PH&N Balanced Pension Trust

Pre-Fee Rates of Returns December 31, 2021 (%)	3 Mo	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI
PH&N Balanced Pension Trust	**4.86**	**12.77**	**13.60**	**14.43**	**9.95**	**10.03**	**9.99**	**8.10[1]**
*BPT Benchmark**	*4.50*	*11.21*	*10.91*	*12.52*	*8.57*	*8.55*	*8.46*	*7.50*
Relative Performance	+0.36	+1.56	+2.69	+1.91	+1.38	+1.48	+1.53	+0.60
Total Cash & Equivalents	0.07	0.28	0.59	1.07	1.25	1.21	1.05	
FTSE Canada 30-Day T-Bill Index	*0.03*	*0.09*	*0.35*	*0.79*	*0.92*	*0.86*	*0.81*	
Total Bonds	1.15	-1.61	4.30	5.16	4.24	3.93	3.75	
PH&N Bond Fund	1.54	-2.18	3.98	4.93	4.07	3.78	3.76	
PH&N High Yield Bond Fund	0.45	5.57	6.97	7.05	5.66	5.90	6.70	
RBC Global Bond Fund**	-0.12	-2.51	2.63	4.10	3.75	3.59	4.45	
FTSE Canada Universe Bond Index	*1.47*	*-2.54*	*2.92*	*4.22*	*3.51*	*3.31*	*3.27*	
Total Real Estate	3.24	10.08	4.56	-	-	-	-	
RBC Canadian Core Real Estate	3.27	10.12	4.59	-	-	-	-	4.70[2]
Canadian CPI (Non-Seasonally Adjusted) 1-month lag + 400 bps	*2.06*	*8.72*	*6.82*	-	-	-	-	*6.67*
Total Canadian Equities	6.46	27.59	16.59	18.57	11.00	10.10	10.69	
PH&N Canadian Equity Underlying Fund	6.52	27.25	16.04	18.20	10.74	9.90	10.60	
PH&N Canadian Equity Value Fund	8.00	32.04	14.57	16.46	9.96	9.83	10.64	
PH&N Small Float Fund	2.18	19.40	20.89	22.50	14.10	12.64	15.55	
S&P/TSX Capped Composite Index	*6.47*	*25.09*	*14.93*	*17.52*	*10.28*	*10.04*	*9.14*	
Total Global Equities	7.23	18.07	19.48	19.65	14.15	16.14	16.52	
RBC Global Equity Focus Fund	7.11	18.46	22.36	23.62	17.84	19.56	-	17.71[3]
MSCI World Net Index (C$)	*7.45*	*20.78*	*17.27*	*18.57*	*13.49*	*13.66*	-	*12.95*
RBC QUBE Global Equity Fund	9.33	23.97	19.05	17.92	12.14	13.88	-	14.78[4]
MSCI World Net Index (C$)	*7.45*	*20.78*	*17.27*	*18.57*	*13.49*	*13.66*	-	*14.46*
RBC Global Equity Leaders Fund (C$)	7.43	-	-	-	-	-	-	15.35[5]
MSCI World Net Index (C$)	*7.45*	*20.78*	*17.27*	*18.57*	*13.49*	*13.66*		
RBC Emerging Markets Equity Fund	0.30	-4.83	4.87	7.41	5.02	9.31	10.15	
MSCI Emerging Markets Net Index (C$)	*-1.60*	*-3.37*	*5.98*	*8.09*	*4.13*	*8.57*	*7.79*	

*BPT Benchmark (November 2020-Present):1% FTSE Canada 30 Day TBill Index, 36% FTSE Canada Universe Bond Index, 3% Canada CPI (Non-Seasonally Adjusted) 1-month lag + 400 bps, 20% S&P/TSX Capped Composite Total Return Index, 36% MSCI World Total Return Net Index (CAD), 4% MSCI Emerging Markets Total Return Net Index.

Previous BPT Benchmarks: (October 2019-October 2020):1% FTSE Canada 30 Day TBill Index, 39% FTSE Canada Universe Bond Index, 20% S&P/TSX Capped Composite Total Return Index, 36% MSCI World Total Return Net Index (CAD), 4% MSCI Emerging Markets Total Return Net Index.
(October 2014-September 2019): 2% FTSE Canada 30-Day T-Bill, 38% FTSE Canada Universe Bond Index, 30% S&P/TSX Capped Composite Index, 26% MSCI World Net Index (CAD) and 4% MSCI Emerging Market Index Net (CAD).

(Inception-September 2014): 5% DEX 30-Day T-Bill, 35% DEX Universe Bond Index, 35% S&P/TSX Capped Composite Index, 25% MSCI World ex-Canada Index (CAD)
** The FTSE WGBI Index (CAD) Hedged Index is the benchmark for the fund. The FTSE Canada Universe Bond Index is shown for illustrative purposes only

.[1] Inception date: October 31, 2002; [2] Inception date: October 31, 2019;[3] Inception date: April 28, 2014; [4] Inception date: June 30, 2013; [5]Inception date: May 17, 2021

Series O performance. Periods less than one year are not annualized. Unless otherwise indicated, all returns cited in this report are expressed in Canadian dollar terms

Within the PH&N Balanced Pension Trust, we executed multiple mix shifts this quarter, reducing our equity risk exposure in favour of cash and fixed income. Equity markets were volatile over the period as investors weighed the impact of more persistent inflation, an increasingly hawkish Fed, and the risk posed by the new Omicron variant. With many equity markets continuing to hover near their all-time highs, we thought it prudent to reduce some equity exposure and increase our liquidity position in order to take advantage of future opportunities.

In December, we added an allocation to the RBC Global Equity Leaders Fund, a new high-conviction, large-cap global equity portfolio managed by the RBC Global Equity Team. Following the September soft close of the RBC Global Equity Focus Fund (still held within the PH&N Balanced Pension Trust), the RBC Global Equity Leaders Fund was added to the BPT in order to help manage AUM growth and provide investors with consistent access to a high-quality global equity portfolio.

The PH&N Balanced Pension Trust returned 4.86% over the fourth quarter, bringing the one-year return to 12.77%.

At the end of the quarter, the PH&N Balanced Pension Trust's asset weighting was as follows:

Portfolio Asset Mix as at December 31, 2021 (%)

	PH&N BPT	Benchmark
Cash & Equivalents	1.3	*1.0*
Bonds	33.4	36.0
PH&N Bond Fund	25.2	
PH&N High Yield Bond Fund	1.4	
RBC Global Bond Fund	6.8	
Real Estate	3.2	*3.0*
Canadian Equities	20.8	*20.0*
PH&N Canadian Equity Underlying Fund	13.5	
PH&N Canadian Equity Value Fund	5.3	
PH&N Small Float Fund	2.0	
Global Equities	41.3	*40.0*
RBC Global Equity Focus Fund	21.6	
RBC QUBE Global Equity Fund	15.0	
RBC Emerging Market Equity Fund	4.2	
RBC Global Equity Leaders Fund	0.5	
Total Fund	**100.0**	***100.0***

Attribution of the one-year results is shown below:

PH&N Balanced Pension Trust Attribution – Total Fund One Year Ending December 31, 2021 (%)						
	Returns			Attribution		
	Fund	Benchmark	Relative Performance	Asset Allocation	Security Selection	Total Effect
Cash & Equivalents	0.28	0.09	0.19	0.03	0.00	0.03
Fixed Income	-1.61	-2.54	0.93	0.38	0.29	0.67
Real Estate	10.08	8.72	1.36	0.01	0.02	0.02
Canadian Equity	27.59	25.09	2.50	0.12	0.41	0.53
Global Equity	18.07	18.20	-0.13	0.24	-0.08	0.16
Total	**12.77**	**11.21**	**1.56**	**0.76**	**0.65**	**1.41**

Please note that the column totals may not add due to a compounding and interaction effect.

PH&N Bond Fund

The PH&N Bond Fund returned 1.54% in the fourth quarter and -2.18% over the past year, outperforming its benchmark over both periods.

The global economic recovery continued over the fourth quarter although possible headwinds from the emergence of the new COVID-19 variant, Omicron, may impact economic growth. Concerns surrounding elevated inflation continued to be a key theme, along with central bank monetary policy and the normalization of policy rates. Government of Canada bond yields rose in the short end and fell in the long end of the yield curve, resulting in positive overall bond returns in the fourth quarter.

Active positioning within both interest rate anticipation strategies and credit and liquidity strategies resulted in the portfolio finishing the quarter ahead of the benchmark. Overall, the portfolio's risk budget remained focused on credit and liquidity strategies over interest rate anticipation strategies, and we continued to upgrade the credit quality of the portfolio during the quarter.

The portfolio's short duration position was a positive contributor to relative performance, which offset the slight detraction from yield curve positioning. The portfolio's duration position is now broadly neutral the short end of the yield curve and remains underweight the long end of the curve.

The out-of-benchmark position in real return bonds contributed to performance, thanks to tactical trading as well as a modest rise in market-implied long-term inflation expectations over the quarter.

The portfolio's exposure to provincial bonds added value as the portfolio is biased towards longer-dated and more liquid provinces, which outperformed their shorter-dated and less liquid counterparts.

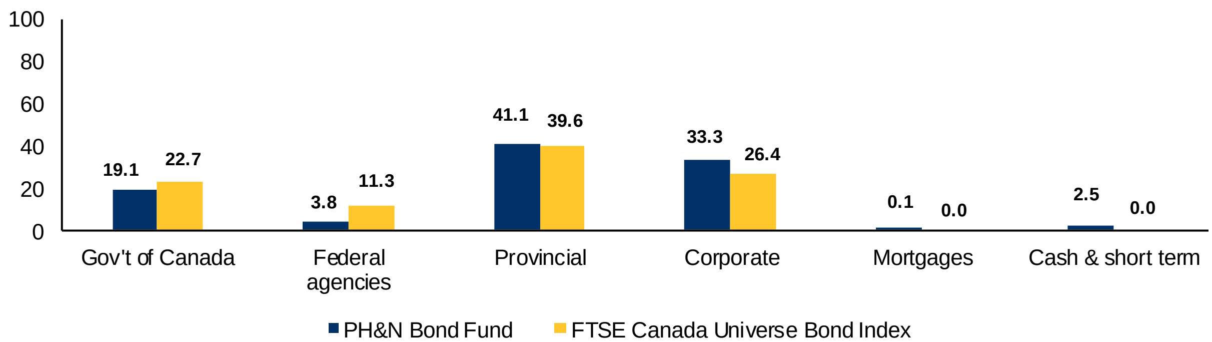
The portfolio's overweight exposure to investment grade corporate bonds was a neutral contributor as the higher yield accrual and security selection was offset by the impact of slightly wider spreads.

PH&N Bond Fund Portfolio Structure − as of December 31, 2021

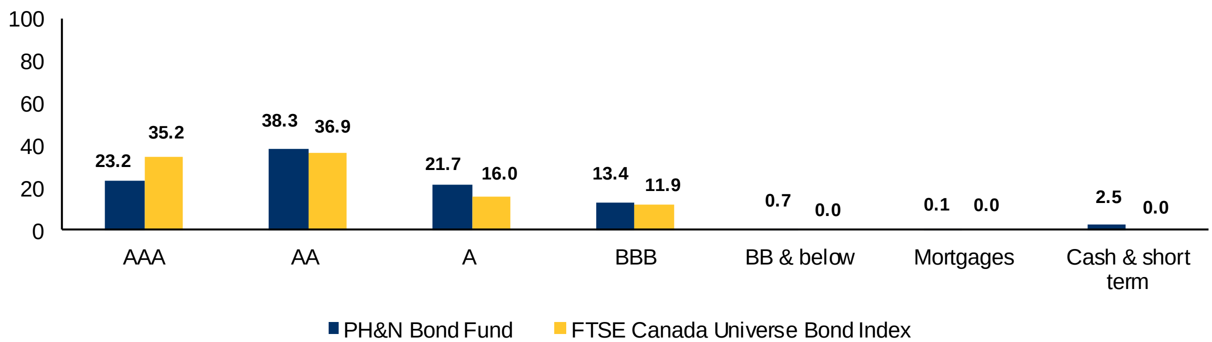
Fund Characteristics

	Modified Duration (Yrs)	Term to Maturity (Yrs)	Yield to Maturity (%)
PH&N Bond Fund	8.14	11.01	1.96
FTSE Canada Universe Bond Index	*8.43*	*11.15*	*1.92*

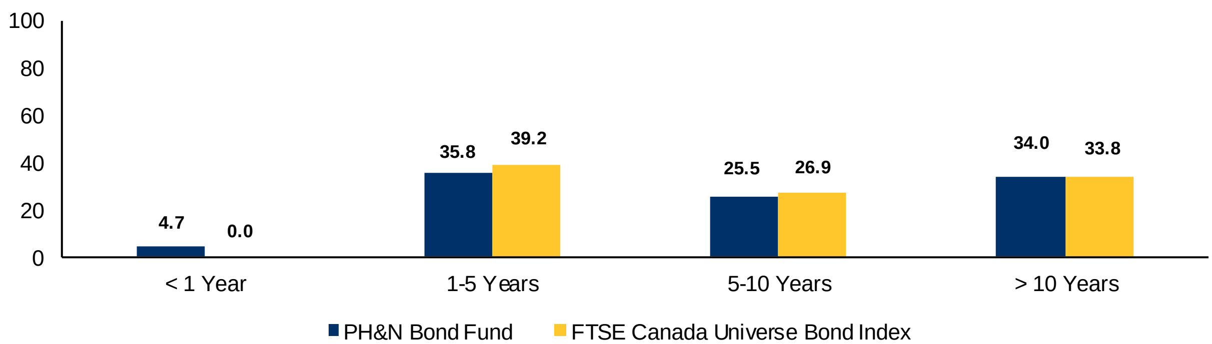
Issuer Analysis (%)



Rating Analysis* (%)



Maturity Analysis (%)



* Current ratings based on average across rating agencies (DBRS, Moody's, S&P) where available. Ratings at the time of purchase may differ. Totals may not add to 100% due to rounding.

PH&N High Yield Bond Fund

The PH&N High Yield Bond Fund returned 0.45% in the fourth quarter and 5.57% over the past year, underperforming its benchmark over the quarter but meaningfully outperforming over the one-year period.

The fund posted its seventh consecutive quarter of positive performance following the March 2020 sell-off.

Despite worker shortages due to COVID flare-ups and ongoing supply chain bottlenecks, corporate earnings were generally strong across high yield issuers, with more surprises to the upside than the downside. Corporations expressed concerns about cost inflation and global supply chain challenges, which are expected to continue into 2022.These issues appear manageable barring a policy mistake by an overly hawkish Fed or an increase of severe COVID cases due to Omicron.

High yield issuance was robust early in the quarter before risk-off sentiment softened demand and increased funding costs. However, this late pause did not stop issuance from handily surpassing last year's record level, largely due to the frantic pace of the first three quarters as corporations raced to issue bonds ahead of accelerated tapering and anticipated interest rate hikes from the Fed. Proceeds were primarily used to refinance existing debt on more favourable terms, although M&A and leveraged buyout activity picked up this year. Investor demand for high yield remained strong, effectively balancing the supply/demand dynamic.

High yield spreads declined marginally to 310 basis points. This is a dramatic recovery from a peak of 1,087 basis points in March 2020, but still above all-time tight spreads of 240 basis points in 2007.

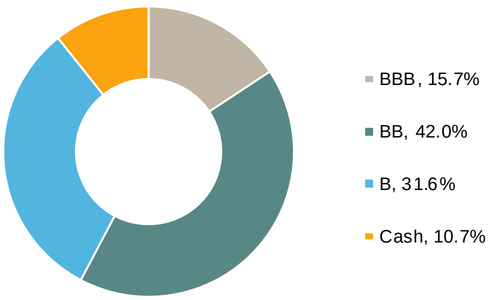
Defaults among high yield bond issuers were nearly absent this quarter and diminished considerably over the year. The trailing 1-year default rate ended the year at a modest 0.3%. This is the result of a recovering economy and the "cleansing" effect of last year's peak default rate of 6.8%. Default rates are likely to remain very low in 2022 given the fundamental backdrop and the absence of many distressed issuers at this point in the cycle.

Debt markets are showing growing concern over a start to Fed policy rate hikes as early as March and the possible runoff of the Fed's balance sheet (i.e., quantitative tightening) as early as this summer.

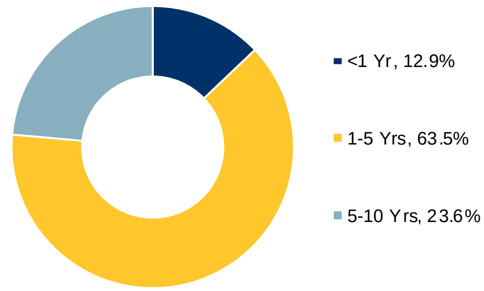
The Fed hiking cycle notwithstanding, we generally remain constructive on credit fundamentals in the near term. High-quality and lower duration BB and B rated issues make up 74% of the portfolio, modestly below last quarter's level to reflect our slightly more defensive posture. The remainder of the portfolio is in investment grade issues and cash to provide a buffer against periods of higher volatility and dry powder to take advantage of new opportunities.

PH&N High Yield Bond Fund – Portfolio Structure as of December 31, 2021

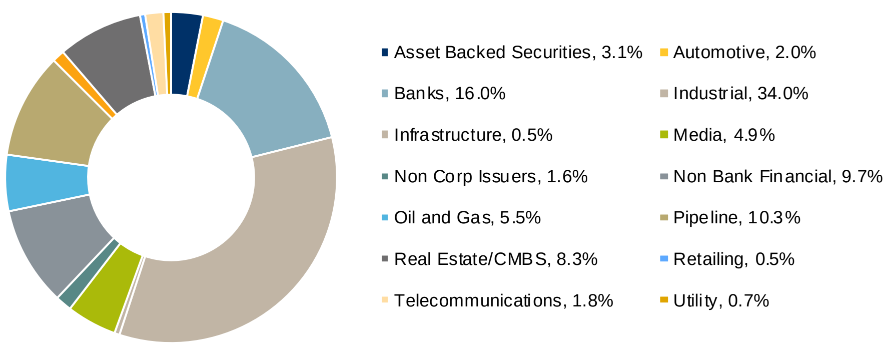
By Rating



By Maturity



By Industry Group



Effective Duration:	2.48 Years
Effective Yield:	3.34%
Average Term:	4.10 Years

Effective duration, effective yield, and average term have been calculated in BondLab, utilizing a proprietary option-adjusted model. Ratings are Bloomberg composites. Other metrics are available upon request

RBC Global Bond Fund

The RBC Global Bond Fund returned -0.12% in the fourth quarter and -2.51% over the past year, underperforming its benchmark over both periods.

Global fixed income markets experienced mixed performance in the fourth quarter. The quarter began with core government bond yields rising on market expectations of earlier-than-anticipated monetary policy tightening in the face of higher inflation expectations. This trend reversed in late November amid concerns surrounding the spread of the new Omicron variant of COVID-19, resulting in core government bond yields finishing the quarter relatively unchanged. U.S. 10-year Treasury yields finished the quarter marginally higher at 1.51%, up four basis points (bps).

Outside of government bond markets, investment grade credit markets were largely unchanged, as high quality corporate bonds held steady. However, emerging market (EM) bonds and high yield bonds fared worse, as they were hit by a number of market concerns – including the withdrawal of monetary policy support, Omicron, and the continued corporate debt crackdown by the Chinese government.

For the fund, the fourth quarter was challenging for performance on a relative basis, as bond market volatility affected several key positions. In developed market sovereign bonds, the fund's yield curve positioning detracted from performance, as the preference for shorter-dated sovereign bonds was negatively affected by rising yields in that segment of the yield curve. The bias toward sovereign issuers with elevated monetary tightening priced in (such as Australia, Canada, and Poland) was also negatively impacted, with bonds in these countries coming under pressure, as inflation concerns led investors to price in more aggressive future monetary policy. The fund's underweight position in U.S. short and medium maturity bonds helped to offset some of the detraction from other positions, as did overweight positioning in Chinese government bonds, which were positive contributors despite heavy volatility in Chinese corporate bond markets.

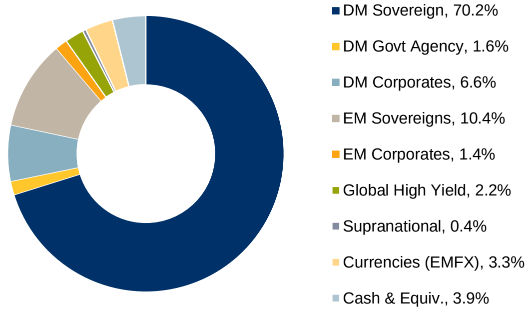
Outside of sovereign bonds, emerging market bonds suffered during the period from a number of country-specific events (particularly issues in China and Turkey), which also affected other EM issuers. The fund's positions in EM bonds detracted from performance as a result, although the widening of credit spreads has now increased the attractiveness of EM bonds, in our view. Corporate credit was stable during the quarter and helped to contribute to performance through the elevated level of income provided by these positions. The strategy is running limited currency positions at the moment and contribution to performance was minimal.

The fund's positioning remains relatively stable from the previous period. A key focus of the team has been to further position the strategy for a rising interest rate environment by building a bias toward short and long maturity bonds rather than medium maturities.

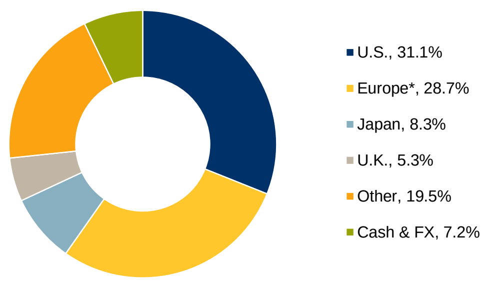
RBC Global Bond Fund
Portfolio Structure and Characteristics − as of December 31, 2021

As at December 31, 2021			
	Duration (Yrs)	Hedged Yield (%)	Avg. Rating
RBC Global Bond Fund	**8.47**	**1.62**	**AA**
Benchmark	*8.63*	*1.11*	*AA*

Asset Allocation Breakdown

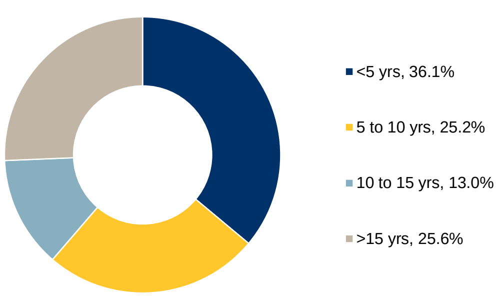


Regional Breakdown

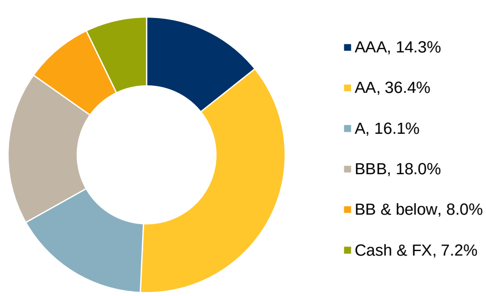


*Europe consists of European Monetary Union (EMU) members who qualify for consideration in the FTSE WGBI index

Maturity Breakdown



Credit Quality Breakdown



Totals may not add to 100% due to rounding

RBC Canadian Core Real Estate Fund

The RBC Canadian Core Real Estate Fund returned 3.27% in the fourth quarter and 10.12% over the past year, outperforming its benchmark over both periods.

In Q4 2021 the Fund completed the third phase of its portfolio acquisition program (“Tranche 3”) with BCI, acquiring an interest in 31 assets totalling over $700M in GAV, including an interest in 12 new assets (seven industrial, four residential and one small ancillary retail asset). In December the Fund also completed an acquisition of three industrial assets, in 50/50 partnership with BCI, from a third party.

Including the two residential assets jointly acquired with BCI in Q1 2021, the Fund added a total of 10 industrial and six residential assets to its portfolio in 2021. These transactions were sourced off-market by leveraging the unique relationship advantages with BCI to identify investment opportunities and avoid “auction structured” sale processes. This was a significant accomplishment given the highly competitive market for industrial and residential assets.

Some sector trends are described below:

Office: The emergence of the Omicron COVID-19 variant stalled the office sector’s recovery momentum that had been building through the second half of 2021. Prior to the arrival of the variant, Google mobility data suggested that workplace attendance was gradually increasing through 2021. The “hybrid schedule” was also becoming a focus of many companies. Also during the year, office touring and leasing activity had been building steadily and sublet levels were lower for the third consecutive quarter in Q4. Although there has been a predictable pause in leasing activity caused by the variant and year-end holidays, it is anticipated that the underlying positive trends will resume and businesses will again focus on their return to the office in Q1 2022.

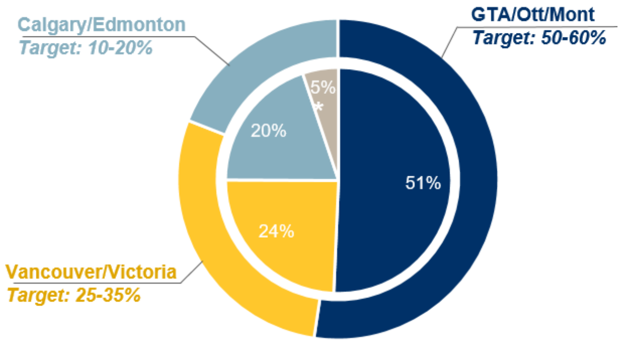
Retail: Notable retail traffic increases in Q4 were experienced in dedicated retail neighbourhoods (+62.8%), shopping centers (+60.5%) and big-box retailers (+40.4%) in comparison to Black Friday 2020 levels. However, the emergence of the Omicron variant and the reintroduction of capacity restrictions in many jurisdictions across the country will negatively impact retailers who had been benefitting from the recovery. These restrictions will likely persist into early 2022 forcing a temporary re-introduction of support programs.

Industrial: Given the industry’s increasingly constrained supply conditions, rising land and construction costs and high competition for existing space, rental rate growth has been significant. In turn, this has driven enhanced operating income performance and rising valuations. Industrial investors remained extremely active, with $4.4B of investment activity recorded in Q3. Leasing activity continues to outpace new supply, causing the national availability rate to fall to an all-time low.

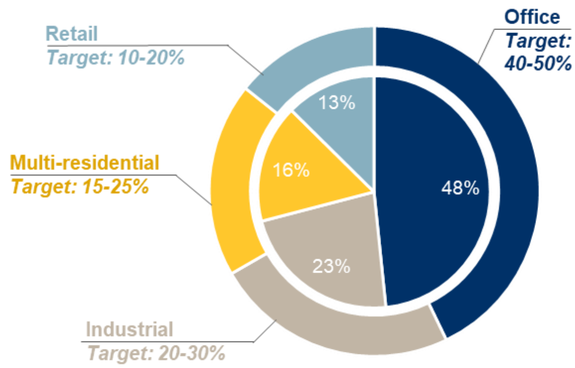
Multi-Residential: The residential rental market continued its recovery toward “pre-pandemic” operating performance levels as most major markets strengthened, supported by Canada’s high immigration levels and strong job market recovery. Given the favorable demand and supply conditions for the residential sector, long-term fundamentals remain very strong.

RBC Canadian Core Real Estate Fund – Portfolio Structure as at December 31, 2021

Geographic Breakdown[1]



Sector Breakdown[1]



* 'Other' = Hamilton, Kitchener, Cambridge, and Red Deer

Inner pie: Current allocations

Outer ring: Mid-term targets

[1]*Exposure as of December 31, 2021 based on September 30, 2021 QuadReal market valuations, inclusive of Tranche 3 and the new industrial acquisitions closed December 15, 2021. Portfolio characteristics are subject to change.*

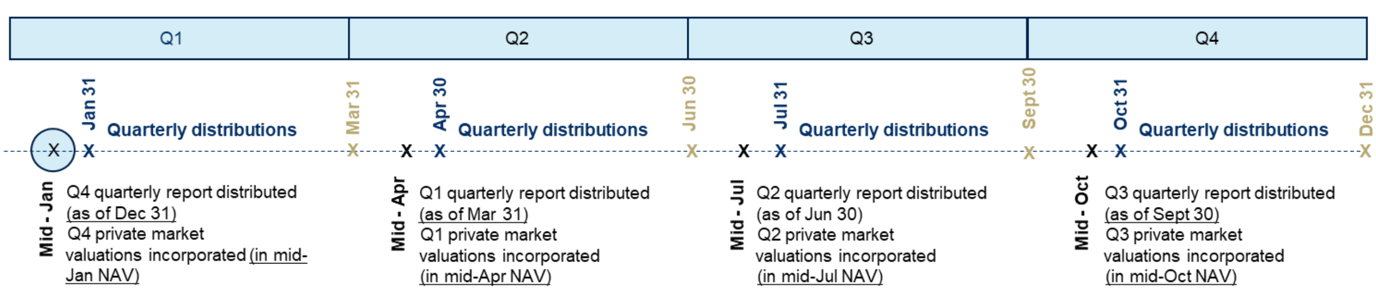
Portfolio Profile	
Gross Assets[2]	$3.65B
Net Assets[2]	$2.80B
Number of 50%-owned properties[3]	39
Number of 15%-owned properties	26
Loan-to-value at quarter-end[4]	23%

[2] As of December 31, 2021 based on September 30, 2021 QuadReal market valuations. Portfolio characteristics are subject to change.

3 Inclusive of three new industrial assets acquired on December 15, 2021.

4 As of December 31, 2021, calculated as outstanding principal of debt divided by total assets.

The timeline below illustrates the typical progression of notable Fund events:



PH&N Canadian Equity Underlying Fund

The fund posted a return of 6.5% in the fourth quarter, performing in line with the Canadian equity market. In 2021, the fund performed very well, posting a return of 27.3%, representing 2.2% in value add relative to the Canadian equity market.

Overall, 5/11 sectors contributed to relative outperformance this quarter, led by Utilities, Health Care and Financials, while Industrials and Materials detracted the most.

Stock selection within the Utilities sector added value this year and in the fourth quarter, favouring regulated utilities like **Emera** and **Fortis** – which are certainly part of the energy transition despite not having "renewable" in their name – over renewable energy stocks that soared in 2020 and corrected in 2021. This quarter, an overweight position in **Brookfield Infrastructure Corp**, which performed well due to organic growth driven by strong gas transportation volumes and improved commodity prices, also added to relative returns.

While our positioning in Financials detracted from returns overall during 2021, primarily due to two high-conviction names – **Manulife Financial** and **Element Fleet Management** – lagging, the sector was a top contributor to returns during the final quarter of the year, led by positioning within Canadian banks. We remain focused on **Royal Bank** and **CIBC**, as they offer the best organic loan growth trends and trade at reasonable valuations. Looking ahead, we expect a normalization of capital market activity, which will have the biggest impact on **BMO** and **National Bank** – our lowest-conviction names in the group, particularly National Bank, which we don't own. Positive themes for the banks heading into 2022 are higher interest rates, which will lead to net interest margin expansion, and capital deployment opportunities given strong capital positions.

Underperformance in the Industrials sector was led by positions in **SNC** and **CAE.** While **SNC** was a top contributor to returns this year, it corrected in the fourth quarter and contributed to the sector's underperformance. SNC's engineering and consulting design business performed well through both organic growth and support from fiscal stimulus and the U.S. infrastructure bill. Their short-term challenges reside with their construction business, which has been negatively impacted by inflation and supply chain delays. We believe that current share prices are discounting outsized losses, and we maintain our position. CAE offers simulation and training services to airlines, and as a result, its stock is highly sensitive to any COVID-related news. We believe the stock's fundamentals remain strong and that recent underperformance is due to sentiment.

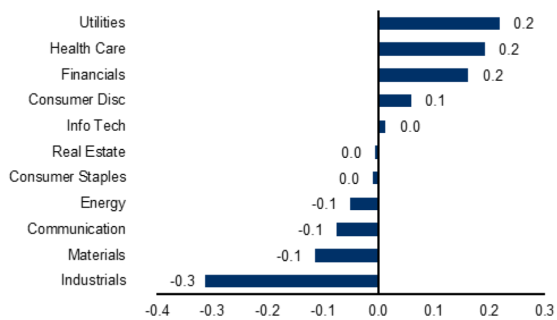
Looking ahead, we maintain an overweight position in Canadian banks and have conviction in Industrial holdings, such as the rail companies and SNC, where we see attractive return opportunities. We are constructive on rails right now because freight demand is strong and periods of high inflation have been traditionally positive for rail companies, as they have significant pricing power. Within the Energy sector, we remain focused on high-quality large-cap companies that boast low costs and strong balance sheets.

PH&N Canadian Equity Underlying Fund
Portfolio Attribution and Structure as of December 31, 2021

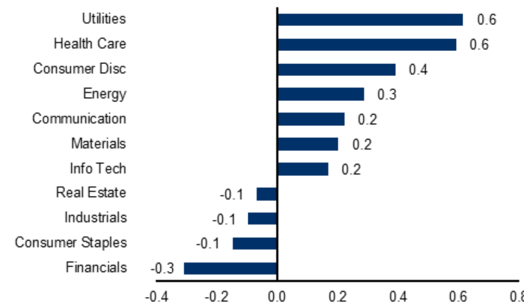
Fund Characteristics

	# of Holdings	Avg Market Cap (C$ billions)	Dividend Yield (%)
PH&N Canadian Equity Underlying Fund	**99**	**76.0**	**2.6**
S&P/TSX Capped Composite Index	*241*	*72.0*	*2.7*

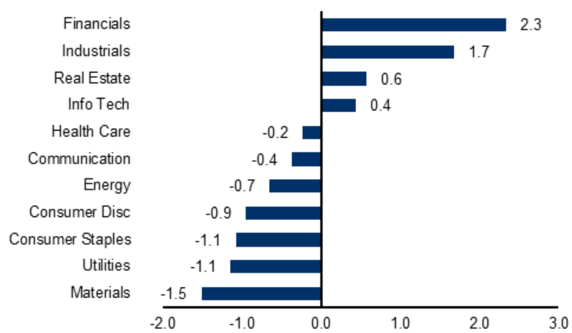
3 Month Attribution (%)



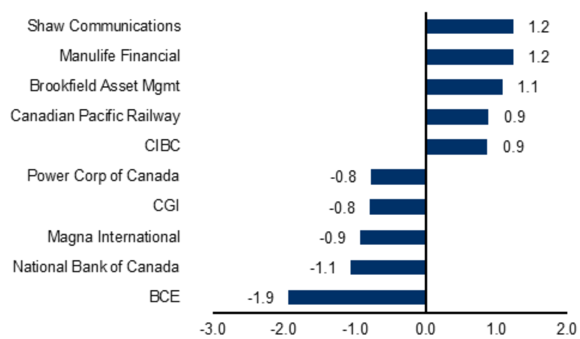
1 Year Attribution (%)



Sector Active Weights (%)



Largest Active Weights (%)



PH&N Canadian Equity Value Fund

The PH&N Canadian Equity Value Fund returned 8.00% in the fourth quarter and 32.04% over the past year, outperforming its benchmark over both periods.

In contrast to 2020, market returns this year were more balanced across sectors, creating a favourable environment for our diversified, value-oriented strategy as expected. In addition, we saw a number of valuation disparities in some of our key holdings improve materially, contributing to significant outperformance this year. We see scope for further gains in this environment, albeit at a slower pace, as the tailwinds of fiscal support and monetary stimulus are expected to decelerate.

Turning to the fourth quarter, positioning and stock selection in the Information Technology (IT), Industrials, and Health Care sectors contributed the most to outperformance. In IT, limited exposure to some of the worst performers (i.e., **Lightspeed**, **Nuvei**) helped our relative returns; we remain cautions on many companies in the sector given ambitious expectations embedded in current prices. Similarly, not owning cannabis stocks, which continued to significantly underperform the market, contributed to outperformance in the Health Care sector. Our long-standing positon in **ATS Automation** was the biggest contributor to outperformance in the Industrials sector, as the company reported strong financial results and continued to successfully execute on its acquisition strategy.

Significant recovery in corporate earnings, particularly in the more economically sensitive sectors, was the main driver of strong market returns this year. We expect earnings growth to remain key to further gains and continue to position the portfolio in companies that we believe can do well in the current environment while taking advantage of unique opportunities that we believe will pay off over the long term.

For example, in the Financials sector we participated in the initial public offering of personal auto and home insurance company **Definity Financial**. We have been involved with the business for some time and believe it can become a winner for the portfolio once it can take full advantage of operational and balance sheet leverage opportunities. Elsewhere in the sector, we continue to favour **Brookfield Asset Management** and **Onex** – both trade at reasonable valuations while capturing demand for alternative investments. **Power Corporation** is another key holding in the sector with solid opportunities for value creation, although we trimmed this holding as the discount to NAV narrowed over the quarter.

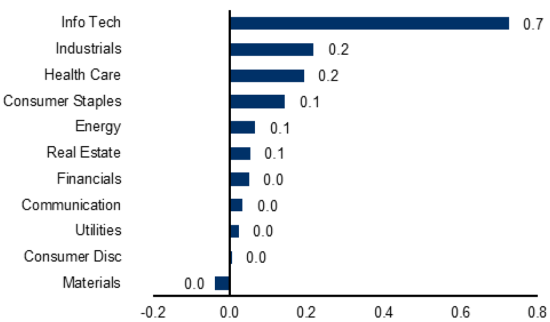
In Utilities, we reduced our position in **Fortis,** where we see limited upside at current valuations, and used the proceeds to increase the size of our position in **TC Energy**. Investors were underwhelmed by the company's recently announced capital allocation plans, but we see room for upside as the company seeks to deliver on its growth and debt reduction objectives.

Within the commodities group our gold positions shifted as we reallocated capital to the reasonably priced **Barrick** and away from **Kinross** and **Alamos**, on the back of operational concerns. We also reduced our **Nutrien** position – although the business continues to trade at a reasonable multiple, we see downside risk as a maturing commodity cycle is likely to put pressure on peak earnings the company is enjoying today.

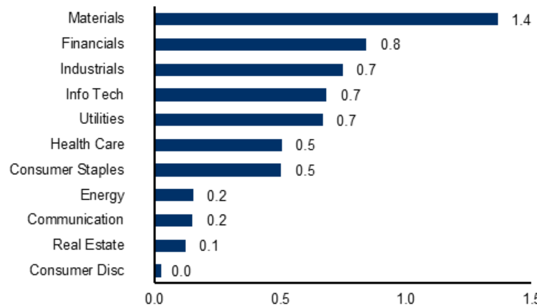
PH&N Canadian Equity Value Fund
Portfolio Attribution and Structure as of December 31, 2021

Fund Characteristics	# of Holdings	Avg Market Cap (C$ billions)	Dividend Yield (%)
PH&N Canadian Equity Value Fund	**85**	**65.7**	**2.8**
S&P/TSX Capped Composite Index	*241*	*72.0*	*2.7*

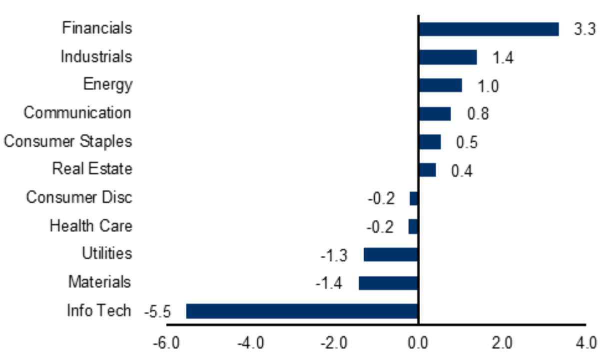
3 Month Attribution (%)



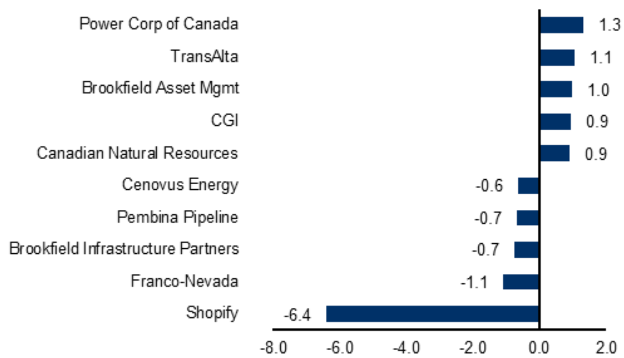
1 Year Attribution (%)



Sector Active Weights (%)



Largest Active Weights (%)



PH&N Small Float Fund

The PH&N Small Float Fund returned 2.18% in the fourth quarter and 19.40% over the past year, underperforming its benchmark over both periods.

The PH&N Small Float Fund focuses on investing in high-quality, well-managed small-cap companies with above-average growth prospects. These industry leaders tend to perform well in most stock market environments.

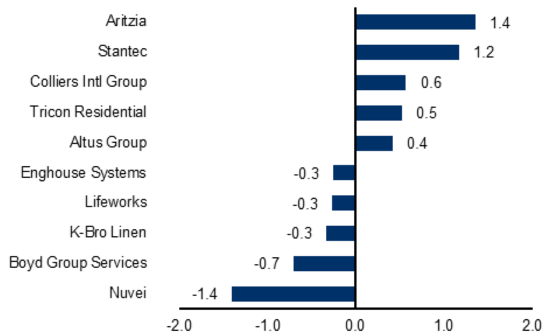
The fund underperformed its benchmark in the fourth quarter, though it maintains a strong, long-term track record of outperformance. **Aritzia** appreciated meaningfully in the quarter on the back of better-than-expected earnings driven by strong sales trends in U.S. boutiques and continued ecommerce growth, which were supported by well-managed supply chain challenges. An overweight position in industrials holding **Stantec** was a top contributor to value add, as the stock benefited from an improved outlook for global infrastructure spending, continued strong execution on cost containment, as well as the strategically attractive acquisition of Cardno, which cements its position as a leading U.S. engineering firm. We participated in the IPO for small-cap holding **Definity**, Canada's first property and casualty insurance to demutualize. Our analysis led us to believe there was significant upside driven by strong premium growth and ROE improvements being undertaken by management. The IPO was well subscribed and follow-on demand has caused the stock to appreciate meaningfully.

Nuvei was down significantly in the quarter after it was the target of a short report. We have reviewed the report and find many of the claims to be unsubstantiated and/or inaccurate. We believe that if Nuvei can execute its growth plans, the overhang from the short report will subside and the stock will recover. **Boyd Group** was weak in the quarter, as margins faced pressure from labour availability issues and supply chain tightness caused by the pandemic. Price increases and supply chain improvements over time should allow the company to rebuild margins. In our view, Boyd's ongoing consolidation of the U.S. collision repair industry will create significant shareholder value over time. **Badger Infrastructure Solutions** was down in the quarter due to continued margin weakness caused by the company prematurely reactivating its workforce in anticipation of demand that didn't flow through and headwinds from U.S. labour inflation. Better demand planning and the trend toward safer excavation via hydrovac should drive a recovery in Badger's margins over time. **Kinaxis** was down modestly in the quarter in line with the technology sector, which sold off amid fears of rising interest rates. While sector multiples might be under pressure, we think Kinaxis' value proposition of helping customers manage supply chain challenges is particularly relevant today and creates strong prospects for continued growth in the future.

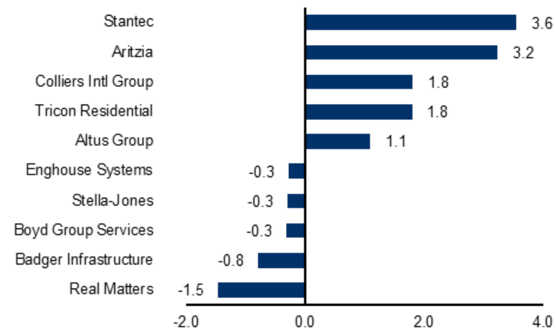
PH&N Small Float Fund
Portfolio Attribution and Structure as of December 31, 2021

Fund Characteristics	# of Holdings	Avg Market Cap (C$ billions)	Dividend Yield (%)
PH&N Small Float Fund	**34**	**4.2**	**1.2**
S&P/TSX Capped Composite Index	*241*	*72.0*	*2.7*

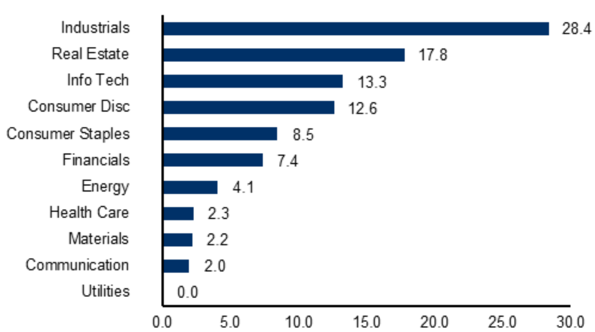
3 Month Attribution (%)



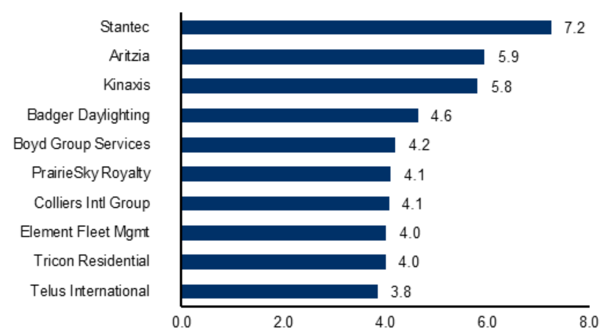
1 Year Attribution (%)



Sector Weights (%)



Top 10 Holdings (%)



RBC Global Equity Focus Fund

The RBC Global Equity Focus Fund returned 7.11% in the fourth quarter and 18.46% over the past year, underperforming its benchmark over both periods.

The fund delivered strong returns over the quarter, but fell short of the benchmark. In terms of sectors, Consumer Discretionary and Energy detracted the most from relative returns, while Health Care and Communications Services were the top contributors.

In Consumer Discretionary, **Inditex** – the world's largest clothing retailer, best known for its Zara stores – saw sales surpass pre-pandemic levels over the quarter, and generate record revenues and profits. Nevertheless, Inditex was among the largest detractors from performance, as its share price fell in response to fears that the Omicron variant would disrupt in-store shopping and cause increased supply chain challenges.

Not owning any traditional energy stocks was a key detractor this quarter. Our positioning in the Energy sector consists of one position, Finnish renewable energy company **Neste**. Neste is the world's largest producer of renewable diesel and sustainable aviation fuel refined from waste, and empowers businesses and cities to achieve their climate change targets. In 2020, Neste was among the leading contributors to performance, however, its share price has been under pressure more recently due to concerns over lower margins, rising feedstock costs, increasing competition, and investor capital flowing into traditional energy stocks, which have seen higher oil prices translate into higher cash flows. Despite the short-term set back in performance, the long-term outlook for Neste remains strong. Neste's first-mover advantage, wide feedstock base, and refining operational and technology advantages put the business in a strong position to take advantage of growing demand for sustainable fuel solutions, as both governments and companies around the world aim to reduce emissions.

Ongoing COVID challenges, including lockdowns and travel restrictions, slowed the pace of growth for Hong Kong-based life insurer **AIA Group**, which negatively impacted its share price. Asian equities more broadly have suffered disproportionally relative to their Western peers as a result of COVID and Chinese government crackdowns. However, the uncertainties caused by the pandemic have highlighted the importance of being prepared for unexpected health or financial events. Coupled with rising income levels, low levels of insurance penetration, and limited social welfare in many Asian regions, we believe AIA Group is poised to continue to benefit from structural growth for its services.

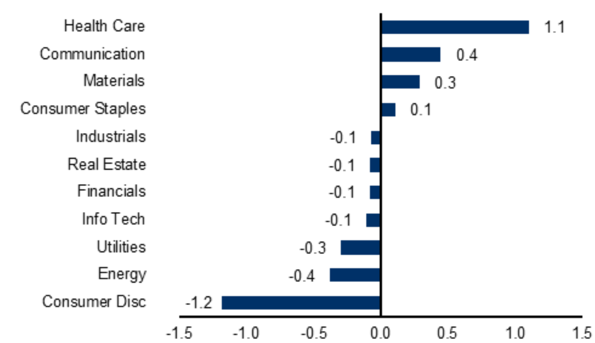
In Health Care, our position in the largest U.S. health insurer **UnitedHealth Group** was key contributor to returns. UnitedHealth Group's shares rose to an all-time high in December as the COVID headwind is expected to unwind in 2022 and virtually all segments are tracking well on growth and margins. Among UnitedHealth Group's key competitive advantages are its two distinct and complementary businesses – Optum and UnitedHealthcare. The combined platforms create a health care ecosystem with unmatched scale, data, and technological advantages that is positioned to benefit from strong growth as a result of better client care and outcomes, cost advantages, and reduced coverage complexity.

RBC Global Equity Focus Fund
Portfolio Attribution and Structure as of December 31, 2021

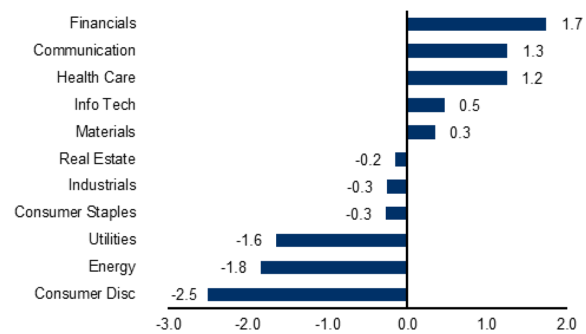
Fund Characteristics

	# of Holdings	Avg Market Cap (C$ billions)	Dividend Yield (%)
RBC Global Equity Focus Fund	**37**	**582.2**	**1.3**
MSCI World Net Index C$	*1546*	*585.4*	*1.8*

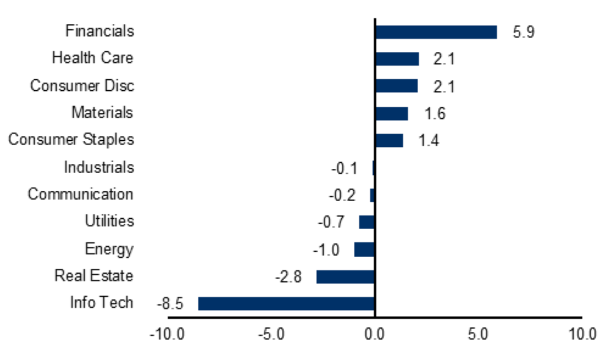
3 Month Attribution (%)



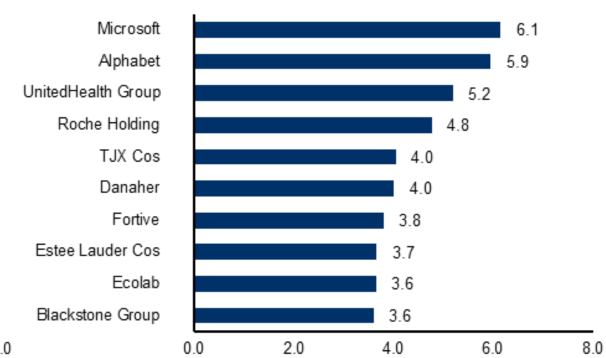
1 Year Attribution (%)



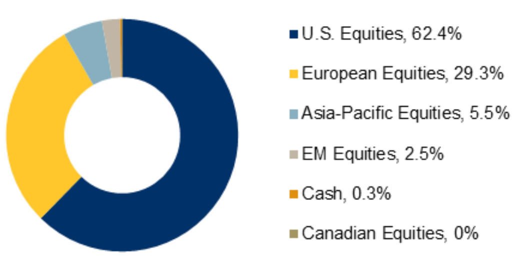
Sector Active Weights (%)



Top 10 Holdings (%)



Regional Breakdown (%)



RBC QUBE Global Equity Fund

The RBC QUBE Global Equity Fund returned 9.33% in the fourth quarter and 23.97% over the past year, outperforming its benchmark over both periods.

This quarter, all three of our quantitative model's components (security, sector, and country selection) performed strongly, and the fund outperformed its benchmark.

Of note, a broad range of factors within our security selection model drove the fund's strong relative returns, with two of our more heavily weighted factors – Profitability and Quality – performing especially well. The market will typically fluctuate between focusing on the effects of macro themes and on company fundamentals; the latter has dominated since March of 2021, and this has been beneficial for the fund's factor performance.

Value has generally performed well since the announcement of successful vaccine results in November 2020, as this event provided investors with hope for impending economic normalization. However, Value's trajectory hasn't been a straight ascent, nor has its recovery been as pronounced as those experienced in prior Value reversals. During the quarter, Value made a modest positive contribution to returns, but we're optimistic that better times lie ahead given the magnitude of the factor's underperformance in recent years.

In terms of sector attribution, our overweight allocation to the Information Technology sector contributed the most to relative performance, while our underweight allocation to the Consumer Discretionary sector was the largest detractor.

At an individual stock level, our overweight positions in wireless technology corporation **Qualcomm** and multi-national pharmaceutical and biotechnology provider **Pfizer** contributed the most to relative performance, while an underweight position in technology company **Nvidia** and an overweight position in Japanese residential real estate developer **Iida Group Holdings** were the largest detractors.

In terms of trading and positioning, we initiated a position in **McDonald's** following an improvement in the stock's Analyst and Technical (momentum) scores. The stock has performed well over the course of the last year, supported by higher-than-anticipated sales from their delivery segment, accelerated free cash flow generation, and improved return on invested capital. Additionally, we added an overweight position in aerospace and defence company **General Dynamics** based on improvements across a broad range of factors in our model. General Dynamics has demonstrated solid performance and resilience throughout the pandemic and re-opening periods, and has shown over time to be a dominant industry player.

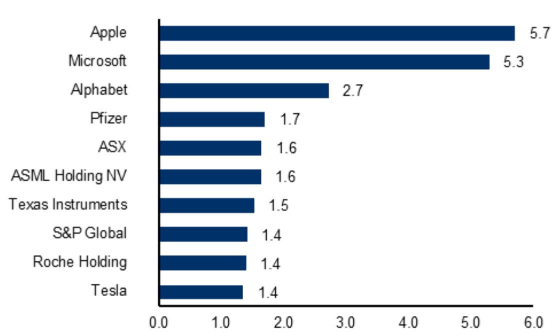
RBC QUBE Global Equity Fund
Portfolio Attribution and Structure as of December 31, 2021

Fund Characteristics	# of Holdings	Avg Market Cap (C$ billions)	Dividend Yield (%)
RBC QUBE Global Equity Fund	**230**	**618.3**	**2.2**
MSCI World Net Index C$	*1546*	*585.4*	*1.8*

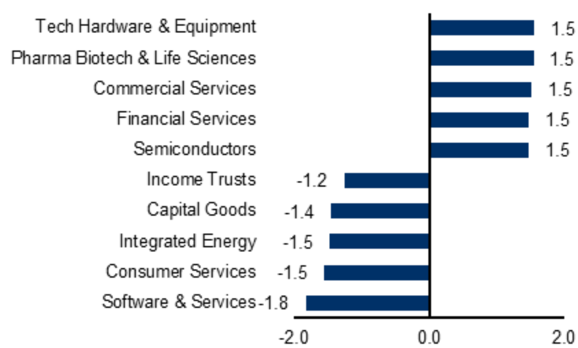
Factor Performance	3 Mo	1 Yr
Security selection model	↑↑	↑↑↑
Profitability	↑	↑↑↑
Quality	↑	↑↑
Analyst	↑	↑↑
Value	-	↑
Technical	-	-
Growth	-	-
Sentiment	-	-
Sector selection model	↑	↑
Country selection model	↑	↑

Illustrative Portfolio Metrics	Fund	Benchmark
Forward Return on Equity (Profitability)	**38.3%**	*27.9%*
Forward P/E (Value)	**16.7x**	*20.3x*
Goodwill Growth (Quality)	**0.4%**	*2.0%*
Free Cash Flow Growth (Growth)	**23.5%**	*10.0%*

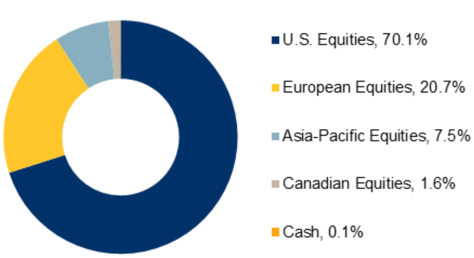
Top 10 Holdings (%)



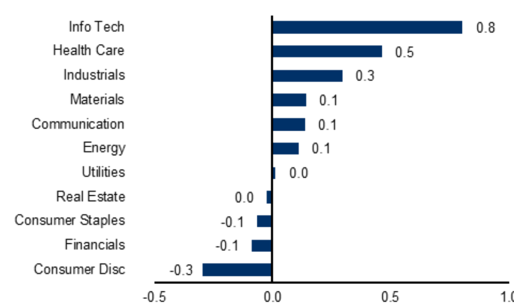
Largest iGICS Sector Active Weights (%)



Regional Breakdown (%)



3 Month Attribution (%)



RBC Emerging Markets Equity Fund

The RBC Emerging Markets Equity Fund returned 0.30% in the fourth quarter and -4.83% over the past year, outperforming its benchmark over the quarter but underperforming over the one-year period.

Emerging market (EM) equities declined in the fourth quarter, as concerns over the Omicron variant and weakness in index-heavyweight China put downward pressure on the market. Against this backdrop, the fund delivered a modest absolute return in Q4 and finished 2% ahead of its benchmark.

At the sector level, both top-down positioning and stock selection contributed to relative returns over the quarter. Stock selection was especially strong in Information Technology and Health Care, however this was partly offset by weaker selection in Financials. The impact of top-down allocation was positive across most sectors.

At the country level, stock selection was the primary driver of the Fund's outperformance, while country allocation also generated positive relative returns. The fund benefitted from particularly strong stock selection in China and South Korea, and its underweight to China and lack of exposure to Russia also added to performance. On the other side of the ledger, being overweight Chile detracted.

The fund's positioning in Information Technology drove relative performance this quarter. South Korean memory chip maker **SK Hynix** was the top contributor to returns, with shares in the company gaining nearly 30%. Memory stocks as a whole performed strongly on the back of an improving pricing environment and strong demand outlook. The company also benefitted from COVID-related supply disruptions amongst its key competitors, and got an additional boost after it received approval from China for the acquisition of Intel's NAND business.

Taiwanese semiconductor maker **Media Tek** was also a significant contributor to relative performance. Semiconductor producers strengthened over the quarter, as renewed COVID-19 restrictions are expected to keep demand for consumer electronics robust. Strong earnings expectations provided additional support, and investors expressed confidence in MediaTek's recent launch in the premium 5G processor segment, which is expected to create new opportunities.

Turning to detractors from relative performance, chief among these was Chinese insurer **AIA**. Chinese insurers have underperformed in recent months due to COVID-related disruptions putting pressure on sales, as well as concerns that potential new capital requirements could have a negative effect on demand for long-term protection products. Despite these concerns, we believe AIA will be relatively less affected by China, as its subsidiary in the country accounts for less than 20% of group enterprise value.

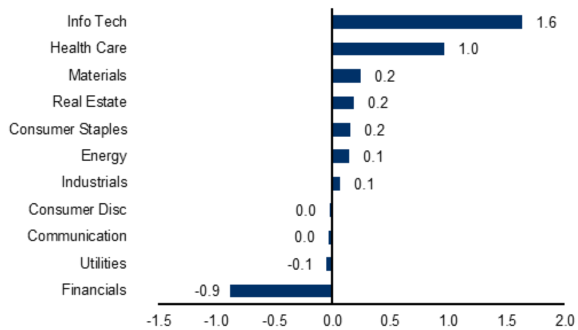
Shares of Mexican consumer conglomerate **FEMSA** were also volatile over the quarter, and ultimately weighed on performance. After a weak start, the share price rebounded in December on the back of positive sales trends driven by the company's drug retail and Oxxo convenience store segments.

RBC Emerging Markets Equity Fund
Portfolio Attribution and Structure as of December 31, 2021

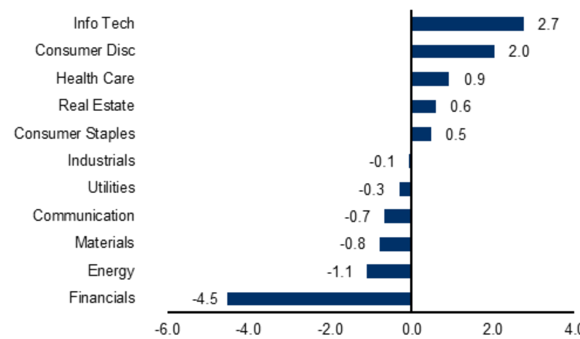
Fund Characteristics

	# of Holdings	Avg Market Cap (C$ billions)	Dividend Yield (%)
RBC Emerging Markets Equity Fund	**48**	**158.4**	**2.4**
MSCI Emerging Markets Net Index C$	*1420*	*171.9*	*3.1*

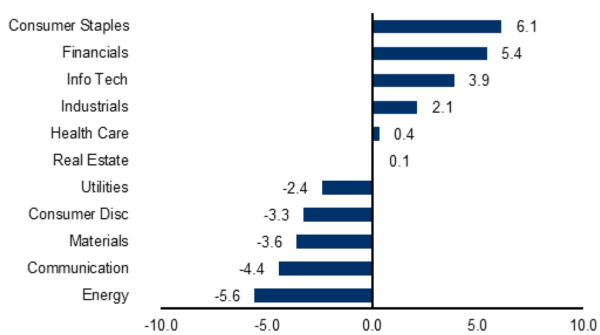
3 Month Attribution (%)



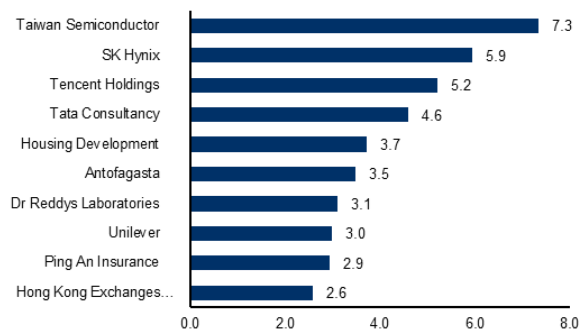
1 Year Attribution (%)



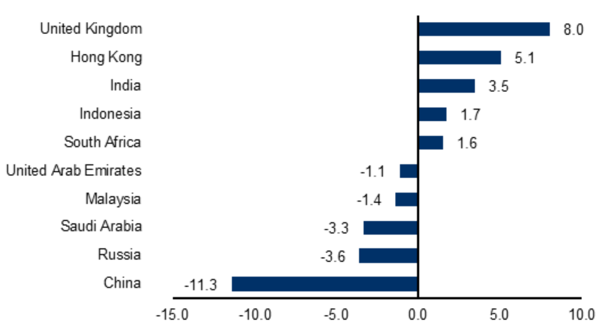
Sector Active Weights (%)



Top 10 Holdings (%)



Top Five/Bottom Five Country Active Weights (%)



* UK exposure includes the fund's position in Unilever and two EM companies that list on the LSE (Antofagasta and Mondi)