

Strategy Profile

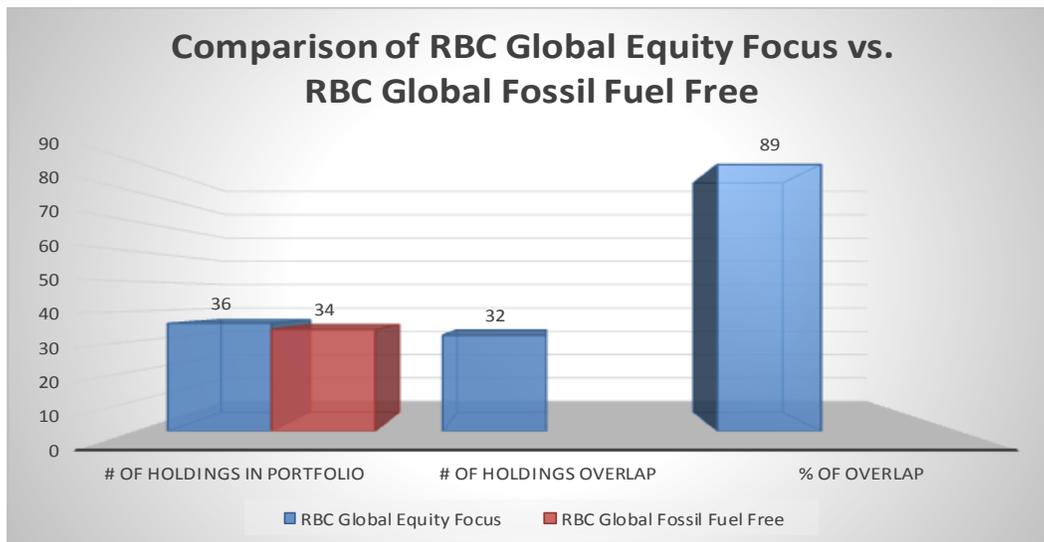
	RBC Fossil Fuel Free Global Equity
Investment Objective	<ul style="list-style-type: none"> Seek to provide long term capital growth, while explicitly restricting exposure to fossil fuels. Companies that are directly involved in extracting, processing or transporting coal, oil or natural gas and companies included in “The Carbon Underground 200” are excluded from the strategy.
Benchmark	<ul style="list-style-type: none"> MSCI All Country World Total Return Net Index (CAD)
Inception Date & Vehicle	<ul style="list-style-type: none"> November 30, 2016 (offered via Canadian OM pooled fund).
Strategy Assets & Clients	<ul style="list-style-type: none"> \$82.5 million as of December 31, 2016. 1 client currently invested in the strategy.
Investment Team	<ul style="list-style-type: none"> The strategy is managed by the RBC GAM Global Equity Team, led by Habib Subjally; which is comprised of seven industry specialists and three portfolio construction experts. There have been no personnel changes to the team within the last three years.
Underlying Investment Philosophy	<ul style="list-style-type: none"> The RBC GAM Global Equity Team’s investment model is consistent across all the strategies they manage. The approach is characterized by, i) long-term investment horizon, ii) fundamental approach - believe that the worth of a business is ultimately determined by the cash flows it generates, iii) an ownership mentality – believe that purchasing an equity investment means assuming the ownership duty of responsible engagement, and iv) alignment of interests – personal success is a function of clients’ investment success.
Investment Style	<ul style="list-style-type: none"> Concentrated core equity strategy with a growth at a reasonable price tilt.
Investment Guidelines & Constraints	<ul style="list-style-type: none"> Individual position size: 7.5% maximum; Sector diversification: invested in a minimum of 6 sectors; Sector exposure: +/-10% relative to the index; Regional exposure: all regions (North America, Europe, Asia): +/-15% relative to the index / emerging markets: up to 20% of the portfolio; ETFs: Ability to invest up to 10%; Country exposure: U.S.: +/- 15% / +/-10% all other countries, relative to index; Market capitalization: primarily invested in mid-large cap; up to 20% may be invested in small cap stocks; No companies that are directly involved in extracting or transporting coal, oil or natural gas or those included in “The Carbon Underground 200”.
Number of holdings	<ul style="list-style-type: none"> Expected to hold between 30-70 securities. The portfolio held 34 securities as of December 31, 2016.
Estimated Capacity	<ul style="list-style-type: none"> With regard to the global, EAFE and ACWI strategies managed by the firm’s global equity team, a soft close would likely be initiated when the combined total of all strategies reaches approximately US\$10 billion, with a hard close anticipated at approximately US\$10-15 billion. The RBC Global Equity Team currently manages approximately US\$6.8 billion on behalf of institutional and individual clients.

RBC Fossil Fuel Free Global Equity	
Compliant with Federal Pension Benefits Standard Act	<ul style="list-style-type: none"> The strategy does not currently claim compliance with Federal Pension Benefits Standard Act. However, PH&N has stated that the firm can ensure compliance in the future. The lack of current compliance reflects that the firm does not monitor this strategy at this time as it is not owned by pension clients.

Notable Points of Interest

Similarity to RBC Global Focus

- There is a high degree of holdings overlap between the RBC Global Equity Focus and RBC Fossil Fuel Free Global Equity.
- The RBC Global Equity Focus and RBC Fossil Fuel Free Global Equity held 36 and 34 securities (excluding cash), respectively. Of which, 32 securities were common between the two portfolios, representing an 89% overlap.



* As of December 31, 2016

- In converting the portfolio from the core Global Equity Focus strategy to Fossil Fuel Free, the investment team removes the fossil-fuel associated stocks and will add additional stocks from its research list to balance out the risk exposures. See the chart below for an example of the removals and additions.

A1	A2	B1	B2	C1
92.0% of portfolio	7.5% of portfolio	1.9% of portfolio	0% of the portfolio	1.3% of portfolio
3.3% average position	1.9% average position	1.9% average position	0% average position	1.3% average position
Intercontl Hotels	Occidental-Pete → X	Kubota		Citigroup
Paddy Power Betfair	Gore Laboratories → X	Sempra Energy → X		
Naspers	Aia Group			
Tjx Companies	Smc			
Amazon Com	MarketAxess			
Pernod-Ricard	Ecolab ✓			
Anheuser-Busch	American Water Works ✓			
Estee Lauder				
Eog Resources → X				
First Republic Bank				
Hdfc Bank				
Blackstone				
St James Place				
Unitedhealth				
Amgen				
Novo-Nordisk				
Roche Hldgs				
Fortive				
Danaher				
Safran				
Deutsche Post				
Intuit				
Alphabet				
Gartner				
Cognizant Tech Solns				
Asml Holding				
Taiwan Semiconductor				
Intl Flavors & Fragr				
SVB Financials Group				
Activision Blizzard				

Limited Performance Track Record

- The RBC Fossil Fuel Free Global Equity was launched on November 30, 2016, hence having a limited performance track record at this time.
- However, given the high degree of overlap between the strategy and the RBC Global Equity Focus, performance of the RBC Global Equity Focus was used to provide a proxy of what performance could look like going forward. RBC Global Equity Focus has generated a successful track record since its inception in Canada in 2014.

Performance Comparison As of December 31, 2016	Three Months %	Year-to- Date %	One Year %	Two Years %	Since Inception* %
RBC Global Equity Focus Fund	0.33	1.03	1.03	12.31	14.30
MSCI World Net Index C\$**	<u>3.93</u>	<u>3.79</u>	<u>3.79</u>	<u>11.08</u>	<u>11.62</u>
Difference	-3.60	-2.76	-2.76	+1.23	+2.68

Series O returns. Total returns are gross-of-fee and reported in Canadian dollars.

* Inception date: April 28, 2014

** PH&N-calculated

- The team responsible for managing Global Equity Focus has a 10-year track record managing global equities (team was First State prior to RBC acquisition in 2014). A performance composite which includes Global Equity Focus and other similar concentrated global equity strategies, has been included below.

GIPS® Compliant Presentation, as at December 31, 2016
RBC GAM Global Equity - Concentrated

Inception Date: September 1, 2006
 Benchmark: MSCI World Total Return Net Index (CAD)
 Currency: CAD

Annual Returns

Year End	Composite Gross Return (%)	Benchmark Return (%)	Composite 3-Yr St Dev (%)	Benchmark 3-Yr St Dev (%)	Number of Portfolios	Internal Dispersion (%)	Composite Assets (millions)	Firm Assets (millions)
2007	1.23	-7.53	n/a	n/a	1	-	79.4	206,513.0
2008	-26.88	-25.84	n/a	n/a	2	-	101.3	199,558.2
2009	11.34	10.39	14.05	14.34	2	0.08	115.0	239,783.0
2010	3.86	5.93	15.64	15.64	2	0.11	101.2	251,728.7
2011	-0.92	-3.20	12.65	12.73	3	0.07	625.2	249,436.3
2012	12.38	13.26	10.92	9.67	3	0.30	605.1	277,516.2
2013	38.69	35.18	9.45	8.64	2	0.12	118.4	314,414.4
2014	17.07	14.39	7.64	6.67	3	-	1,167.2	350,938.5
2015	24.80	18.89	10.21	8.88	4	0.37	1,938.9	383,256.3
2016	0.98	3.79	11.94	10.09	4	0.21	2,418.9	388,749.0

Annualized Returns (%)

Composite and/or Benchmark	QTD	YTD	1 Year	3 Year	5 Year	7 Year	10 Year
Composite - Gross of Fees	0.50	0.98	0.98	13.84	18.12	13.09	6.91
Benchmark	3.93	3.79	3.79	12.18	16.66	12.04	5.31

The GIPS® Compliant Presentation is incomplete without the full disclosures, continued on the next page
 n/a = not applicable
 St Dev = Standard Deviation

Portfolio Exposure – Energy

- Potential clients should be made aware that the portfolio will have no exposure to the Energy sector, which has historically represented anywhere between 7-12% of the MSCI All Country World Index. As shown below, the MSCI All Country World Index ex Fossil Fuels has outperformed the broad market over the recent period (i.e. last 5 years), but this is partly attributed to Energy underperforming since 2013.
- When looking over the longer term, Energy, while volatile has the ability to provide a return enhancement. Therefore, potential clients should be educated and understand that by investing in the RBC Fossil Fuel Free Global Equity, that performance could potentially be limited on the upside when market conditions are favorable to the Energy sector.

Investment Growth

Time Period: 01/12/2010 to 31/01/2017



— MSCI ACWI NR USD

— MSCI ACWI ex Fossil Fuels NR USD

— MSCI ACWI/Energy NR USD

Investment Growth

Time Period: 02/01/2001 to 31/01/2017



— MSCI ACWI NR USD

— MSCI ACWI/Energy NR USD

Risk

Time Period: 01/12/2010 to 31/01/2017

	Return	Std Dev
MSCI ACWI NR USD	7.90	12.85
MSCI ACWI ex Fossil Fuels NR USD	8.78	12.58
MSCI ACWI/Energy NR USD	0.71	19.37

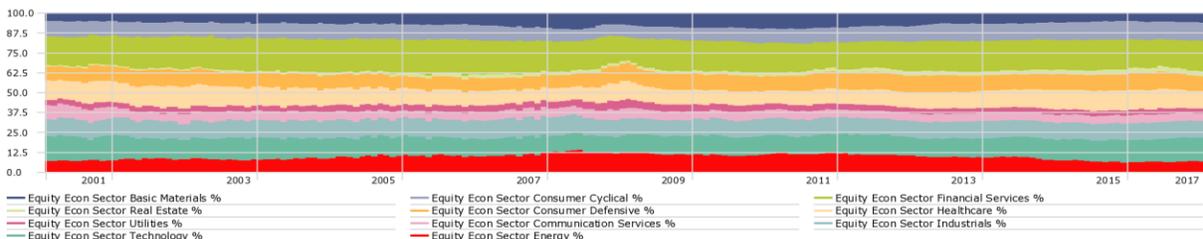
Risk

Time Period: 01/02/2001 to 31/01/2017

	Return	Std Dev
MSCI ACWI NR USD	4.39	15.90
MSCI ACWI/Energy NR USD	5.88	20.61

MSCI ACWI NR USD - Equity Sectors (Morningstar)

Time Period: 01/02/2001 to 31/01/2017



Source: Morningstar Direct

Investor Concentration Risk

- At this time, there is one third party institutional client invested in the RBC Global Fossil Fuel Free Global Equity strategy, representing \$82.5 million in assets under management. There is no seed capital in the portfolio currently, but the firm would commit to putting in seed capital in the event that the client exited the strategy.

Portfolio Exposures – Carbon Intensity

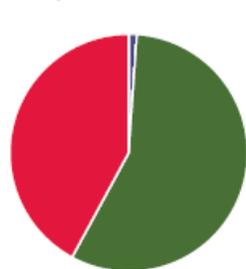
- Many investors in Fossil Free and Carbon Light strategies look at a metric called “Carbon Intensity” to gauge how much exposure the portfolios have to carbon emissions. RBC GAM measures the carbon footprint (emissions) of both the RBC Global Equity Focus and RBC Global Fossil Fuel Free using data from Bloomberg/MSCI and compared them with the broad MSCI World.
- The RBC Global Equity Focus has 36% less intensity than the MSCI World, mostly driven by the fact that the portfolio tends not to own as many heavy industrials, coal fired power generators and limited exposure to the Energy sector. Whereas the RBC Global Fossil Fuel Free has 52% less intensity than the MSCI World, due to the additional exclusion of energy producers.

Strategy	Carbon Intensity (tonnes/\$1M USD in sales)	Carbon Intensity (as a % of MSCI World)
MSCI World Index	162.5	100.0%
MSCI World Low Carbon Leaders Index	96.4	59.3%
MSCI Low Carbon Target Index	74.8	46.0%
RBC Global Equity Fund	104.2	64.1%
RBC Global Fossil Fuel Free Equity Fund	78.5	48.3%

Current Portfolio Allocations

Portfolio Analysis as of 03-31-2017

Composition



	% Assets
● Cash	1.1
● Fixed Income	0.0
● Canadian Equity	0.0
● US Equity	56.8
● International Equity	42.1
● Other	0.0

Equity Style

Equity Style	Large	Mid	Small
Value			
Blend			
Growth			

Value Blend Growth

Market Cap

Market Cap	%
Large	79.6
Medium	20.4
Small	0.0

Top 10 Holdings

Top 10 Holdings	% Assets
Fortive Corp	4.2
Roche Holding AG Dividend Right Cert.	4.2
HDFC Bank Ltd ADR	4.1
UnitedHealth Group Inc	4.0
Danaher Corp	3.9
The Estee Lauder Companies Inc Class A	3.8
Taiwan Semiconductor Manufacturing ADR	3.8
First Republic Bank	3.8
Alphabet Inc A	3.7
Intuit Inc	3.6
Total Number of Portfolio Holdings	33
Total Number of Underlying Holdings	33
Total Number of Stock Holdings	32
Total Number of Bond Holdings	0

Global Equity Sectors

Global Equity Sectors	% Equity	% Bmark
Energy	—	6.6
Materials	2.6	5.3
Industrials	12.2	10.7
Consumer Discretionary	16.1	12.1
Consumer Staples	10.7	9.5
Health Care	14.2	11.1
Financials	22.0	18.4
Information Technology	20.5	16.4
Telecommunication Services	—	3.4
Utilities	1.7	3.2
Real Estate	—	3.1
Unclassified	0.0	0.0

Top 5 Countries (Equity)

Top 5 Countries (Equity)	% Equity
United States	57.4
United Kingdom	8.1
Japan	4.5
Switzerland	4.3
India	4.2