclosures:

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:Radicle.

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: Radicle.

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:

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

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 (FFE) and RP Broad Corporate Bond (BBB, FFE)). 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.

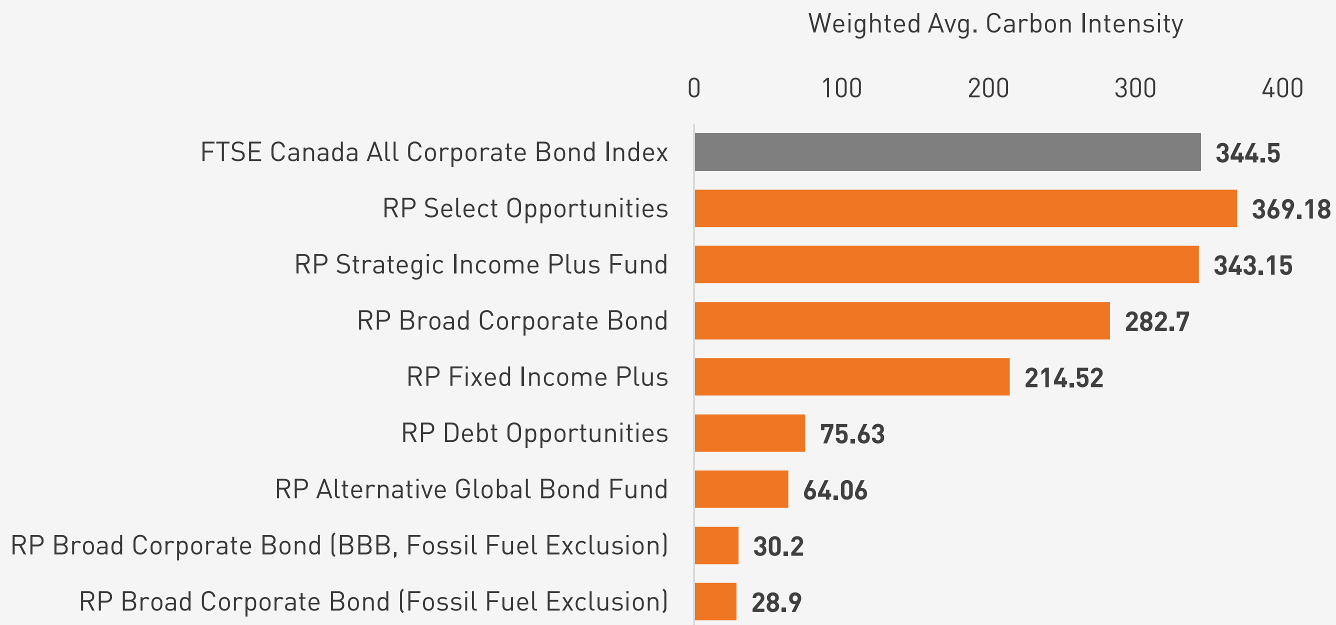
We also aggregate data from the Science Based Targets Initiative, Climate Disclosure Project, and Bloomberg New Energy Finance to analyze carbon reduction targets set by issuers and estimates for future GHG emissions pathways.

$7.3B

Credit exposure in issuers who report GHG emissions

As of Dec 31, 2022

Carbon Intensity Profile of RPIA Strategies vs. Canadian Bond Market



Source:Radicle.

RP BROAD CORPORATE BOND (BBB, FOSSIL FUEL EXCLUSION)

Previously called RP Broad Corporate Bond (BBB, Carbon Reduced)

RP Broad Corporate Bond (BBB, Fossil Fuel Exclusion) aims to deliver on two outcomes:

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

2. Focusing on climate-related risk

In 2022, RP Broad Corporate Bond (BBB, Carbon Reduced) was renamed RP Broad Corporate Bond (BBB, Fossil Fuel Exclusion) and re-designed to incorporate a rules-based approach to screening fossil fuel exposure.

The RP Broad Corporate Bond (BBB, Fossil Fuel Exclusion) was designed in partnership with University of Toronto Asset Management Corporation (UTAM), and in collaboration with FTSE Russell. This actively managed strategy aims to outperform the FTSE Canada All Corporate Ex Fossil Fuels Enhanced Bond Index on an annualized basis while reducing the market-value WACI (weighted average carbon intensity) relative to its index.

The 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, 52% lower than the benchmark while consistently outperforming the index. 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).

Carbon Profile - Strategy vs. Index

The Strategy has produced a Weighted Average Carbon Intensity ("WACI") profile that is 52% lower than the Index since inception.

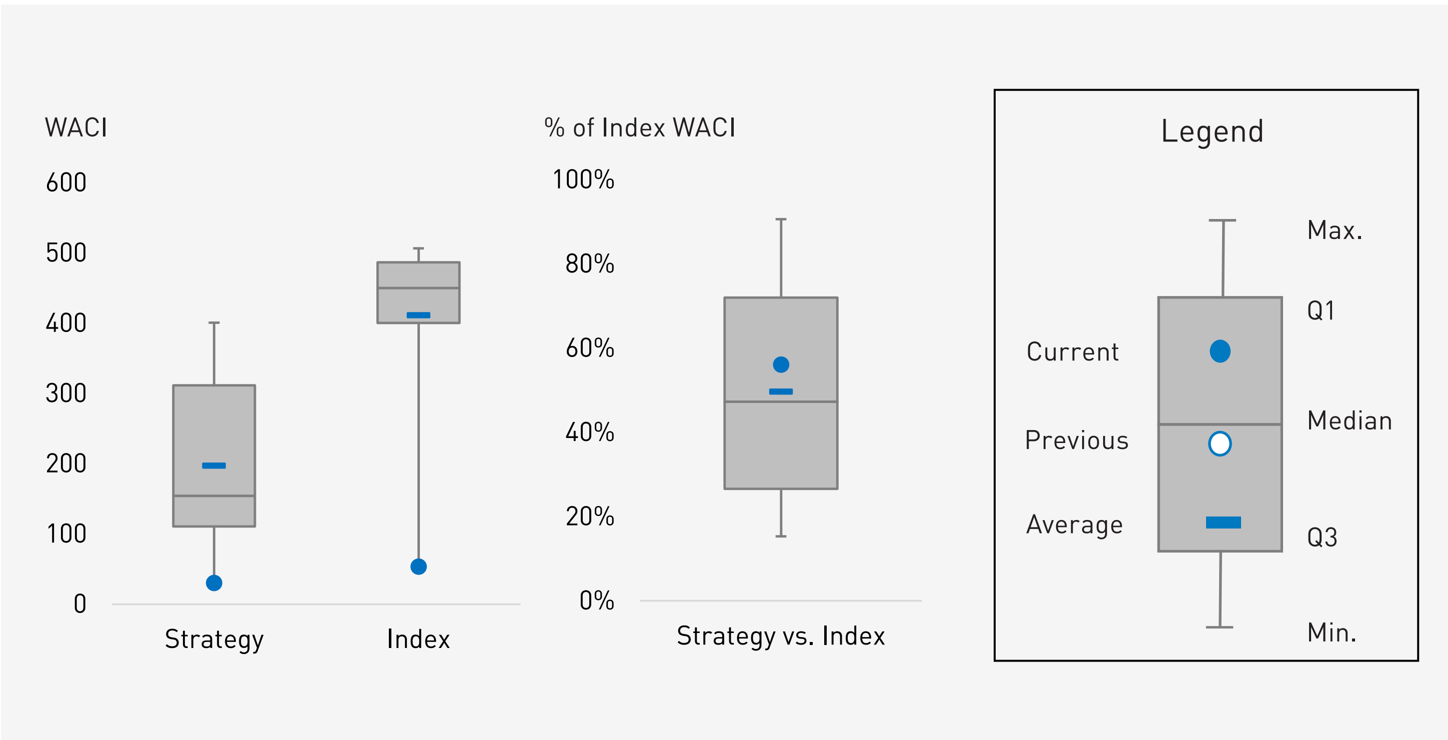
Hydro One was the top contributor to the Strategy's WACI as of the end of Q4 2022, contributing to 27% of the WACI.

As at the end of Q4, 2022, the top 3 contributors to strategy's WACI were Hydro One, Molson Coors Beverage Co, and Chartwell Retirement Residences, contributing 5% of the strategy's WACI. The strategy's WACI dropped significantly, from a MtCO2 of 220 in Q3 2022 to 27.5 in Q4 2022 due to its updated mandate to exclude Fossil Fuel related issuers.

Relative WACI

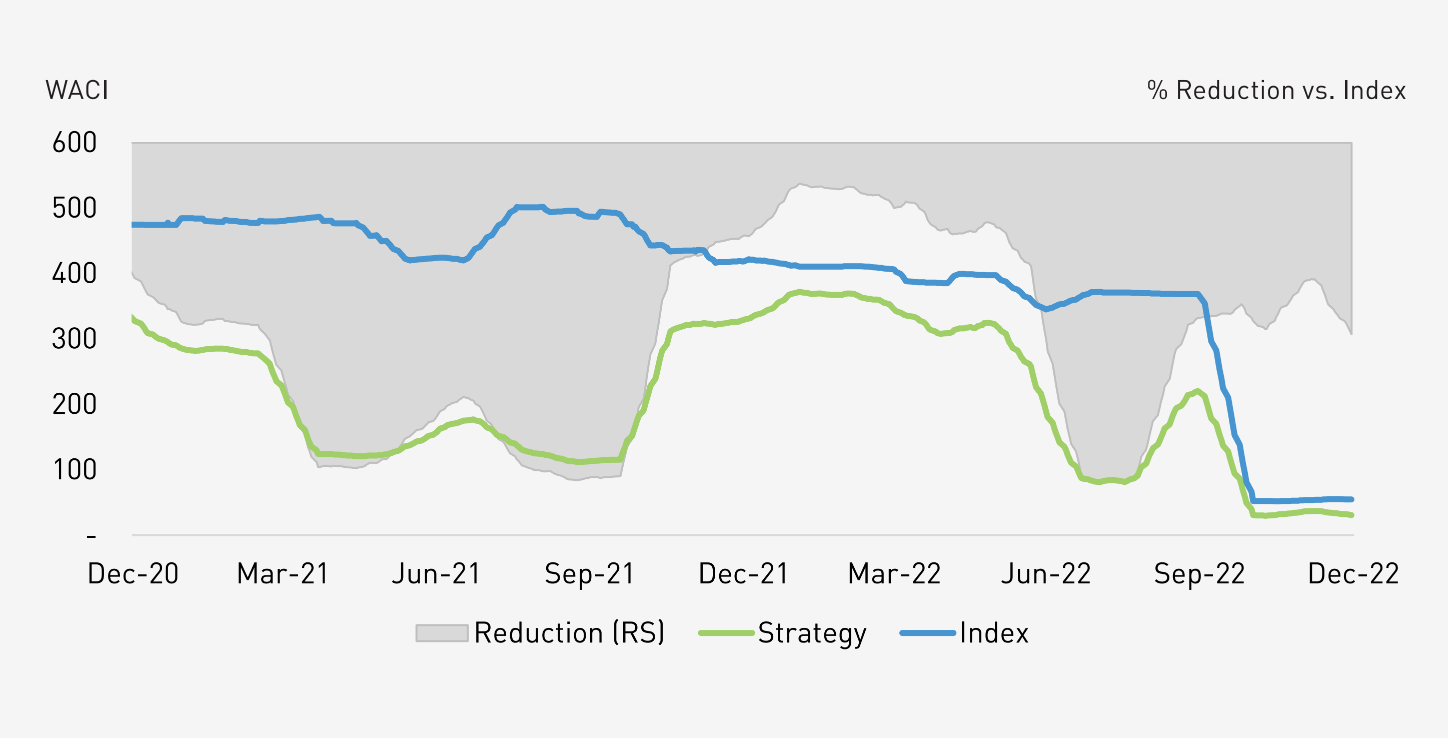
		1 Mo	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Inception*
WACI	Strategy	30.7	32.6	148.3	200.3	-	-	196.8
	Index	54.8	53.5	266.3	301.3	-	-	411.2
	Reduction	-44%	-39%	-44%	-34%	-	-	-52%

Historical Ranges



*Strategy Inception Date: January 2, 2020. Data as December 31, 2022

WACI - Historical Headline and Reduction

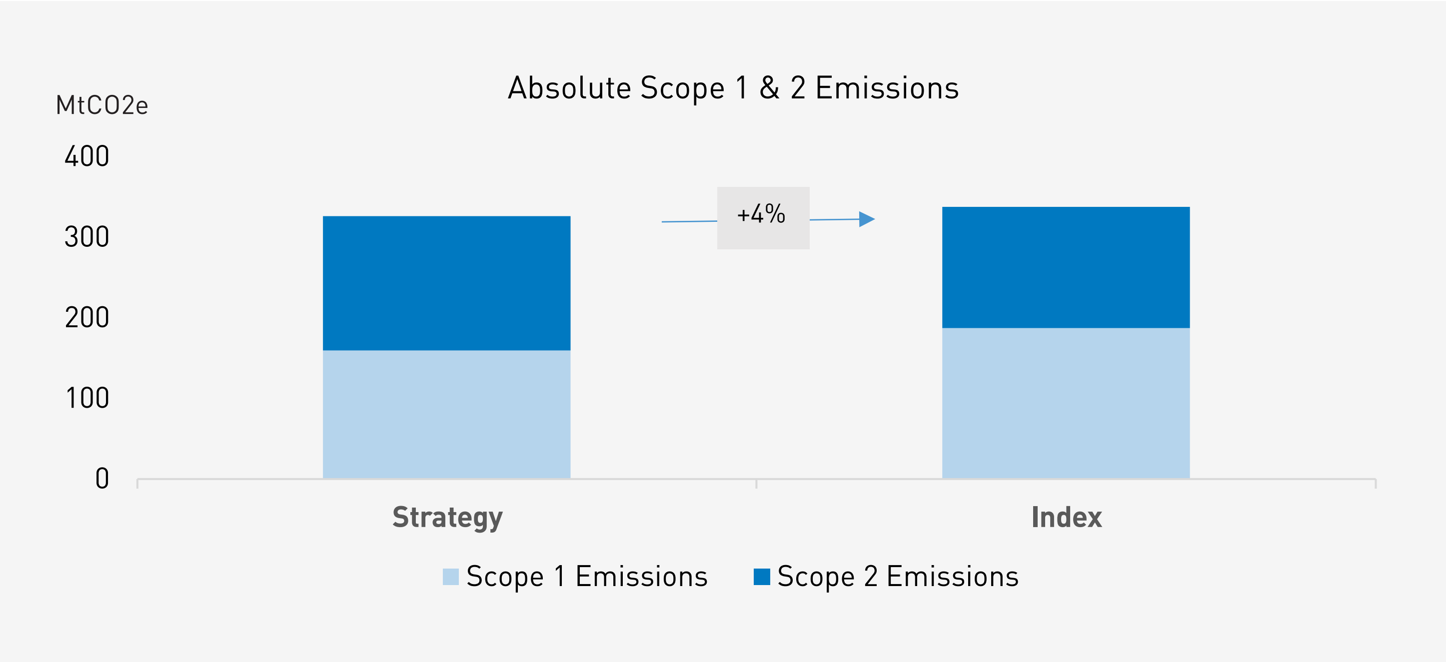


WACI - Subsector Exposures

Sector	Strategy	Index	OW / UW*
Communications	9.9%	14.8%	
Consumer Discretionary	0.2%	1.1%	
Consumer Staples	30.1%	9.2%	
Energy	0.0%	0.0%	
Financials	9.9%	3.3%	
Health Care	7.0%	0.7%	
Industrials	8.7%	31.7%	
Materials	0.0%	11.9%	
Real Estate	9.0%	26.0%	
Technology	0.1%	0.3%	
Utlities	24.8%	1.1%	

*Overweight/Underweight.
As at December 31, 2022

Absolute Metrics



WACI - Sectoral Changes (QoQ)

	Strategy			Index		
Sector	**Q3 2022**	**Q4 2022**	**Change**	**Q3 2022**	**Q4 2022**	**Change**
Communications	3.0	3.0	+1%	160.4	7.9	-95%
Consumer Discretionary	0.0	0.0	-	7.5	0.6	-92%
Consumer Staples	7.6	9.1	+19%	1.2	4.9	+323%
Energy	6.2	0.0	-100%	20.8	0.0	-100%
Financials	2.5	3.0	+21%	1.8	1.8	+1%
Health Care	0.9	2.1	+127%	0.0	0.4	-
Industrials	36.1	2.6	-93%	1.0	16.9	+1649%
Materials	0.0	0.0	-	0.0	6.3	-
Real Estate	6.2	2.7	-57%	1.6	13.9	+765%
Technology	0.4	0.0	-95%	0.0	0.2	-
Utlities	163.5	7.5	-95%	32.5	0.6	-98%
Total	**226.6**	**30.1**	**-87%**	**226.6**	**53.4**	**-76%**

As at December 31, 2022

WACI - Top 5 Exposures

	Strategy					
Sector	1	2	3	4	5	%
All	HYDONE	TAP	CSHU	EPR	LCN	58%
Communications	TCN	BCECN	RCICN	DIS	WBD	100%
Consumer Discretionary	TOYOTA	-	-	-	-	100%
Consumer Staples	TAP	LCN	SAPCN	JBSSBZ	SYY	100%
Energy	-	-	-	-	-	0%
Financials	TD	CS	CM	AER	AL	65%
Health Care	CSHU	SIACN	-	-	-	100%
Industrials	TCLAU	BA	HTHROW	ETRHWY	-	100%
Materials	-	-	-	-	-	0%
Real Estate	EPR	FCRCN	-	-	-	100%
Technology	OTEXN	-	-	-	-	100%
Utilities	HYDONE	-	-	-	-	100%

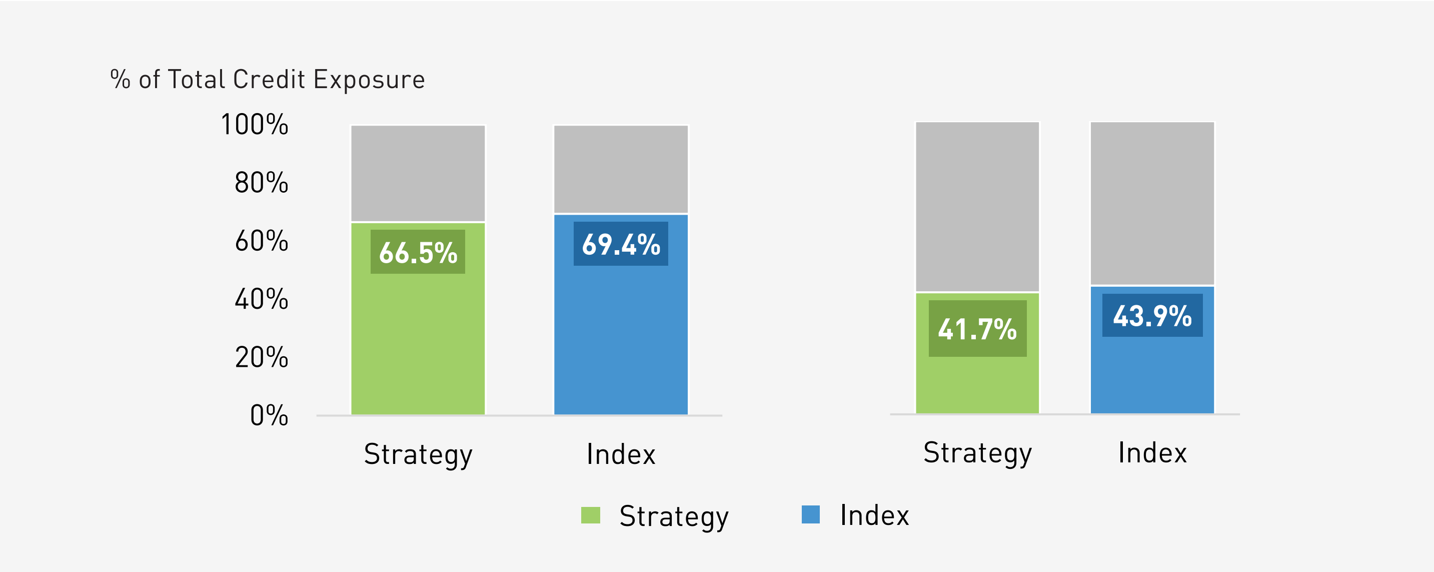
	Index					
Sector	1	2	3	4	5	%
All	UMHENR	CCOCN	WM	BCECN	TCN	53%
Communications	BCECN	TCN	RCICN	SJRCN	CCACN	100%
Consumer Discretionary	NISCAN	GM	CTCACN	RLNCE	-	100%
Consumer Staples	SAPCN	DOLCN	LCN	MRUCN	EMPACN	49%
Energy	KINSOL	CRDPOW	-	-	-	0%
Financials	MCAPCO	BNS	CM	BMO	COCAPS	91%
Health Care	SIACN	CSHU	HOSNOH	HLTHQC	-	100%
Industrials	UMHENR	WM	FTTCN	CNH	CRSLNX	100%
Materials	CCOCN	TCLACN	CCLBCN	-	-	100%
Real Estate	APUCN	REIUCN	VTR	SRUUCN	FCRCN	57%
Technology	TRICN	TERANE	-	-	-	100%
Utilities	HYDONE	BRUPOW	-	-	-	100%

As at December 31, 2022

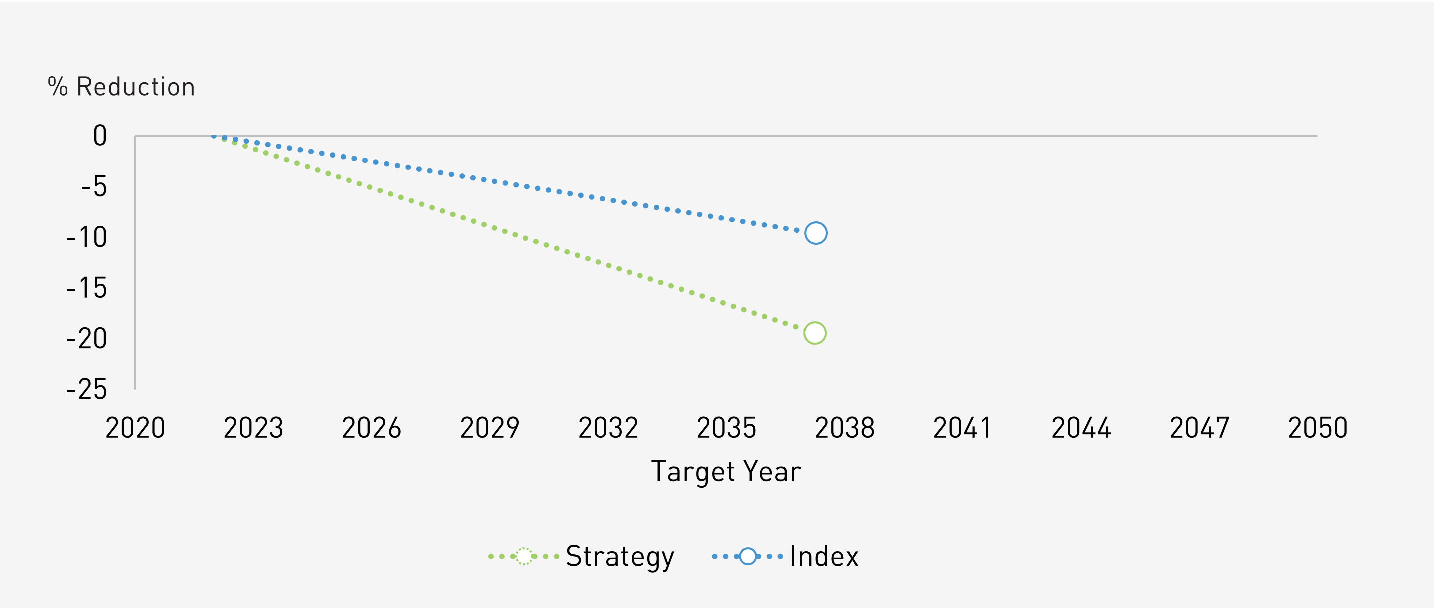
Forward-Looking Metrics

These metrics help us assess the forward-looking profile for the Strategy. Both the Strategy and Index have a similar percentage of holdings with carbon reduction targets, while the Index currently scores better in terms of "quality" targets as proxied by science-based certification. The Strategy has a more "ambitious" reduction profile both in terms of time horizon and magnitude. Temperature Scoring provides a sense of how aligned the portfolio is with the Paris Agreement, using the CDP/WWF Temperature Rating Methodology.

Target Setting & Quality

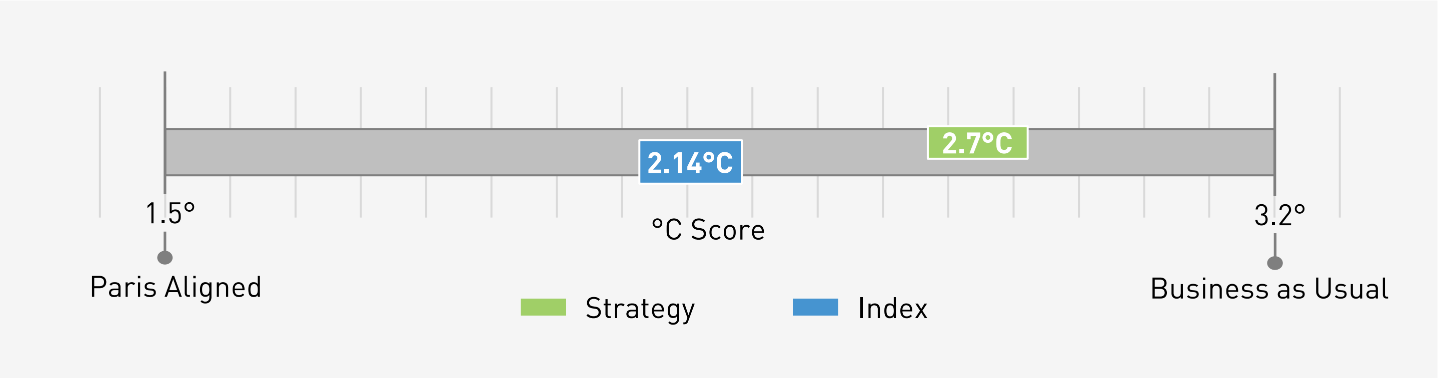


Target Ambition



As at December 31, 2022

Temperature Scoring



As at December 31, 2022

Relative Value

In this section, we aim to integrate carbon intensity metrics into relative value and risk assessments. We do this through unique metrics such as Carbon Ratio, Green Economy Alignment, and Carbon VaR, all of which are early-stage conceptual metrics we are assessing in our efforts to make more explicit pricing/risk decisions based on quantifiable transition risk data.

Carbon Ratio

- Measured by spread per unit of carbon intensity.
- For every dollar invested, the Strategy is earning more spread per unit of emissions financed.

Sector	Strategy	Index
Communications	6.3	3.6
Consumer Discretionary	0.2	0.9
Consumer Staples	2.1	1.8
Energy	0.0	0.1
Financials	11.0	4.6
Health Care	2.6	0.1
Industrials	0.6	2.0
Materials	0.0	1.1
Real Estate	2.2	3.9
Technology	0.4	0.2
Utlities	0.0	0.3
Total	**25.3**	**18.6**

As at December 31, 2022

Green Economy Eligibility

- Estimated percentage of company's revenue that is eligible to align with "green" activities as defined by the EU Taxonomy.
- Forward looking metric for how well Strategy is positioned for future regulation/transition risks.

Sector	Strategy	Index
Communications	4.9	11.6
Consumer Discretionary	1.2	1.6
Consumer Staples	4.7	5.7
Energy	0.0	0.5
Financials	4.9	7.9
Health Care	1.8	1.0
Industrials	4.6	3.4
Materials	0.0	0.7
Real Estate	0.4	11.3
Technology	0.0	0.6
Utlities	0.1	0.8
Total	**22.6**	**45.1**

As at December 31, 2022

Carbon VaR

- Estimated percentage of company's EBITDA reduction with global carbon prices at $120/tCO2e.
- Highlights how exposed the Strategy is to increasing cost of carbon intensive operations.

Sector	Strategy	Index
Communications	0.3	0.0
Consumer Discretionary	0.0	0.0
Consumer Staples	0.1	0.0
Energy	0.0	0.0
Financials	0.4	0.1
Health Care	0.4	0.0
Industrials	0.1	0.0
Materials	0.0	0.0
Real Estate	0.1	0.0
Technology	0.0	0.0
Utlities	0.0	0.0
Total	**1.4**	**0.2**

Definitions

Strategy: RP Broad Corporate Bond (BBB, Fossil Fuel Exclusion) formerly RP Broad Corporate Bond (BBB, Carbon Reduced).

Index: FTSE Canada All Corporate Bond BBB Ex Fossil Fuels Enhanced Bond Index - from Oct 1, 2022, onwards. FTSE Canada Corporate BBB Bond Index - from Jan 2, 2020, to Sep 30, 2022.

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

Scope 2 Emissions: 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.

GHG Emissions: Scope 1 Emissions + Scope 2 Emissions

Weighted Average Carbon Intensity ("WACI"): Exposire to carbon-intensive companies, expressed in metric tons CO2e / $M revenue. Metric recommended by the Task Force on Climate=Related Financial Disclosures.

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

Carbon Footprint: Exposure to carbon-intensive companies , expressed in metric tons CO2e / C$1M investment. Metric recommended by the Task Force on CLimate-Related Financial Disclosures.

$$\frac{GHG\ Emissions}{Market\ Value\ of\ Portfolio\ (C\$)} = \frac{\sum_{n}^{i}\left(\frac{Market\ Value\ of\ Security\ i\ (C\$)}{Issuer\ i's\ EVIC(C\$)} \times Security\ i's\ Scope\ 1\ \&2\ GHG\ Emissions\right)}{Market\ Value\ of\ Portfolio\ (C\$)}$$

Carbon Attribution

Total

Average Carbon Emissions vs Index	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Total
Total	**-35%**	**-8%**	**-26%**	**-62%**	**-39%**	**-50%**
Communication	0%	0%	0%	-1%	-8%	**-1%**
Energy	-31%	-36%	-37%	-38%	0%	**-33%**
Financial	0%	0%	0%	0%	2%	**1%**
Industrial	-2%	-4%	0%	5%	-24%	**-1%**
Consumer Discretionary	0%	0%	0%	0%	-1%	**0%**
Real Estate	0%	-1%	-1%	-1%	-20%	**-2%**
Consumer Staples	1%	1%	1%	1%	6%	**1%**
Healthcare	1%	1%	1%	1%	4%	**1%**
Materials	0%	0%	0%	0%	-8%	**-1%**
Technology	1%	0%	0%	0%	0%	**0%**
Utlities	-4%	31%	10%	-28%	11%	**-15%**

Allocation

Average Carbon Emissions vs Index	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Total
Total	**-37%**	**-34%**	**-27%**	**-23%**	**207%**	**-28%**
Communication	0%	0%	0%	-1%	-8%	**-1%**
Energy	-29%	-33%	-33%	-35%	0%	**-31%**
Financial	0%	0%	0%	0%	4%	**1%**
Industrial	13%	13%	15%	22%	220%	**25%**
Consumer Discretionary	0%	0%	0%	0%	-1%	**0%**
Real Estate	0%	-1%	-1%	-1%	-20%	**-2%**
Consumer Staples	0%	0%	0%	1%	3%	**1%**
Healthcare	2%	1%	1%	1%	4%	**1%**
Materials	0%	1%	1%	0%	-8%	**-1%**
Technology	0%	0%	0%	0%	0%	**0%**
Utlities	-22%	-15%	-10%	-10%	13%	**-22%**

Selection

Average Carbon Emissions vs Index	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Total
Total	**12%**	**42%**	**-1%**	**-59%**	**-38%**	**-4%**
Communication	0%	0%	0%	0%	-1%	**0%**
Energy	-12%	-20%	-25%	-28%	0%	**-11%**
Financial	0%	0%	0%	0%	-1%	**0%**
Industrial	-4%	-5%	-4%	-3%	-31%	**-4%**
Consumer Discretionary	0%	0%	0%	0%	-1%	**0%**
Real Estate	0%	0%	0%	0%	1%	**0%**
Consumer Staples	0%	1%	1%	0%	2%	**0%**
Healthcare	0%	0%	0%	0%	0%	**0%**
Materials	0%	0%	0%	0%	-7%	**-1%**
Technology	0%	0%	0%	0%	0%	**0%**
Utlities	26%	67%	28%	-27%	-1%	**10%**

Interaction

Average Carbon Emissions vs Index	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Total
Total	**-10%**	**-16%**	**2%**	**20%**	**-208%**	**-17%**
Communication	0%	0%	0%	0%	0%	**0%**
Energy	10%	17%	21%	24%	0%	**9%**
Financial	0%	0%	0%	0%	-1%	**0%**
Industrial	-12%	-12%	-11%	-14%	-213%	**-22%**
Consumer Discretionary	0%	0%	0%	0%	-1%	**0%**
Real Estate	0%	0%	0%	0%	1%	**0%**
Consumer Staples	0%	0%	0%	0%	1%	**0%**
Healthcare	0%	0%	0%	0%	0%	**0%**
Materials	0%	-1%	-1%	0%	8%	**1%**
Technology	1%	0%	0%	0%	0%	**0%**
Utlities	-8%	-21%	-8%	9%	-2%	**-4%**

As at December 31, 2022

RP BROAD CORPORATE BOND (FOSSIL FUEL EXCLUSION)

Launched in tandem with RP Broad Corporate Bond (BBB, Fossil Fuel Exclusion)

RP Broad Corporate Bond (Fossil Fuel Exclusion) aims to deliver on two outcomes:

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

2. Focusing on climate-related risk

Launched in 2022, RP Broad Corporate Bond (Fossil Fuel Exclusion) aims to provide a broader access to fossil fuel exclusionary investments beyond RP Corporate Bond (BBB, Fossil Fuel Exclusion).

This actively managed strategy aims to outperform the FTSE Canada All Corporate Ex Fossil Fuels Enhanced Bond Index by 100 bps (net of fees) on an annualized basis while reducing the market-value WACI (weighted average carbon intensity) relative to its index. The strategy merges our long-standing investment process with a transparent, rules-based approach to screening fossil fuel exposure out of the portfolio.

The 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, 39% lower than the benchmark with an excess return of 228 bp. 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).

Carbon Profile - Strategy vs. Index

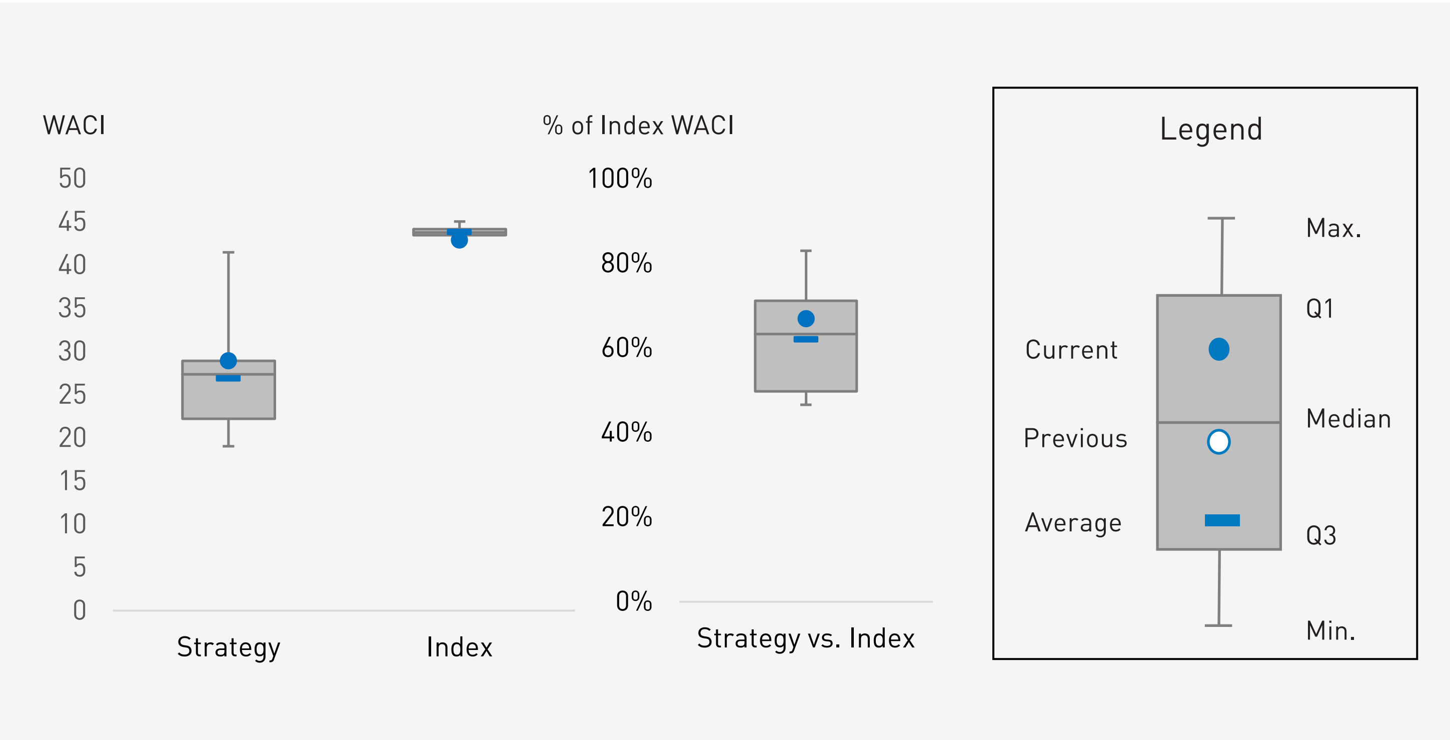
The Strategy has produced a Weighted Average Carbon Intensity ("WACI") profile that is 39% lower than the Index since inception.

Hydro One was the top contributor to the Strategy's WACI as of the end of Q4 2022, contributing to 29% of the WACI.

Relative WACI

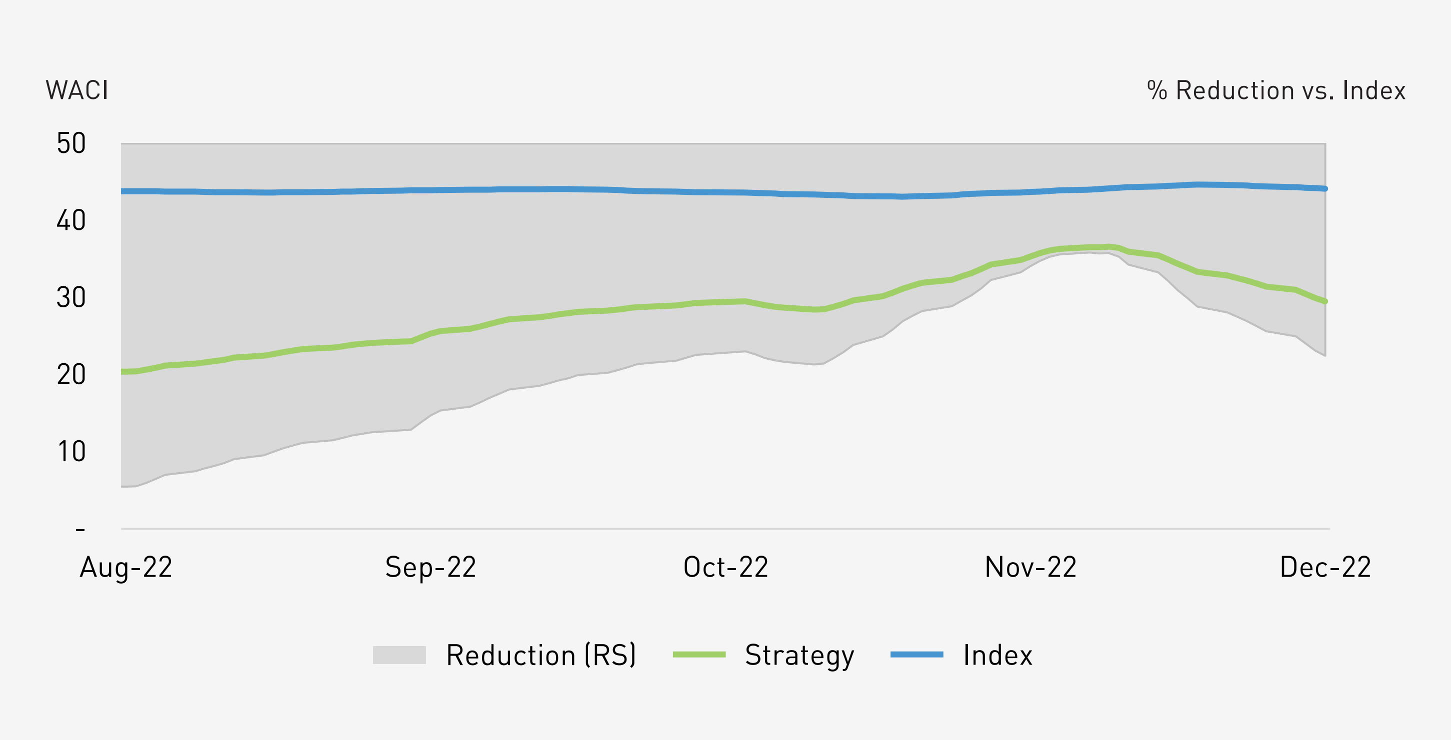
		1 Mo	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Inception*
WACI	Strategy	29.5	31.5	26.9	-	-	-	26.9
	Index	44.1	43.8	43.8	-	-	-	43.8
	Reduction	**-33%**	**-28%**	**-39%**	**-**	**-**	**-**	**-39%**

Historical Ranges



*Strategy Inception Date: July 1, 2022. Data as at December 31, 2022

WACI - Historical Headline and Reduction

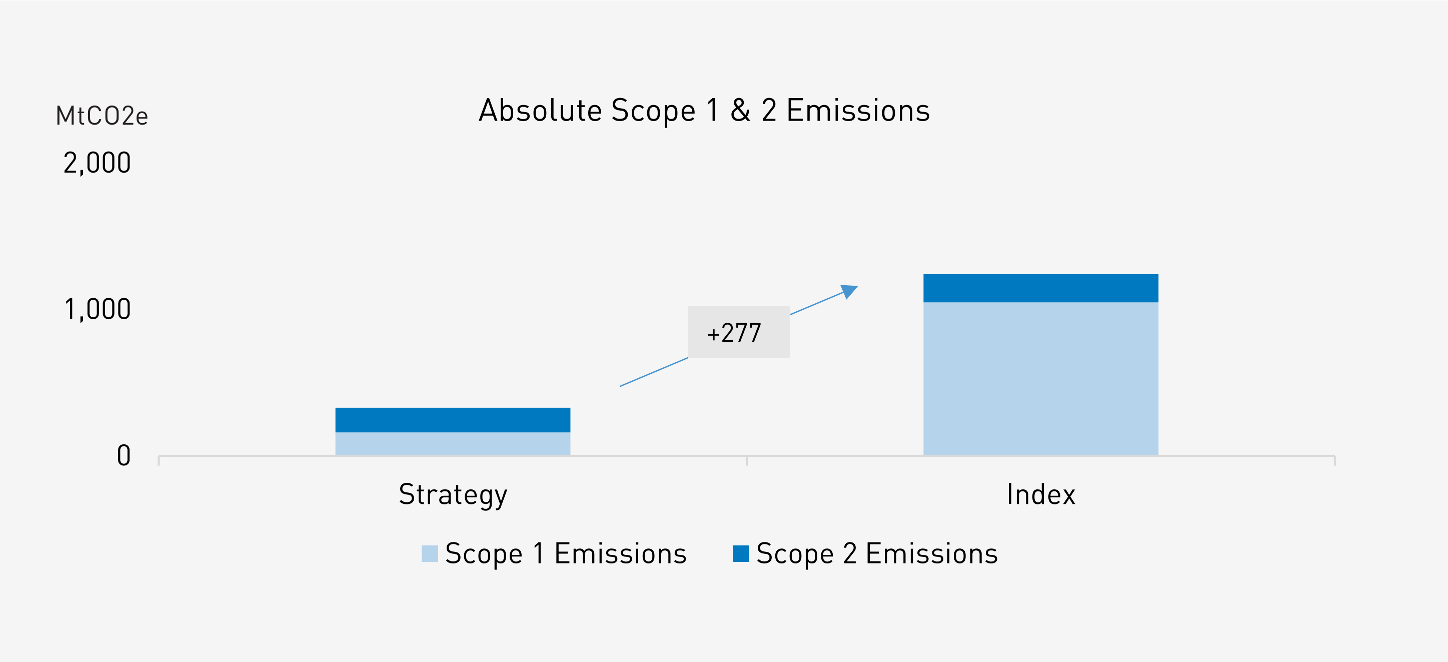


WACI - Subsector Exposures

Sector	Strategy	Index	OW / UW
Communications	11.1%	6.6%	
Consumer Discretionary	0.7%	1.8%	
Consumer Staples	28.6%	3.8%	
Energy	0.0%	0.0%	
Financials	10.8%	7.2%	
Health Care	7.3%	0.2%	
Industrials	9.3%	29.0%	
Materials	0.0%	2.2%	
Real Estate	6.3%	12.3%	
Technology	0.1%	0.1%	
Utlities	25.6%	36.7%	

*Overweight/Underweight.
As at December 31, 2022

Absolute Metrics



WACI - Sectoral Changes (QoQ)

	Strategy			Index		
Sector	**Q3 2022**	**Q4 2022**	**Change**	**Q3 2022**	**Q4 2022**	**Change**
Communications	5.1	3.2	-38%	11.2	2.9	-74%
Consumer Discretionary	0.0	0.2	-	0.0	0.8	-
Consumer Staples	10.2	8.3	-19%	0.7	1.7	+126%
Energy	0.0	0.0	-	0.0	0.0	-
Financials	2.1	3.1	+51%	3.5	3.2	-10%
Health Care	3.5	2.1	-40%	0.0	0.1	-
Industrials	0.9	2.7	+209%	2.7	12.8	+371%
Materials	0.0	0.0	-	0.0	1.0	-
Real Estate	1.3	1.8	+41%	3.7	5.4	+49%
Technology	0.2	0.0	-89%	0.0	0.1	-
Utlities	0.0	7.4	-	1.6	16.3	+940%
Total	**23.3**	**28.8**	**+24%**	**23.4**	**44.2**	**+89**

As at December 31, 2022

WACI - Top 5 Exposures

	Strategy					
Sector	**1**	**2**	**3**	**4**	**5**	**%**
All	HYDONE	TAP	TCLAU	CSHU	TCN	58%
Communications	TCN	BCECN	RCICN	DIS	WBD	100%
Consumer Discretionary	NISCAN	-	-	-	-	100%
Consumer Staples	TAP	SAPCN	LCN	SYY	JBSSBZ	100%
Energy	-	-	-	-	-	0%
Financials	CM	TD	CS	AER	JPM	65%
Health Care	CSHU	SIACN	-	-	-	100%
Industrials	TCLAU	BA	HTHROW	ETRHWY	-	100%
Materials	-	-	-	-	-	-
Real Estate	EPR	FCRCN	-	-	-	100%
Technology	OTEXN	-	-	-	-	100%
Utilities	HYDONE	-	-	-	-	100%

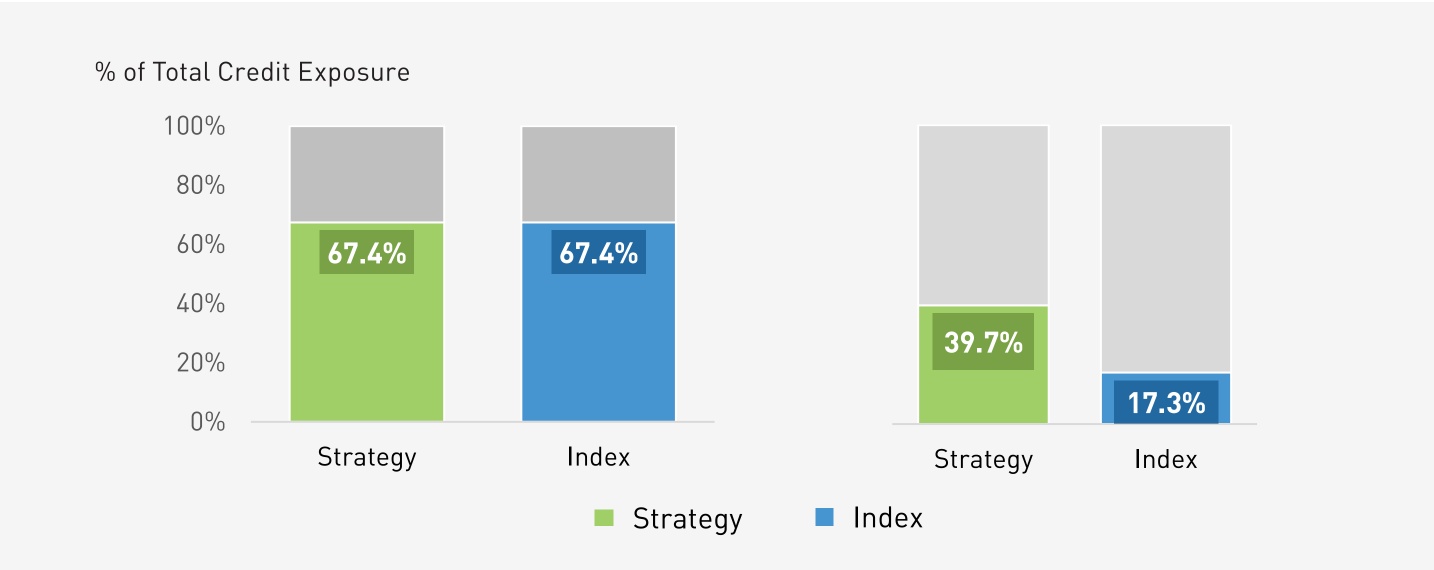
	Index					
Sector	**1**	**2**	**3**	**4**	**5**	**%**
All	HYDONE	BCFERR	UMHENR	ALTALK	FTSCN	49%
Communications	TCN	BCECN	RCICN	SJRCN	CCACN	100%
Consumer Discretionary	TOYOTA	CTCACN	NISCAN	HNDA	GM	91%
Consumer Staples	SAPCN	LCN	DOLCN	MRUCN	EMPACN	95%
Energy	KINSOL	CRDPOW	-	-	-	0%
Financials	TD	BNS	BMO	MCAPCO	GLCRTR	65%
Health Care	SIACN	SNCINN	PLEHHU	HLTHQC	SJOEHC	100%
Industrials	BCFERR	UMHENR	WM	DE	WAACA	99%
Materials	CCOCN	TCLACN	CCLBCN	-	-	100%
Real Estate	APUCN	REIUCN	VTR	SRUUCN	FCRCN	56%
Technology	TRICN	TERANE	-	-	-	100%
Utilities	HYDONE	ALTALK	FTSCN	ALBPOW	EPCOR	86%

As at December 31, 2022

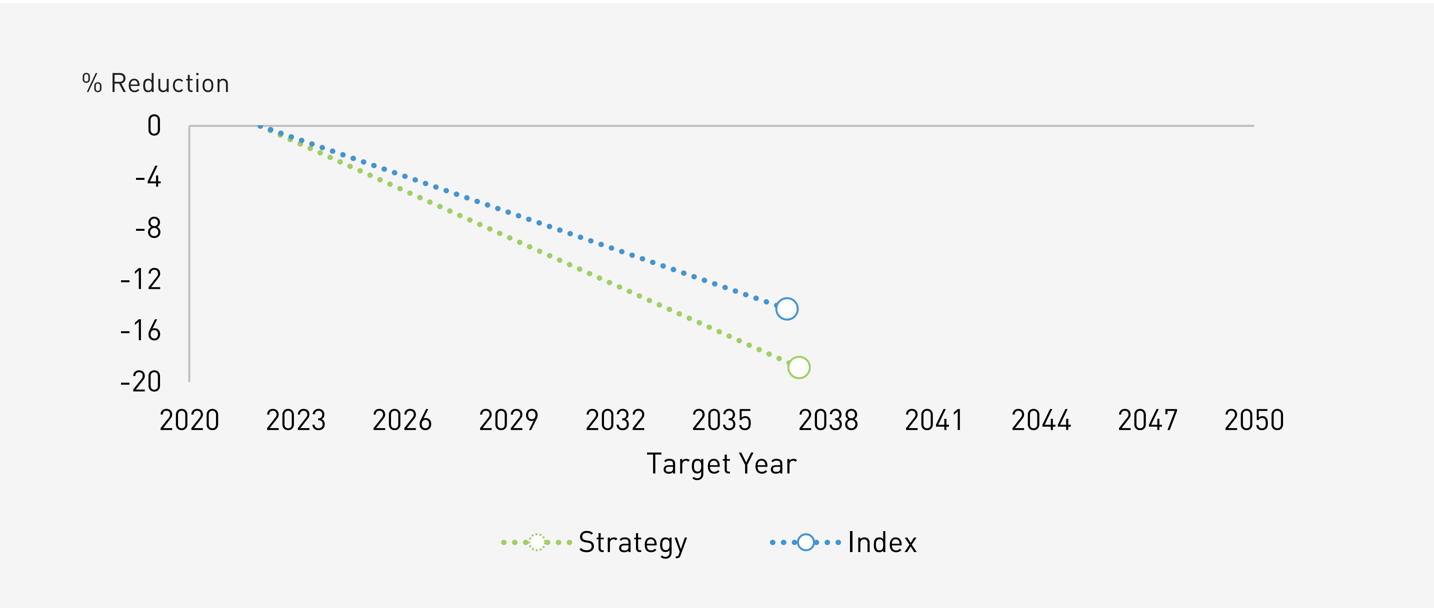
Forward-Looking Metrics

These metrics help us assess the forward-looking profile for the Strategy. Both the Strategy and Index have a similar percentage of holdings with carbon reduction targets, while the index currently scores better in terms of "quality" targets as proxied by science-based certification. The Strategy has a more "ambitious" reduction profile both in terms of time horizon and magnitude. Temperature Scoring provides a sense of how aligned the portfolio is with the Paris Agreement, using the CDP/WWF Temperature Rating Methodology.

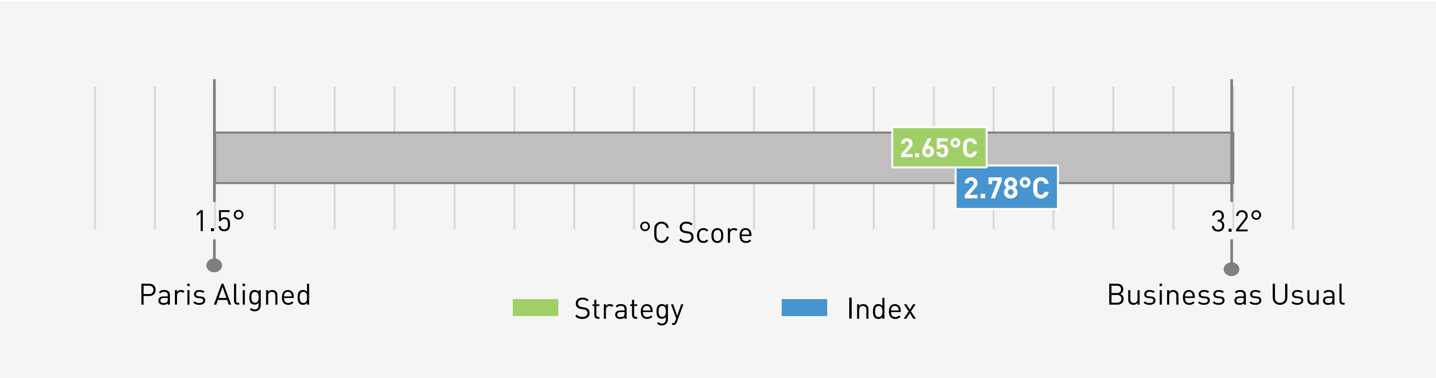
Target Setting & Quality



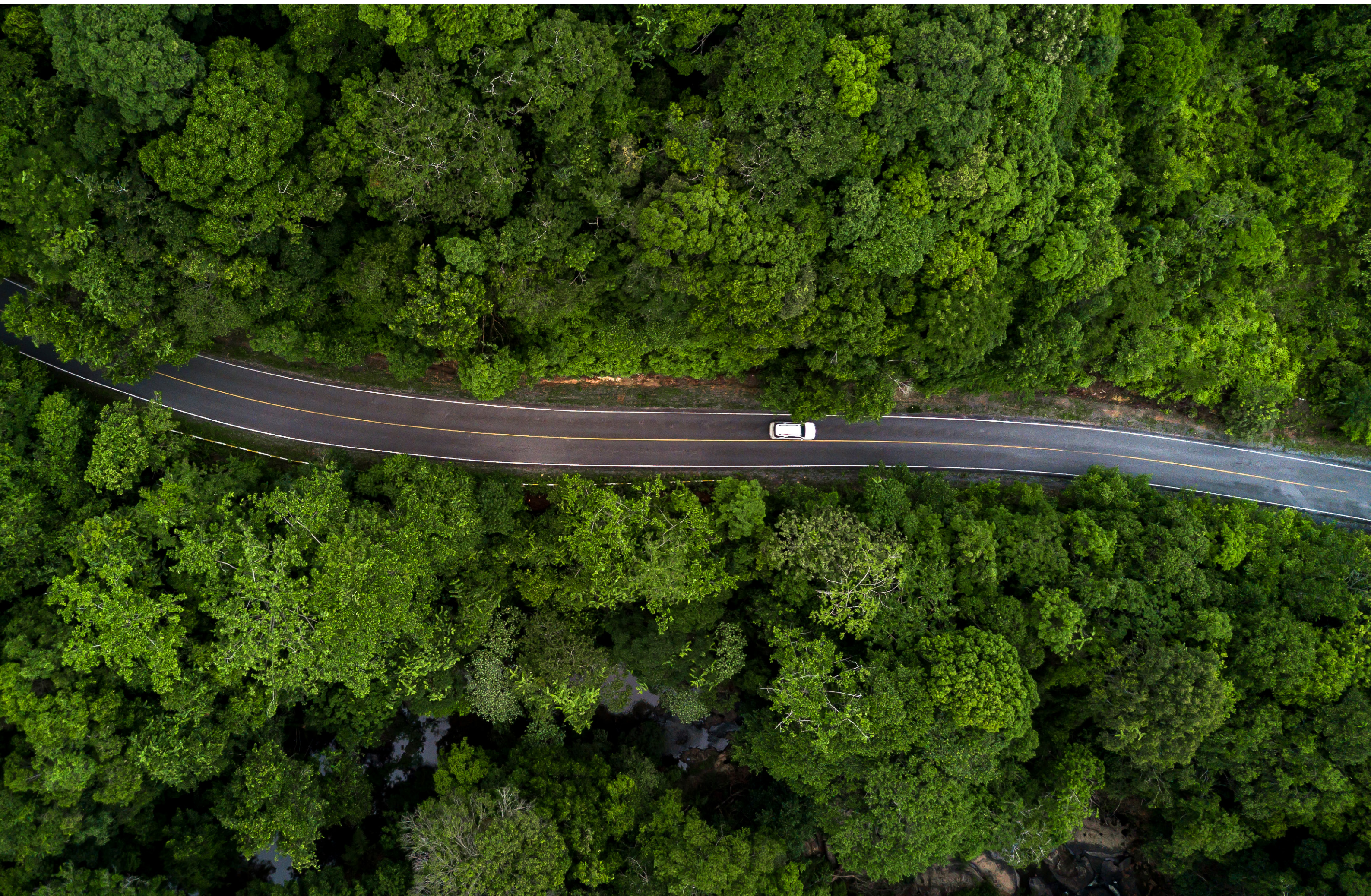
Target Ambition



Temperature Scoring



As at December 31, 2022



Relative Value

In this section, we aim to integrate carbon intensity metrics into relative value and risk assessments. We do this through unique metrics such as Carbon Ratio, Green Economy Alignment, and Carbon VaR, all of which are early-stage conceptual metrics we are assessing in our efforts to make more explicit pricing/risk decisions based on quantifiable transition risk data.

Carbon Ratio

- Measured by spread per unit of carbon intensity.
- For every dollar invested, the Strategy is earning more spread per unit of emissions financed.

Sector	Strategy	Index
Communications	2.0	1.8
Consumer Discretionary	0.8	0.1
Consumer Staples	3.8	2.7
Energy	0.0	0.0
Financials	14.0	1.5
Health Care	0.2	0.0
Industrials	3.2	0.9
Materials	0.0	0.4
Real Estate	1.8	3.2
Technology	0.0	0.5
Utlities	0.0	0.1
Total	**25.8**	**11.1**

As at December 31, 2022

Green Economy Eligibility

- Estimated percentage of company's revenue that is eligible to align with "green" activities as defined by EU Taxonomy.
- Forward looking metric for how well Strategy is positioned for future regulation/transition risks.

Sector	Strategy	Index
Communications	5.6	3.3
Consumer Discretionary	0.4	0.7
Consumer Staples	4.0	0.9
Energy	0.0	0.0
Financials	4.9	2.0
Health Care	9.1	0.1
Industrials	0.5	0.7
Materials	0.0	0.2
Real Estate	2.9	2.2
Technology	0.0	0.4
Utlities	0.0	0.5
Total	**27.3**	**11.0**

As at December 31, 2022

Carbon VaR

- Estimated percentage of company's EBITDA reduction with global carbon prices at $120/tCO2e.
- Highlights how exposed the Strategy is to increasing cost of carbon intensive operations.

Sector	Strategy	Index
Communications	0.0	0.1
Consumer Discretionary	0.2	0.0
Consumer Staples	0.5	0.0
Energy	0.0	0.0
Financials	0.4	0.1
Health Care	0.1	0.0
Industrials	0.2	0.0
Materials	0.0	0.0
Real Estate	0.1	0.0
Technology	0.0	0.0
Utlities	0.0	0.0
Total	**1.5**	**0.3**

Definitions

Strategy: RP Broad Corporate Bond (BBB, Fossil Fuel Exclusion) formerly RP Broad Corporate Bond (BBB, Carbon Reduced).

Index: FTSE Canada All Corporate Bond BBB Ex Fossil Fuels Enhanced Bond Index - from Oct 1, 2022, onwards. FTSE Canada Corporate BBB Bond Index - from Jan 2, 2020, to Sep 30, 2022.

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

Scope 2 Emissions: 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.

GHG Emissions: Scope 1 Emissions + Scope 2 Emissions.

Weighted Average Carbon Intensity ("WACI"): Exposire to carbon-intensive companies, expressed in metric tons CO2e / $M revenue. Metric recommended by the Task Force on Climate=Related Financial Disclosures.

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

Carbon Footprint: Exposure to carbon-intensive companies , expressed in metric tons CO2e / C$1M investment. Metric recommended by the Task Force on CLimate-Related Financial Disclosures.

$$\frac{\textit{GHG Emissions}}{\textit{Market Value of Portfolio (C\$)}} = \frac{\sum_{n}^{i}\left(\frac{\textit{Market Value of Secuirty i (C\$)}}{\textit{Issuer i's EVIC(C\$)}} \times \textit{Security i's Scope 1 \&2 GHG Emissions}\right)}{\textit{Market Value of Portfolio (C\$)}}$$

Carbon Attribution

Total

Average Carbon Emissions vs Index	Q3 2022	Q4 2022	Total
Total	**-34%**	**-28%**	**-31%**
Communication	3%	2%	**3%**
Energy	-2%	-1%	**-1%**
Financial	17%	13%	**15%**
Industrial	1%	0%	**0%**
Consumer Discretionary	-1%	0%	**0%**
Real Estate	6%	5%	**5%**
Consumer Staples	-23%	-17%	**-20%**
Healthcare	-2%	-3%	**-3%**
Materials	-10%	-6%	**-8%**
Technology	1%	0%	**1%**
Utlities	-25%	-20%	**-22%**

Allocation

Q3 2022	Q4 2022	Total
2%	**66%**	**34%**
4%	2%	**3%**
-2%	-1%	**-1%**
18%	10%	**14%**
0%	0%	**0%**
-2%	-2%	**-2%**
7%	5%	**6%**
24%	80%	**52%**
-2%	-4%	**-3%**
10%	-7%	**-8%**
1%	0%	**1%**
35%	-18%	**-27%**

Selection

Average Carbon Emissions vs Index	Q3 2022	Q4 2022	Total
Total	**-55%**	**-27%**	**-41%**
Communication	0%	0%	**0%**
Energy	-1%	1%	**0%**
Financial	0%	1%	**0%**
Industrial	0%	0%	**0%**
Consumer Discretionary	2%	2%	**2%**
Real Estate	0%	0%	**0%**
Consumer Staples	-26%	-25%	**-26%**
Healthcare	-2%	-3%	**-3%**
Materials	1%	0%	**1%**
Technology	0%	0%	**0%**
Utlities	-28%	-3%	**-15%**

Interaction

0%Q3 2022	Q4 2022	Total
19%	**-67%**	**-24%**
0%	0%	**0%**
1%	-1%	**0%**
-1%	2%	**1%**
1%	0%	**0%**
0%	0%	**0%**
-1%	0%	**0%**
-21%	-72%	**46%**
2%	3%	**3%**
-1%	0%	**0%**
0%	0%	**0%**
38%	1%	**19%**

As at December 31, 2022

> 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

IMPORTANT INFORMATION

The information herein is presented by RP Investment Advisors LP ("RPIA") and is for informational purposes only. It does not provide financial, legal, accounting, tax, investment, or other advice and should not be acted or relied upon in that regard without seeking the appropriate professional advice. The information is drawn from sources believed to be reliable, but the accuracy or completeness of the information is not guaranteed, nor in providing it does RPIA assume any responsibility or liability whatsoever. The information provided may be subject to change and RPIA does not undertake any obligation to communicate revisions or updates to the information presented. Unless otherwise stated, the source for all information is RPIA. The information presented does not form the basis of any offer or solicitation for the purchase or sale of securities. Products and services of RPIA are only available in jurisdictions where they may be lawfully offered and to investors who qualify under applicable regulation.

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 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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