

RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund



Commentary as at December 31, 2023

The Fund's exposure to Constellation Software, Thomson-Reuters and Stantec had the most positive impact on relative returns, while exposure to Shopify, Canadian Natural Resources and Brookfield was negative for performance.

The sectors that had the most positive impact on the Fund's relative returns were Industrials, Materials and Energy, while exposure to Information Technology, Consumer Staples and Communication Services had a negative impact.

The Fund had overweight positions in National Bank of Canada, Hydro One and Stantec and underweight positions in Toronto-Dominion Bank, Shopify and Enbridge.

At the sector level, the Fund had overweight exposure to Consumer Staples, Communication Services and Real Estate and underweight exposure to Energy, Financials and Materials.

During 2023, one issuer was deemed ineligible by Sustainalytics and subsequently removed from the Fund for failing to meet the Fund's ESG exclusion criteria. In this instance, Fortis Inc. was divested from the Fund because Sustainalytics' most recent research assessment identified fossil fuel related revenues above the ESG exclusion criteria revenue thresholds. Specifically, Sustainalytics determined the issuer derived revenues from the exploration, production, refining, transportation and/or storage of oil and natural gas. No other material investment decision was made based on the ESG exclusion criteria during 2023. In the opinion of Sustainalytics and RBC GAM, all other holdings in the Fund were eligible at the time of review.

This has been provided by RBC Global Asset Management Inc. (RBC GAM) and is for informational purposes, as of the date noted only. Discussion of any securities in this report is not a recommendation to buy or sell any specific security, and is subject to change. It is not intended to provide legal, accounting, tax, investment, financial or other advice and such information should not be relied upon for providing such advice. RBC GAM takes reasonable steps to provide up-to-date, accurate and reliable information, and believes the information to be so when provided. Past performance is no guarantee of future results. Interest rates, market conditions, tax rulings and other investment factors are subject to rapid change which may materially impact analysis that is included in this document. You should consult with your advisor before taking any action based upon the information contained in this document. All opinions constitute our judgment as of the dates indicated, are subject to change without notice and are provided in good faith without legal responsibility. Information obtained from third parties is believed to be reliable but RBC GAM and its affiliates assume no responsibility for any errors or omissions or for any loss or damage suffered. RBC GAM reserves the right at any time and without notice to change, amend or cease publication of the information.

Please consult your advisor and read the prospectus or Fund Facts document before investing. There may be commissions, trailing commissions, management fees and expenses associated with mutual fund investments. Mutual funds are not guaranteed or covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. Mutual fund unit values change frequently. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated. RBC Funds, RBC Private Pools, RBC Alternative Funds and PH&N Funds are offered by RBC Global Asset Management Inc. (RBC GAM) and distributed through authorized dealers in Canada.

This document may contain forward-looking statements about a fund or general economic factors which are not guarantees of future performance. Forward-looking statements involve inherent risk and uncertainties, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement. All opinions in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.