



RPIA Develops a Bespoke Fossil Fuel Exclusion Strategy for Institutional Investors

ABOUT THE STRATEGY

We are pleased to announce the launch of a new strategy, RP Broad Corporate Bond (Fossil Fuel Exclusion) - designed in partnership with [University of Toronto Asset Management Corporation \(UTAM\)](#), and in collaboration with FTSE Russell. This new 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. The strategy merges our long-standing investment process with a transparent, rules-based approach to screening fossil fuel exposure out of the portfolio.

WORKING TOGETHER WITH OUR INVESTORS

We pride ourselves on our credit expertise and our ability to design thoughtful fixed income solutions. We leverage our expertise to collaborate closely with institutional investors in developing several of our strategies to ensure that the portfolio mandate aligns with their goals. This new strategy is an example of how we can collaborate with our clients, including the University of Toronto - a long-standing RPIA client - and its investment manager, UTAM, to develop solutions that align with their long-term investment and ESG objectives.



We actively seek to identify strategies that can meet the University of Toronto's carbon reduction goals. This new collaboration with RPIA builds on our long-standing and mutually beneficial relationship – and this new fossil fuel exclusion strategy helps us fulfill the University's climate objectives.

- Leon Lu, Head of Fixed Income, UTAM

THE FIRST-OF-ITS-KIND APPROACH IN CANADIAN FIXED INCOME

We worked alongside FTSE Russell on this first-of-its-kind transparent, rules-based approach to screening issuer-level fossil fuel exposure out of the “traditional” FTSE Canada All Corporate Bond Index. The index series is designed to enable more options for those seeking to calibrate their exposure to fossil fuels with a thorough and rigorous exclusion approach across the value chain. The FTSE Canada All Corporate Ex Fossil Fuels Enhanced Bond Index adds three screens to the “traditional” index:

1. A baseline exclusion to remove “controversial conduct and product” issuers involved in controversial weapons, tobacco, thermal coal extraction, and UN Global Compact Principles controversies.
2. Removal of four industry sub-sectors using the FTSE Canada schema: Energy Distribution, Energy Exploration, Energy Integrated, and Energy Pipeline.
3. Screen issuers that belong to the TRBC sectors with fossil fuel-related exposure and those that Sustainalytics identifies as having direct involvement or significant ownership in the following revenue categories: oil & gas, oil sands, Arctic oil & gas exploration, shale energy, and thermal coal.



We're delighted to announce the launch of the new FTSE Canada Universe Ex Fossil Fuels Bond Index Series, bringing further transparency across fixed income, through its in-depth rules-based screening approach. With rising investor needs for greater choice when it comes to managing fossil fuel exposure in portfolios, this first-of-its-kind Canadian index, enables today's climate-conscious investors to align their investment strategy, financial interests, and values.

- Marina Mets, Head of Americas, Fixed Income and Multi-Asset Index Product Management, FTSE Russell

As the market environment continues to evolve in response to economic and social changes, investors need solutions that can cater to their unique long-term investment goals and address the challenges they seek to overcome. We believe that partnering with our investors and other industry stakeholders can help bridge that gap between what is available and what is needed for investors to achieve their goals.

[Learn more about the strategy](#)

[Learn more about our institutional solutions](#)

Important Information

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RP Broad Corporate Bond (Fossil Fuel Exclusion) strategies are offered pursuant to available prospectus exemptions to eligible Canadian investors through units of RP Broad Corporate Bond (Fossil Fuel Exclusion) Fund. Investor-level fund performance may differ from the strategy-level performance presented. "Forward-Looking" statements are based on assumptions made by RPIA regarding its opinion and investment strategies in certain market conditions and are subject to a number of mitigating factors. Economic and market conditions may change, which may materially impact actual future events and as a result RPIA's views, the success of RPIA's intended strategies as well as its actual course of conduct.

RPIA aims to consider ESG factors as part of our overall investment process, but the weight and importance of it 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 of ESG factors in the investment process for RP Strategic Income Plus Fund and RP Alternative Global Bond Fund plays a limited role and is weighted less than the core financial and credit analysis employed in the management of these funds.

For more information, visit www.rpia.ca/esg.