RBC BlueBay
Asset Management

Advisory Brochure

Part 2A of Form ADV

RBC Global Asset Management (UK) Limited
("RBC GAM UK")

January 29, 2025

This brochure provides information about the qualifications and business practices of RBC Global Asset Management (UK) Limited ("RBC GAM UK"). If you have any questions about the contents of this brochure, please contact us at +44 (0) 20 7389 3700. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. RBC GAM UK is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about RBC GAM UK also is available on the SEC's website at www.adviserinfo.sec.gov.

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Item 2 – Material Changes

The following is a summary of the material changes made to the Brochure since the last annual update filed on January 29, 2024:

- Effective 20 November 2024 Ms Donna Meyers was appointed as an Independent Non-Executive Director of the RBC GAM (UK) Board and the Board Risk Committee Chair.

Item 3 - Contents

Item 4 - Advisory Business

Firm Overview

RBC Global Asset Management (UK) Limited ("RBC GAM UK") was formed in October 1998 under the laws of the United Kingdom ("UK") and is a wholly owned direct subsidiary of Royal Bank of Canada Holdings (U.K.) Limited, a company formed in the UK, and which is a wholly owned subsidiary of the Royal Bank of Canada ("RBC"). RBC is publicly held and traded on the New York Stock Exchange and Toronto Stock Exchange.

RBC GAM UK is part of RBC Global Asset Management ("RBC GAM"), the asset management division of RBC, which includes but is not limited to RBC GAM UK, RBC Global Asset Management Inc., and RBC Global Asset Management (U.S.) Inc., which are separate but affiliated corporate entities.

Effective April 1, 2023, RBC GAM UK and BlueBay Asset Management LLP, also a wholly owned subsidiary of RBC, consolidated the businesses' UK legal entity structures, with BlueBay transferring the majority of its business to RBC GAM UK including the consolidation and operational integration of the control functions. The RBC GAM UK and BlueBay investment teams were brought under one structure (RBC GAM UK), while maintaining distinct equity and fixed income platforms.

RBC Global Asset Management (UK) Limited established a branch office in Australia on 24 November 2022, where it operates under a Class Order relief from the requirement to hold an Australian Financial Services Licence (CO03/1099).

RBC GAM operates as a global firm and leverages the talent and investment capabilities across RBC GAM to create solutions for its clients. We are providing this Brochure to persons who receive, or who may receive, investment advisory services from RBC GAM UK, to ensure compliance with the Investment Advisers Act of 1940, as amended (the "Advisers Act").

RBC GAM UK may utilise the services of its non-U.S. advisory affiliates to perform services through "participating affiliate" arrangements. In participating affiliate arrangements, non-U.S. advisory affiliates' employees may provide services to us as "associated persons" subject to our supervision and oversight. Each participating affiliate will act according to a series of SEC no-action relief letters mandating that participating affiliates remain subject to the regulatory supervision of both RBC GAM UK and the Securities Exchange Commission ("SEC").

RBC GAM UK may, at its discretion, delegate all or portion of its advisory or other functions (including placing trades on behalf of advisory accounts) to any affiliate that is registered with the SEC as an investment adviser or utilise the services of any participating affiliate to perform such services. To the extent RBC GAM UK delegates advisory or other functions to affiliates that are registered with the SEC as investment advisers, a copy of the brochure of each such affiliate is available on the SEC's website and will be provided to clients or prospective clients upon request.

Regulatory Overview

RBC GAM UK is authorised and regulated by the Financial Conduct Authority ("FCA") pursuant to the UK Financial Services and Markets Act 2000 to carry on investment management business in the UK (firm reference number: 189154).

RBC GAM UK is registered as an Investment Adviser with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Investment Advisers Act 1940 (SEC number: 801-78436 and CRD number: 168551).

RBC GAM UK is a National Futures Association ("NFA") member and holds a swap firm designation with the NFA (NFA ID: 0554326). The firm is registered as a Commodity Pool Operator and Commodity Trading Advisor as authorised by the US Commodity Futures Trading Commission ("CFTC") since 31 March 2023.

Such registrations in no way imply that either the SEC, FCA or the NFA has reviewed or approved the investment services described in this Brochure.

Investment Management and Advisory Services

RBC GAM UK provides asset management services to institutional clients. RBC GAM UK manages a range of equity and fixed income portfolios across the following sub-asset classes of global developed and emerging markets fixed income and equity:

Fixed Income:

- Investment grade debt
- Leveraged Finance
- Emerging market debt
- Convertible bonds
- Multi-asset credit

- Structured credit
- Collateralized Loan Obligations (CLOs)

Equities:

- Global equities
- European equities
- Emerging markets equities

Discretionary Investment Management

Pooled Investment Vehicles ("Funds")

RBC GAM UK currently serves as an investment adviser or sub-adviser to certain affiliated and unaffiliated Funds. In connection with its advisory services to a Fund, RBC GAM UK, or its related persons providing services to a Fund, may receive advisory, management, administration, co-administration and/or distribution fees from the Fund and/or from investment advisers to the Fund. Clients should carefully review each Fund prospectus or other offering documents for more detailed information regarding a Fund advised, or sub-advised, by RBC GAM UK.

Where RBC GAM UK is the investment adviser to a pooled investment vehicle, investment objectives, guidelines and restrictions are not tailored to the needs of individual investors in those vehicles, but rather apply to the vehicle and are described in the prospectus or other relevant offering document for the vehicle.

RBC GAM UK provides investment advisory services to a variety of clients structured as collateralized loan obligations ("CLOs")

CLOs are excluded from the definition of "investment company" and therefore are not required to register under the Investment Company Act of 1940 and the securities or interests of such CLOs are exempt from registration under the Securities Act of 1933. Each CLO issuer is expected to be a non-U.S. entity that issues various tranches of senior and mezzanine notes ("Senior Notes") and subordinated nonrated residual notes (commonly referred to as "Equity", and, together with the Senior Notes, the "Notes") pursuant to the terms and conditions of an indenture. The Senior Notes issued by each CLO are secured by a portfolio consisting primarily of leveraged loans selected and managed by the advisor.

The documentation governing each CLO, which may include prospectuses, offering circulars, private placement memoranda, management agreements, indentures, subscription agreements and other documents governing the CLO, including any agreements with CLOs and/or investors (collectively, "Client Documentation") contains, among other things, detailed specifications and requirements regarding the types of investments and overall composition of a CLO portfolio (such as diversity, ratings, concentration, etc.), and the adviser's role and authority. Generally, investment guidelines for CLOs are not tailored to the individual needs of any particular investor or CLO debt investor ("Note Holder"). However, certain Note Holders can be expected to influence investment criteria or portfolio guidelines. Also, the adviser expects to enter into side letter agreements or other similar separate agreements with certain Note Holders that have the effect of establishing rights under or altering or supplementing the terms of a CLO's governing documents (with respect to each such Note Holder, such side letter is part of the Client Documentation). Entities affiliated with RBC GAM UK ("Adviser Related Parties") have in the past, and may in the future, provide financing warehouses to CLOs to accumulate loans intended to be transferred to a CLO at issuance.

Separately Managed Accounts ("SMAs")

RBC GAM UK provides discretionary investment management solutions to clients in the form of Separately Managed Accounts. Fees and services for each arrangement are individually negotiated. SMA clients may impose restrictions on investing in certain securities or types of securities if those restrictions are consistent with the strategy's investment style and process. These restrictions are specified in each client's written investment management agreement, investment policy or other governing document. The fees for each arrangement are generally based upon a percentage of assets under management. For additional information on fees, refer to Item 5.

Non-discretionary advisory services

RBC GAM UK may provide non-discretionary investment advisory services (such as model portfolios) to clients. The fees and services for any such arrangement are generally based upon a percentage of assets under management. For additional information on fees, refer to Item 5.

Assets Under Management

(As of 31st October 2024)

	U.S. Dollar Amount
Total Discretionary AUM	137,803,378,019

Item 5 - Fees and Compensation

Pooled Investment Vehicle Fees

The current prospectus for each of RBC GAM UK's open-ended pooled investment funds provides details of the specific schedule of fees payable for the relevant fund structure or share class. Fees within the various fund structures will differ between share classes, depending on share class characteristics e.g., minimum investment levels, lockups, performance fees. However, the following criteria generally applies:

- An annual management fee of up to 2% of the net asset value is payable and these fees will be payable monthly or quarterly in arrears; and
- A performance fee, which is based upon the performance of the relevant share class, may be payable annually in arrears. This fee is payable if the fund achieves an absolute or relative positive return or exceeds a specific agreed return over the previous annual accounting period. The performance fee is generally set up to be within a range of 10%-30% of the net outperformance.

Certain investors that are invested in pooled investment vehicles may pay higher or lower fees or may be subject to higher or lower incentive allocations, than similarly situated investors that are invested in the same pooled investment vehicle. Amounts may vary as a result of negotiations, discussions and/or factors that may include the particular circumstances of the investor, the size and scope of the overall relationship, whether the investor has a multi-strategy, multi-asset class or multi-product investment program with RBC GAM UK, or as may be otherwise agreed with specific investors.

The limited partnership agreement for each of RBC GAM UK's closed-ended funds provides details of the specific schedule of fees payable for these advisory accounts. The fee structures applicable to closed ended funds are Management Fees / General Partner Share (GPS) and Performance Fees / Carried Interest (Carry). Full details about the fee structure of private vehicles are provided to prospective investors upon request.

In addition, fund clients will incur other fees and expenses. These will be fees charged by third parties in connection with the administration of the portfolio, including: transfer agency fees, custodian fees, administrator fees, foreign currency exchange fees, brokerage and other transaction costs.

Segregated Account Fees

RBC GAM UK provides investment management services to several segregated accounts (subject to an agreed and executed investment management agreement). Segregated accounts may be managed on a management fee only basis or with a combination of management and performance fees. Other fees and expenses may be incurred which are dependent upon the choice of custodian, administrator, and/or other third-party service providers that the investor intends to make; and will be borne by the investor.

RBC GAM UK's investment management fees for segregated accounts are negotiated in connection with the respective asset class and may be modified for portfolios that have special investment constraints or unusual reporting or administrative requirements or unique characteristics; the size and scope of the overall client relationship, additional or differing levels of servicing, or as may be otherwise agreed with specific clients. A client may therefore pay more or less than the fees set forth in this Brochure, or more or less than similar clients or clients invested in similar strategies.

Management fees for segregated accounts are generally payable quarterly (although monthly payment periods may also apply) and are generally based upon the market value of the portfolio managed as of the end of the preceding calendar quarter or the average market value of the portfolio managed within the preceding calendar quarter. Performance fees, where applicable, are generally payable annually. All client fees are paid in arrears and are billed to the client. Fees charged by RBC GAM UK do not include brokerage commissions, transaction costs and other related costs and expenses which may be incurred by the client. Further details on such expenses are discussed in the Brokerage Practices section of this Brochure.

RBC GAM UK's investment management agreements may be terminated by RBC GAM UK or its client, subject to applicable notice provisions contained in the investment management agreement.

Fees for Services to Portfolio Companies

RBC GAM UK, RBC, their respective Affiliates, and their respective officers and directors may, subject to any limitations in an Advisory Account's constitutional documentation, provide Advisory accounts with services (including but not limited to services that incur deal fees, sponsor fees, monitoring fees, transaction fees or other fees for services), and may charge Advisory accounts, therefore, provided that RBC GAM UK in its reasonable discretion believes in good faith that any such person can provide such services at a reasonable cost as would be the case if unaffiliated third parties were to provide such services. RBC GAM UK and RBC, and any of their respective Affiliates, officers and directors, may also provide certain services to Portfolio Companies, in which case any fees received will not be shared with the Advisory accounts, provided that RBC GAM UK believes that such services can be provided at a reasonable cost as it relates to the value provided to such Portfolio Company.

Compensation Received by RBC GAM UK

Compensation received by RBC GAM UK and its affiliates related to various services provided by the Advisory accounts, including separate accounts and accounts that are pooled investment vehicles, will generally be retained by RBC GAM UK and its affiliates. Except to the extent required by applicable law or expressly agreed to by RBC GAM UK, RBC GAM UK is not required to offset such compensation against fees and expenses a client or Advisory Account may otherwise owe RBC GAM UK and its affiliates. In certain circumstances, clients may negotiate for certain of the fees charged in respect of Advisory accounts to be credited against the fees RBC GAM UK charges such clients in respect of other Advisory accounts in which they invest, or which are managed on behalf of such clients.

Transaction Charges

RBC GAM UK clients will pay brokerage commissions, mark-ups, mark-downs and other commission equivalents as well as spreads and/or transaction costs related to transactions effected for their Advisory accounts to executing broker-dealers. As described in Item 12, Brokerage Practices, RBC GAM UK will affect these transactions subject to its obligation to seek best execution. The different types of transaction charges include:

- Commissions: the amount charged by a broker for purchasing or selling securities, real estate or other investments as an agent for the client, which is disclosed on the client's trade confirmations or otherwise.
- Commission equivalents: an amount charged by a dealer for purchasing or selling securities or other investments in certain riskless principal transactions. Riskless principal transactions refer to transactions in which a dealer, after having received an order from a client to buy a particular security, purchases such security from another person to offset a contemporaneous sale to the client or, after having received an order from a client to sell a particular security, sells such security to another person to offset a contemporaneous purchase from the client.
- Mark-ups: the price charged to a client, less the prevailing market price, which is included in the price of the security
- Mark-downs: the prevailing market price, less the amount a dealer pays to purchase the security from the client, which is included in the price of the security.
- Spreads: the difference between the current purchase and bid price (that is, the price someone is willing to pay) and the current ask or offer price (that is, the price at which someone is willing to sell), which is reflected in the price of the security. The difference or spread narrows or widens in response to the supply and demand levels of the security.

Custody, Administration, and Other Fees

Administration fees and all other fees charged by service providers relating to advisory accounts are levied by the custodian, the administrator, or other service providers to the advisory account and are generally not included in the advisory fees payable to RBC GAM UK. An advisory account (and fund investors indirectly) will generally bear such expenses unless provided otherwise in the applicable governing documents: Other expenses charged to Advisory accounts may, amongst others, include:

- investment-related expenses, including expenses relating to sourcing, identifying, evaluating, valuing, structuring, purchasing, monitoring, servicing investments and potential investments (including first or business class airfare, first class lodging and ground transportation, such as a black car service; entertainment including high value spectator and participatory sporting and cultural events)
- expenses related to hedging, including currency, interest rate and/or other hedging strategies;
- legal, tax and accounting expenses, including expenses for preparation of annual audited financial

statements, tax return preparation, routine tax and legal advice, and legal costs and expenses associated with indemnity, litigation, claims, and settlements;

- professional fees (including, without limitation, fees and expenses of consultants, finders and experts);
- fees and expenses of directors, trustees, or independent general partners;
- technology expenses, including news and quotation services;
- insurance premiums (which insurance may cover numerous Advisory accounts, in which case each participating Advisory Account is responsible for a share of the premiums);
- expenses related to compliance by an Advisory Account with any applicable law, rule or directive or any other regulatory requirement, or compliance with the foregoing requirements by RBC GAM UK or its affiliates to the extent such compliance relates to an Advisory Account's activities;
- any other reasonable expenses that may be authorised by the applicable governing documents or that may be reasonably necessary or appropriate in connection with managing an Advisory Account.

Selection of Service Providers

RBC GAM UK, on behalf of Advisory accounts and their portfolio companies (if any), expects to engage service providers (including attorneys and consultants) that may also provide services to RBC GAM UK and other clients managed by other parts of the RBC Group and its clients. RBC GAM UK intends to select these service providers based on several factors, including expertise and experience, knowledge of related or similar products, quality of service, reputation in the marketplace, relationships with RBC GAM UK and its affiliates and price. These service providers may have business, financial or other relationships with RBC GAM UK (including its personnel) and its affiliates, which may or may not influence RBC GAM UK's selection of these service providers for Advisory accounts or their portfolio companies. In such circumstances, there may be a conflict of interest between RBC GAM UK, its affiliates, and the Advisory accounts (or their portfolio companies) if the Advisory accounts (or their portfolio companies) determine not to engage or continue to engage these service providers. Notwithstanding the foregoing, the selection of service providers will be conducted in accordance with RBC GAM UK's fiduciary obligations to Advisory accounts.

The service providers selected by RBC GAM UK may charge different rates to different recipients based on the specific services provided, the personnel providing the services or other factors. As a result, the rates paid with respect to these service providers by Advisory accounts or their portfolio companies, on the one hand, may be more or less favourable than the rates paid by RBC GAM UK or an affiliate, on the other hand. In addition, the rates paid by RBC GAM UK or the Advisory accounts or their portfolio companies, on the one hand, may be more or less favourable than the rates paid by other parts of the RBC Group or clients managed by other parts of RBC, on the other hand. RBC GAM UK and its affiliate's clients and the RBC Group may hold investments in companies that provide services to portfolio companies generally, and, subject to applicable law, RBC GAM UK may refer or introduce such companies' services to portfolio companies that have issued securities that are held in Advisory accounts.

Allocation of Expenses and Broken-Deal Expenses

Multiple Advisory accounts may participate in a particular investment or incur other expenses applicable in connection with their operation or management, or otherwise may be subject to costs or expenses that are allocable to more than one Advisory Account (which may include, without limitation, research expenses, technology expenses, expenses relating to participation in bondholder or creditor groups, restructurings, and class action and other litigation, and insurance premiums).

RBC GAM UK may allocate investment-related and other expenses on a pro rata or different basis. Certain Advisory accounts are, by their terms or by determination of RBC GAM UK (which may be made on a case-by case basis), not responsible for their share of such expenses, and, in addition, RBC GAM UK has agreed with certain Advisory accounts to cap the amount of expenses (or the amount of certain types of expenses) borne by such Advisory accounts, which may result in such Advisory accounts not bearing the full share of expenses they would otherwise have borne as described above. As a result, certain Advisory accounts may be responsible for bearing a different or greater amount of expenses, while other Advisory accounts may not bear any, or do not bear their full share, of such expenses.

Advisory accounts will incur expenses with respect to the consideration and pursuit of transactions that are not ultimately consummated ("broken-deal expenses"). Examples of broken-deal expenses include (i) research costs, (ii) fees and expenses of legal, financial, accounting, consulting or other advisers (including RBC GAM UK or its affiliates) in connection with conducting due diligence or otherwise pursuing a particular non-consummated transaction, (iii) fees and expenses in connection with arranging financing for a particular non-consummated transaction, (iv) travel costs, (v) deposits or down payments that are forfeited in connection with, or amounts paid as a penalty for, a particular non-consummated transaction and (vi) other expenses incurred in connection with activities related to a particular non-consummated transaction.

RBC GAM UK has adopted a policy relating to the allocation of broken-deal expenses among Advisory accounts and other potential investors. Pursuant to the policy, broken-deal expenses generally will be allocated among Advisory accounts in the manner that RBC GAM UK determines to be fair and equitable, which may be pro rata or on a different basis.

Inducements/Non-Major Monetary Benefits

In connection with services provided by RBC GAM UK to Advisory accounts, from time to time, RBC GAM UK may receive from, or provide to, third parties, minor non-monetary benefits permitted under applicable law, including (i) information or documentation relating to financial instruments or investment services; (ii) issuer-commissioned research coverage; (iii) participation in conferences, seminars or training events on the benefits and features of specific financial instruments or investment services; (iv) hospitality of a de minimis value during meetings or those events specified in iii above; (v) connected research on an issuer in the context of an issuer capital raising; (vi) research provided for a trial period; and (vii) such other services and/or benefits that can be considered minor non-monetary benefits under applicable law from time to time. From time to time, RBC GAM UK and its personnel may receive the benefit of "friends and family" and similar discounts from portfolio companies of Advisory accounts under which such portfolio companies make their goods and/or services available at reduced rates. Because many portfolio companies typically offer such discounts to customers other than RBC GAM UK and other such persons as part of their standard commercial practices to expand their respective customer bases, RBC GAM UK and its personnel generally refrain from requesting or negotiating for such discounts in the ordinary course.

CLOs

RBC GAM UK may serve as collateral manager for certain CLO warehouses and CLOs and earns management fees which are determined mainly by the assets under management of each CLO and are based on the initial capitalization of the CLOs. The management fees consist of a senior collateral management fee and a subordinated collateral management fee. The senior collateral management fee has a higher priority in a CLO payment waterfall whereas the subordinated collateral management fee generally ranks below principal and interest payments to senior note holders in the payment waterfall.

It should be noted that detailed disclosure about the fees and other expenses applicable to an investment in an RBC GAM UK managed CLO is provided in the relevant confidential offering documents issued by the CLO. Those operative documents should be carefully reviewed prior to making an investment.

In addition to the fees described above, CLO clients often bear (either directly or by reimbursing RBC GAM UK for the cost, as the case may be) various costs and expenses, to the extent permitted under Client Documentation.

Valuation/Calculation

Valuations of account assets by RBC GAM UK are determined in accordance with RBC GAM UK valuation policies and procedures, which generally rely on third-party pricing sources, but may permit the use of other valuation methodologies in certain circumstances. Our valuation may differ from valuations reflected on a client's custodial statement. RBC GAM UK and the client will agree whether the valuation used to calculate fees is based on RBC GAM UK's valuation or the custodian's valuation. Since such valuations may differ, the client may pay more or less in fees depending on the valuation methodology utilized.

Item 6 - Performance-Based Fees and Side-By-Side Management

RBC GAM UK manages multiple accounts for multiple clients with different mandates and offers a variety of fee schedules for its investment products. For the long-only and alternative fund structures this may include both Management Fees and Performance Fees, where appropriate. For the closed-ended fund strategies, this may include both Management Fees / General Partner Share (GPS) and Performance Fees / Carried Interest (Carry), where appropriate. Certain RBC GAM UK portfolios and strategies may be managed on a side-by-side basis by the same portfolio manager, which may give rise to conflicts of interest; however, RBC GAM UK has a fiduciary duty to treat all of its clients fairly.

In measuring clients' assets for the calculation of performance-based fees, RBC GAM UK shall include realized and unrealized capital gains and losses. Performance-based fees may create an incentive for RBC GAM UK to make investments that are riskier or more speculative than would be the case if a performance-based fee was not charged. Performance-based fees may create an incentive to favour performance-based fee-paying accounts over non-performance-based fee accounts in the allocation of investment opportunities. In these instances, our compensation may be greater than it would otherwise have been, as the fee will be based on account performance instead of, or in addition to, a percentage on assets under management.

Side-By-Side Management of Advisory Accounts; Investment Opportunity Allocation

RBC GAM UK may manage or advise multiple Advisory accounts (including Advisory accounts in which RBC GAM UK or personnel of RBC GAM UK have an interest) that have investment objectives that are the same or similar and that may seek to make investments or sell investments in the same securities or other instruments, sectors or strategies. This creates the potential for conflicts, particularly in circumstances where the availability or liquidity of investment opportunities is limited. Areas in which such limited opportunities may exist include, without limitation, in local and emerging markets, high yield securities, fixed income securities, direct or indirect investments in and co-investments alongside alternative investment funds, and investments Initial Public Offerings/New Issues. To address these potential conflicts, RBC GAM UK has developed allocation policies and procedures that provide that personnel making portfolio decisions for Advisory accounts will make purchase and sale decisions for, and allocate investment opportunities among, Advisory accounts consistent with RBC GAM UK's fiduciary obligations.

RBC GAM UK's policies and procedures may result in the pro rata allocation (on a basis determined by RBC GAM UK) of limited opportunities across eligible Advisory accounts managed by a particular portfolio management team, but in other cases may not be pro rata. Non-proportional allocations may occur across Advisory accounts, in fixed income securities, due to the availability of multiple appropriate or substantially similar investments in fixed income strategies, as well as due to differences in benchmark factors, hedging strategies, or for other reasons. In addition, the fact that certain personnel of RBC GAM UK are dedicated to one or more Advisory accounts or clients may be a factor in determining the allocation of opportunities sourced by such personnel. Investment opportunities sourced by one portfolio management team may not be made available to Advisory accounts managed by other portfolio management teams.

RBC GAM UK may, from time to time, develop and implement new trading strategies or seek to participate in new trading strategies and investment opportunities. These strategies and opportunities may not be employed in all Advisory accounts or may be employed pro rata among Advisory accounts where they are used, even if the strategy or opportunity is consistent with the objectives of such accounts. Further, a trading strategy employed for one Advisory Account that is similar to, or the same as, that of another Advisory Account may be implemented differently.

In certain cases, one or more funds or other Advisory accounts are intended to be RBC GAM UK's primary investment vehicles focused on, or receive priority with respect to, a strategy or type of investment (as determined in RBC GAM UK's discretion) as compared to other funds or Advisory accounts. In such cases, such other funds or Advisory accounts may not have access to such strategy or type of investment or may have more limited access than would otherwise be the case. Participation by such Accounts in such transactions may reduce or eliminate the availability of investment opportunities to, or otherwise adversely affect, Advisory accounts.

To assess that RBC GAM UK is meeting its fiduciary duties, RBC GAM UK's policies and procedures are subject to periodic review and testing. Tests may include performance comparisons between performance fee and management fee portfolios, and reviews of employee compensation structures that assess the risk taking and performance generation for each portfolio. Notwithstanding RBC GAM UK's aggregation and allocation policies, the availability, amount, timing, structuring or terms of investments available to particular Advisory accounts, including Advisory accounts engaging in the same or similar strategies, may differ.

IPO/New Issue Allocation

Allocation of initial public offerings or new issues (“IPO/New Issue”) will be effected consistent with fiduciary duties and in accordance with the general RBC GAM UK allocation policies and procedures outlined above under “Performance Based Fees and Side-By-Side Management”. The application of the relevant factors may result in non-pro rata allocations, and certain Advisory accounts (including Advisory accounts in which RBC GAM UK, RBC and personnel of RBC GAM UK have an interest) may receive an allocation when other Advisory accounts do not. Allocations may be adjusted under certain circumstances, for example in situations where pro rata allocations would result in de minimis positions or odd lots. Furthermore, some Advisory accounts may not be eligible to participate in an IPO/New Issue where, for example, the investment guidelines for an Advisory Account prohibit IPOs/New Issues.

There may be instances in which one or more Advisory accounts are intended to be RBC GAM UK’s primary investment vehicles focused on, or to receive priority with respect to, a particular strategy as compared to other funds or Advisory accounts (including Advisory accounts in which RBC GAM UK and personnel of RBC GAM UK have interests. Investments by such Accounts may reduce or eliminate the availability of investment opportunities to, or otherwise adversely affect, the Advisory accounts. Furthermore, in a case in which one or more Advisory accounts are intended to be RBC GAM UK’s primary investment vehicles with respect to a particular trading strategy, other Advisory accounts may not have access to such strategy or may have more limited access than would otherwise be the case.

In addition, in some cases RBC GAM UK may give advice to Advisory accounts that make investment decisions independently of RBC GAM UK. In circumstances in which there is limited availability of an investment opportunity, if such Advisory accounts invest in the investment opportunity at the same time as, or prior to, other Advisory accounts, the availability of the investment opportunity for other Advisory accounts will be reduced irrespective of RBC GAM UK’s policies regarding allocations of investments.

Advisory and Discretionary Accounts

RBC GAM UK may provide services whereby it advises Advisory only Accounts on purchasing, selling, holding, valuing, or exercising rights with respect to particular investments, but does not have discretion to execute purchases or sales on behalf of the Advisory only Accounts. RBC GAM UK may advise with respect to the same or similar securities in Discretionary and Advisory only Accounts. There may be timing differences related to the transmission of advice to Advisory only Account clients for consideration and a determination of whether to act on the advice. As a result, RBC GAM UK may execute trades in investments for Discretionary Advisory accounts in advance of RBC GAM UK communicating with Advisory only Account clients about those investments. As a result, particularly with large orders or where the investments are scarce or thinly traded, Advisory only Accounts may receive allocations or prices that are less favourable than those obtained for Discretionary Advisory accounts.

Co-Investment Opportunities

There may be cases in which one or more Advisory accounts are intended to be RBC GAM UK’s primary investment vehicles focused on, or that receive priority with respect to, a particular strategy or type of investment, and such Advisory accounts may have specific guidelines with respect to receiving Co-investment Opportunities, which will result in certain Advisory accounts, other Accounts or other persons receiving allocations to, or rights to invest in, Co-investment Opportunities that are not available to Advisory accounts generally.

RBC GAM UK’s Co-Investment Practices take into consideration the particulars of each participating account’s investment program, among other factors. Co-Investment Opportunities are generally made available when RBC GAM UK determines that while it is in the best interests of the Advisory accounts to acquire the full amount of a particular investment (as opposed to not making the investment), the Advisory accounts interests are better served, due for instance to diversification, portfolio management, leverage management, investment profile, risk tolerance or other exposure guidelines or limitations, cash flow or other considerations, for Advisory accounts to acquire or otherwise hold less economic exposure to the investment than the full amount.

Generally, RBC GAM UK has broad discretion in determining to whom, and in what relative amounts, to allocate Co-Investment Opportunities. Factors RBC GAM UK may consider include, but are not limited to, whether RBC GAM UK believes the potential recipient is able to execute a transaction quickly or is willing to bear expenses associated with a potential transaction that is not consummated, and whether the potential recipient is expected to provide expertise or other advantages in connection with a particular investment.

Co-Investment Opportunities may or may not give preference to investors in the applicable Advisory accounts, or investors that have made commitments over a certain threshold as opposed to other investors, and Co-Investment Opportunities may be provided in connection with a commitment to an Advisory Account. No Advisory Account or other person (including Advisory accounts that are similarly situated to Advisory accounts or other persons receiving Co-Investment Opportunities), will have any right to any Co- Investment Opportunity, unless such person has entered into an agreement with respect, thereto.

Co-Investment Opportunities may be provided on a case-by case basis as they arise or in the form of priority rights with respect to future Co-Investment Opportunities. RBC GAM UK may or may not receive fees or other compensation in connection with Co-Investment Opportunities. Co-Investment Opportunities may be acquired at the same time and on the same terms as the Advisory accounts making the primary investment, or at different times or on different terms, including in a subsequent sale by one or more of such Advisory accounts to the participants in a Co-Investment Opportunity.

CLOs

RBC GAM UK may receive performance-based compensation from CLO Clients, as set forth in the relevant Client Documentation. Additionally, RBC GAM UK and Adviser Related Parties may have other pecuniary interests in CLO Clients, such as personal or proprietary investments. Each of these arrangements create a variety of risks and conflicts, including, but not limited to, those described below. In the case of CLOs, performance-based fees are generally paid as a percentage of available cash flow, not appreciation of assets, and only after Equity holders have achieved a specified IRR (not the appreciation of portfolio assets) consistent with the terms of the Indenture.

The receipt of performance-based compensation, and the presence of different pecuniary interests in respect of CLO clients, creates a potential conflict of interest between RBC GAM UK's interest to generate revenue for itself, and its personnel and affiliates, and the interests of CLO clients and Note Holders. Specifically, performance-based fee arrangements and ownership of pecuniary interests create an incentive for RBC GAM UK to make investments that are considered riskier or more speculative than those that would be otherwise recommended under a different fee arrangement. In most cases, the payment of performance-based compensation is dependent on portfolio performance creating an incentive for RBC GAM UK to make decisions that may conflict with the interests of some investors or Note Holders or any class thereof. For example, the performance-based fee structure could create an incentive for RBC GAM UK to take greater risks or otherwise manage the CLO portfolio in a manner which seeks to maximize IRR for subordinated Note Holders relative to investors holding Notes with higher creditworthiness, like Senior Notes. Focusing on increasing yield could contribute to a decline in the creditworthiness of the portfolio and could result in potential defaults or volatility. However, Client Documentation typically contains specific investment guidelines and restrictions that constrain RBC GAM UK's discretion to select speculative investments. This is particularly relevant with respect to CLOs where the CLO Documentation limit the portfolios to certain types of investments, as well as diversification, credit quality and concentration by industry and issuer.

Item 7 - Types of Clients

RBC GAM UK provides portfolio management services to predominantly institutional clients including, but not limited to:

- Pension Funds
- Corporations
- Non-Profit and Charitable Organisations
- Family Offices
- Insurance Companies
- Sovereign Wealth Funds
- Fiduciary Consultants
- Fund distributors and platforms
- Foundations
- Endowments
- Pooled investment vehicles such as registered mutual funds, private funds or non-US vehicles such as UCITS funds.

All pooled investment vehicles have minimum investment requirements, and these are noted in the applicable prospectus or offering memorandum. Segregated accounts typically require US$50 million (or equivalent) for Equities mandates and US$100 million (or equivalent) for Fixed Income mandates to be operationally and commercially viable. These may be managed on a management fee only basis or a combination of management and performance fees. RBC GAM UK may waive account minimums at its discretion.

CLOs may include high net worth individuals, banks, insurance companies, family offices, endowments, pensions, and other institutional investors. Investors in CLOs are qualified institutional investors. Minimum investment amounts for CLOs are set forth in the Client Documentation.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

EQUITY STRATEGIES

Methods of Analysis

In providing investment management services to discretionary clients and recommendations to non-discretionary clients, individual portfolio managers may emphasize one method of security analysis over another. The primary methods of analysis used are fundamental analysis (i.e., the analysis and interpretation of basic company, industry and country data, including environmental, social and governance (ESG) factors)) and quantitative analysis (i.e., the analysis and interpretation of numerical, measurable characteristics). The investment teams at RBC GAM UK are responsible for researching investment opportunities and implementing their findings and views on specific issuers in the management of clients' portfolios.

Our investment management teams continuously research available investment opportunities using fundamental and quantitative methods, including environmental, social and governance (ESG) factors. The portfolio managers consider the investment opportunities available and make an active investment decision focusing on each client account's needs, as reflected in each account's governing documents.

Investment Strategies

We employ various investment strategies through our investment mandates that are based on the objectives and strategies of the clients involved. Client portfolios with similar investment mandates, strategies and guidelines are generally managed similarly. A description of our significant investment strategies is provided below, although we may offer other investment management capabilities. For more information on the potential risks please refer to the Risk Disclosure Appendix.

Strategy	Material risks
European Equity This strategy provides exposure to both domestic Europe and global economies through investment in European domiciled companies. The investment process is primarily based on fundamental research that seeks out high return, capital light businesses that will be consistent and sustainable over time. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook, including environmental, social and governance (ESG) factors.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Smaller Company Risk Tax Risk Sustainability Risk
Emerging Markets Equity This strategy invests primarily in equity securities of companies located or active in emerging markets. The strategy's investment process is primarily based on fundamental research, including environmental, social and governance (ESG) factors, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk
Emerging Markets ex-China Equity This strategy invests primarily in equity securities of companies located or active in emerging markets, excluding China. The strategy's investment process is	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk

primarily based on fundamental research, including environmental, social and governance (ESG) factors, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.	Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk
Emerging Markets Value Equity This strategy invests primarily in equity securities of companies located or active in emerging markets with above average dividend yields. The investment process is primarily based on fundamental research, including environmental, social and governance (ESG) factors, although quantitative and technical factors are also considered. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Value Investing Risk Sustainability Risk
Emerging Markets Small-Cap Equity This strategy invests primarily in equity securities of small-cap companies located or active in emerging markets. The investment process is primarily based on fundamental research, including environmental, social and governance (ESG) factors, although quantitative and technical factors are also considered. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Growth Investing Risk Investments in pooled investment funds Liquidity Risk Market Risk Smaller Company Risk Tax Risk Sustainability Risk
Emerging Markets Equity Focus This strategy invests primarily in equity securities of companies located or active in emerging markets. The strategy's investment process is primarily based on fundamental research, including environmental, social and governance (ESG) factors, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk
Global Equity Focus	Active Management Risk

This strategy invests primarily in equity securities of companies listed on stock markets around the world. The investment process is based on fundamental research, including environmental, social and governance (ESG) factors, and aims to deliver performance through stock selection. This strategy seeks out companies the investment team considers to have strong competitive dynamics and whose prospects are not reflected in their valuation.	Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk
International Equity Focus This strategy invests primarily in equity securities of companies listed on stock markets around the world, excluding the U.S. The investment process is based on fundamental research, including environmental, social and governance (ESG) factors, and aims to deliver performance through stock selection. This strategy seeks out companies the investment team considers to have strong competitive dynamics and whose prospects are not reflected in their valuation.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk
Global Equity Leaders This strategy invests primarily in equity securities of companies listed on stock markets around the world. The investment process is based on fundamental research, including environmental, social and governance (ESG) factors, and aims to deliver performance through stock selection. This strategy seeks out companies the investment team considers to have strong competitive dynamics and whose prospects are not reflected in their valuation.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk
Global Equity Fossil Fuel Free This strategy invests primarily in equity securities of companies listed on stock markets around the world. The investment process is based on fundamental research, including environmental, social and governance (ESG) factors, and aims to deliver performance through stock selection. This strategy seeks out companies the investment team considers to have strong competitive dynamics and whose prospects are not reflected in their valuation. This strategy excludes companies whose business is primarily involved in the extraction, transportation or processing of fossil fuels.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk

International Equity This strategy invests primarily in equity securities of companies located in Europe, Australasia, the Far East and other regions, including emerging markets. The investment process is based on fundamental research, including environmental, social and governance (ESG) factors, and aims to deliver performance through stock selection. This strategy seeks out companies the investment team considers to have strong competitive dynamics and whose prospects are not reflected in their valuation.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk
International Small-Cap Equity This strategy provides exposure to small-cap global companies (ex US) that have a market capitalization typically below $10bn USD. The exposures are in both Developed and Emerging markets. The investment process is primarily based on fundamental research that seeks out high return, capital light businesses that will be consistent and sustainable over time. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook, including environmental, social and governance (ESG) factors.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Smaller Company Risk Tax Risk Sustainability Risk
US Equity Focus This strategy invests primarily in equity securities of companies listed on U.S. stock markets. The investment process is based on fundamental research, including environmental, social and governance (ESG) factors, and aims to deliver performance through stock selection. This strategy seeks out companies the investment team considers to have strong competitive dynamics and whose prospects are not reflected in their valuation.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Equity risk Foreign Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk
Global Bonds This strategy invests in debt issued by governments and corporates around the world. The strategy invests in in securities that give exposure to interest rates, currencies and credit risks across developed and emerging economies.	Active Management Risk Concentration Risk Counterparty Risk Derivatives Risk Diversification and liquidity risk Emerging market risk Fixed-income risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Liquidity Risk Market Risk Tax Risk Issuer/Credit Risk Sustainability Risk
Asia ex-Japan Equity	Active Management Risk

This strategy invests primarily in equity securities of companies located or active in the Asia ex Japan region. The strategy's investment process is primarily based on bottom-up fundamental research, looking to invest in strong businesses within attractive industries, with a focus on identifying companies with strong and/or improving returns on invested capital. A strong focus is also placed on environmental, social and governance (ESG) factors, as well as a capable management team. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.	Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk
China Equity This strategy invests primarily in equity securities of companies located or active in China. The strategy's investment process is primarily based on bottom up fundamental research, looking to invest in strong businesses within attractive industries, with a focus on identifying companies with strong and/or improving returns on invested capital. A strong focus is also placed on environmental, social and governance (ESG) factors, as well as a capable management team. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.	Active Management Risk Concentration Risk Counterparty Risk Diversification and liquidity risk Emerging market risk Equity risk Foreign Risk Foreign Currency Risk General Economic and Market Conditions Risk Political and Regulatory Risk Investments in pooled investment funds Liquidity Risk Market Risk Tax Risk Sustainability Risk

Derivatives

If permitted by an account's governing documents, we may use derivatives in an account in order to provide a portfolio with flexibility and an increase in efficiency over what can be achieved using the cash markets. The main benefits are cash flow use, adjustment of asset mix, change in industry weights, risk reduction and enhancement of yield. Derivatives are non-cash contracts or securities that derive their value from the return on a certain asset or from the relationships among the returns of assets. Fixed income derivatives include but are not limited to futures, forwards, swaps, credit default swaps and options (listed and over the counter).

Risk of Loss and other Material Risks

While we seek to manage accounts so that risks are appropriate to the return potential for the strategy, it is often not possible, or desirable, to fully mitigate risks. The investment decisions we make may not produce the expected returns, may cause the portfolio to lose value or may cause the portfolio to underperform other portfolios with similar investment objectives. There is no assurance that a portfolio's objectives will be achieved. Investing in securities involves risk of loss that clients should be prepared to bear. For more information on the potential risks, please refer to the Risk Disclosure Appendix.

The risks listed above and in the Risk Disclosure Appendix are not a complete list of all the risks you might incur when investing with us and we recommend that you consult your own legal, financial and tax advisers before deciding whether or not to invest.

FIXED INCOME STRATEGIES BLUEBAY FIXED INCOME PLATFORM

Methods of Analysis

RBC GAM UK seeks to provide asset management services characterised by an active management style, a solid investment process, a focus on capital preservation and the generation of attractive risk-adjusted returns for all investment strategies. Certain Advisory accounts that are funds offered by RBC GAM UK have set guidelines which are published and available for review. RBC GAM UK monitors each respective guideline and limit imposed as part of our management of these Advisory accounts.

RBC GAM UK segregated mandates may have tailored guidelines according to specific client requirements. Tailored guidelines may have a positive or negative impact on a client's risk profile and returns. RBC GAM UK monitors each mandate's respective guidelines and limits as part of our management of the account.

RBC GAM UK's investment approach is governed by a style incorporating the following investment principles:

- Focus on absolute returns – both our long-only and alternative strategies use short exposures (either directly or via credit derivatives) as one of a number of techniques designed to deliver absolute-style returns
- Strong emphasis on capital preservation – the use of credit derivatives helps us to maximise portfolio efficiency
- Dynamic, research-driven approach
- Disciplined, risk-controlled environment
- Active management – our investment approach draws on both top-down and bottom-up inputs, resulting in an active style of management

Finally, credit analysis is the fundamental aspect of the RBC GAM UK's investment approach and is designed to identify existing market inefficiencies at all stages of the investment processes as well as drive security selection using RBC GAM UK's credit expertise and proprietary research.

RBC GAM UK believes that ESG factors can potentially have a material impact on an issuer's long-term financial performance. Given the limited upside and potentially significant downside of fixed income investments, the main focus of its ESG analysis is on understanding downside risks. Supplementing traditional financial analysis by reviewing ESG-related management practices and performance is therefore not only prudent but also in line with RBC GAM UK's fiduciary duty to optimize investor returns. Accordingly, RBC GAM UK has implemented a firm-level ESG investment management framework that utilizes a range of ESG approaches for our managed assets and segregated accounts; specific investment strategies may also go beyond the firm-level ESG framework in certain cases.

Primarily our ESG investment management framework focuses on ESG integration, supplemented by active engagement. Specifically in relation to ESG integration, we have developed a proprietary ESG evaluation framework that is part of our fundamental credit analysis, for held corporate and sovereign investments, for in-scope strategies, specific issuer and security types and certain investment exposures. For structured credit investments, we have been developing a bespoke ESG evaluation framework, that takes into account the nuances of this asset class, specifically for ABS and CLO securities, and are currently working to roll this out across our in-scope structured credit investment universe.

Advisory Account clients and investors in pooled investment vehicles should understand that all investment strategies and the investments made pursuant to such strategies involve risk of loss, including the potential loss of the entire investment, which clients and investors should be prepared to bear. The investment performance and the success of any investment strategy or investment can never be predicted or guaranteed, and the value of a client's or an investor's investments will fluctuate due to market conditions and other factors. The investment decisions made, and the actions taken for Advisory accounts will be subject to various market, liquidity, currency, economic, political and other risks, and investments may lose value.

Investment Strategies

RBC GAM UK manages a wide range of long-only and alternative specialist fixed income portfolios that focus on the following sub-asset classes of fixed income:

Convertible bonds

RBC GAM UK's Global Convertible Bond Strategy is managed by a team of dedicated portfolio managers and investment analysts, and also draws upon RBC GAM UK's other specialist teams, which combined provide RBC GAM UK's proprietary convertible bond analysis. Security selection is based on dynamic, proactive proprietary research. We exploit capital appreciation opportunities through sector and issuer analysis. We also place a strong emphasis on the technical characteristics of each individual security to ensure that they are consistent with our overall investment objectives.

We adopt a team-oriented approach to managing all of our Global Convertible Debt products. All investment decisions are taken in accordance with our investment process. Monitoring and risk control are continually assessed throughout the process. The investment process is comprised of six stages:

- Stage 1 – Macro Strategy
- Stage 2 – Preliminary Screening
- Stage 3 – Fundamental Credit & Equity Analysis
- Stage 4 – Valuation & Relative Value Analysis
- Stage 5 – Technical Analysis
- Stage 6 – Portfolio Construction

Leveraged Finance

The investment process for our leveraged finance strategies blends both top down and bottom-up inputs in order to create an optimised portfolio. Credit selection is driven by proprietary bottom-up fundamental analysis with an emphasis on downside stress testing.

Investment decisions are taken in accordance with our investment process which combines five stages:

- Stage 1 – Research Input
- Stage 2 – Idea Generation
- Stage 3 – Decision Outputs
- Stage 4 – Portfolio Construction
- Stage 5 – Risk Management

Emerging Market Debt

RBC GAM UK's Emerging Market Debt strategy is managed by a large and integrated team of dedicated portfolio managers, sovereign and corporate credit strategists and traders. The investment process for RBC GAM UK's Emerging Market Debt strategies balances top-down themes with bottom-up conviction ideas to form a strategic, best ideas portfolio. All of EM strategies follow largely the same investment process. We adopt a team approach to investing in which all investment decisions are taken in accordance with our investment process. Our process combines four stages:

Stage 1 – Fundamental Scoring

- Fundamental scoring at individual country and company level across an array of factors
- Dynamic process; scores constantly revisited
- ESG view formally integrated into fundamental score

Stage 2 –Political Analysis

- Significant emphasis put on assessment of the political backdrop
- "Pre-mortem" stress testing into key risk events

Stage 3 – Subjective Assessment

- Significant amount of due diligence carried out either on-the-ground or virtually

- Shared trips across sovereign and corporate specialist
- “Mosaic theory” approach to research

Stage 4 – Sovereign & Corporate Conviction Scores

- [-3,+3] scoring output
- Scores aggregated and logged in proprietary system, Alpha Decision Tool (ADT)
- Culture of accountability & transparency

The portfolio construction of the investment process involves blending our macro views and our country/sector/issuer calls in order to create a strategic, best ideas portfolio. Risk management is evaluated at every stage of the process.

Investment Grade Debt

Our investment grade debt strategies aim to generate performance across both interest rates and credit through both relative value and market directional positions. They have no bias to asset type or strategy type, as these are dictated by investment opportunities. The mix is expected to vary across the investment cycle and we focus on specific markets, assets or strategies that, we believe, offer the most opportunities and the most asymmetric risk/return characteristics.

Investment decisions for all of our investment grade debt strategies are taken in accordance with our investment process which combines five stages:

- Stage 1 – Research Input
- Stage 2 – Idea Generation
- Stage 3 – Decision Outputs
- Stage 4 – Portfolio Construction
- Stage 5 – Risk Management

Multi-asset credit

RBC GAM UK’s multi-asset credit strategies are managed by the members of the Multi-Asset Decision Group (MADG) who are experienced investment professionals and senior decision makers who draw upon the expertise of RBC GAM UK’s internal specialist investment teams, which combined, make decisions about the asset allocation, macro/tail hedging, and asset class beta of the strategies.

Security selection is based on dynamic, proactive proprietary research which is performed by the underlying investment management teams in each sub-asset class. All investment decisions are taken in accordance with RBC GAM UK’s investment process. Monitoring and risk control are continually assessed throughout the process. The investment process is comprised of four stages:

- Stage 1 – Portfolio Manager Forecasts
- Stage 2 – Risk & Transaction Costs
- Stage 3 – Capital Preservation Hedging Decisions
- Stage 4 – Asset Allocation Decisions

Developed Market Special Situations

Developed Market Special Situations strategies seek to exploit company specific situations in which price movement is anticipated through catalysts including, but not limited to mergers, acquisitions, restructurings, bankruptcies, recapitalizations, spin-offs, split-offs, liquidations, company earnings, regulatory or legal developments and other events. Developed Market Special Situations strategies are highly issuer- and transaction-specific and rely heavily on fundamental research and quantitative analysis. The strategies are designed to generate profits should particular catalysts occur, while a variety of techniques may be used to mitigate the risk that the catalyst does not happen as anticipated. Such an investment may be made in certain or all parts of an issuer's capital structure, as well as derivative products.

Investment decisions for Developed Market Special Situations strategies are taken in accordance with our investment process which combines five stages:

- Stage 1 – Idea Origination
- Stage 2 – Preliminary Screening
- Stage 3 – Due Diligence
- Stage 4 – Execution / Portfolio Construction
- Stage 5 – Dynamic Monitoring and Engagement

Structured Credit

RBC GAM UK 's Structured Credit investment philosophy is predicated on four main pillars analysing in detail the structure and all potential catalysts.

Structure deep dive looking at structural flexibility, tests / triggers, cash flow projections, optionality, tranche NAVs and capital structure optimisation

Manager / originator analysis focusing on asset writing / sourcing capabilities, workout experience on stressed or defaulted assets, transaction overlap and reinvestment trading capability

Portfolio deconstruction in depth analysis of prepayment speeds and seasonality, historical defaults and stressed assets, thorough credit analysis on the collateral pool, diversity and concentration, ratio of high-risk assets

Macro & other parameters relative value and outright screening of assets, premium / discount of manager and liquidity, secondary versus primary yields, view on collateral pool asset class, supply / demand technical, risk flags in the market

CLOs

For the CLO clients, RBC GAM UK invests primarily in a diversified pool of senior secured term loans and revolver loans for non- investment grade companies with typically between $40 million and $ 1 billion in earnings before interest, taxes, depreciation, and amortization ("EBITDA"). The minimum tranche size typically considered for investment is greater than $150 million, with certain exceptions, in an attempt to maintain adequate liquidity. RBC GAM UK employs a comprehensive framework to analyse each credit and debt structure. In selecting individual securities, RBC GAM UK's analysis typically includes the following categories, where applicable:

Top-Down Analysis: macroeconomic environment, industry cyclicality & volatility, competitive framework, third-party diligence and loan market conditions.

Bottoms Up Analysis: strength of products & services, company / sponsor strategy, industry position, barriers to entry, long-term prospects, peer comparisons and management track record.

Quantitative Analysis: financial performance & health, project cash flows, plans to de-lever, ability to meet obligations & repay debt, collateral valuation, downside analysis and recovery analysis.

Instrument Analysis: seniority, covenant analysis, liquidity and collateral valuation.

Ratings: RBC GAM UK utilizes a proprietary ratings model that replicates rating agency methodologies to form its own opinion of the probability of loss. RBC GAM UK may also utilize total return swaps in connection with bank loans, typically 1 to 3 years in duration.

Risk of Loss that apply specifically to Fixed Income Investment

All investment strategies involve a risk of loss of a portion or all of a client's investment. Each of RBC GAM UK's portfolios is subject to specific risks. The principal risks associated with our strategies are discussed in more detail below.

- **Issuer/Credit Risk.** There is a possibility that issuers of securities in which we invest may default on the payment of interest or principal on the securities when due, which could cause loss of money.

- **Investment Grade Rated Securities Risk**. RBC GAM UK's portfolios may invest in investment grade rated securities. Investment grade rated securities are assigned credit ratings by ratings agencies on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review, from time to time, such assigned ratings of the securities and ratings may be subsequently downgraded if economic circumstances impact the relevant bond issues.

- **Interest Rate Risk**. Yields and values of portfolios will fluctuate as the general level of nominal interest rates change. During periods when interest rates are low, portfolio yields may also be low and when interest rates increase, the value of fixed income securities held by the portfolios are likely to decrease.

- **High Yield Securities Risk**. High yield securities, which are non-investment grade fixed income securities and unrated securities of comparable credit quality (commonly known as "junk bonds"), are considered speculative and have a higher risk of issuer inability to meet principal and interest payment obligations. These securities may be subject to greater price volatility due to factors such as specific corporate developments, interest rate sensitivity, negative perceptions of the junk bond market generally and less secondary market liquidity.

- **Credit Spread Risk.** RBC GAM UK's portfolios' investments may be adversely affected if any of the issuers it is invested in are subject to an actual or perceived deterioration to their credit quality. Any actual or perceived deterioration may lead to an increase in the credit spreads and a decline in the price of the issuer's securities.

- **Convertible Securities Risk.** Market values of convertible securities depend on a number of factors including equity and credit risk, volatility risk, interest rate risk, amongst others. A convertible security's market value, however, tends to rise when the market price of the common stock of the issuing company rises. If the value of the underlying common stock or the level of the index involved in the convertible component is below the exercise price of the warrant or option at maturity, the convertible security will maintain its value, while the warrant or option itself will have no value.

- **Sovereign Debt Risk**. RBC GAM UK's portfolios may invest in sovereign debt securities. These securities are issued or guaranteed by foreign governmental entities. These investments are subject to the risk that a governmental entity may delay or refuse to pay interest or repay principal on its sovereign debt, due, for example, to cash flow problems, insufficient foreign currency reserves, political considerations, the relative size of the governmental entity's debt position in relation to the economy or the failure to put in place economic reforms required by the International Monetary Fund or other multilateral agencies. If a governmental entity defaults, it may ask for more time in which to pay or for further loans. There is no legal process for collecting sovereign debts that a government does not pay nor are there bankruptcy proceedings through which all or part of the sovereign debt that a governmental entity has not repaid may be collected.

- **Loan Risk**. RBC GAM UK's portfolios may invest in loans including loans that are rated below investment grade or the unrated equivalent. Like other high yield, corporate debt instruments, such loans are subject to an increased risk of default in the payment of principal and interest as well as the other risks described under "Interest Rate Risk," "Issuer/Credit Risk," and "High Yield Securities Risk." Although certain loans are secured by collateral, we could experience delays or limitations in realizing on such collateral or have its interest subordinated to other indebtedness of the obligor. Loans are vulnerable to market sentiment such that economic conditions or other events may reduce the demand for loans and cause their value to decline rapidly and unpredictably. Loans that are deemed to be liquid at the time of purchase may become illiquid. No active trading market may exist for some of the loans and certain loans may be subject to restrictions on resale. The inability to dispose of loans in a timely fashion could result in losses. Some loans that we invest in may have a more limited secondary market and therefore liquidity risk is more pronounced than those that invest primarily in other types of fixed income instruments or equity securities. Typically, loans are not registered securities and are not listed on any national securities exchange. Consequently, there may be less public information available about these types of investments and the market for certain loans may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods. As a result, we may be more dependent upon the analytical ability of the advisor.

- **Dilution from Subsequent Closings**. Investors subscribing for interests at subsequent closings of Advisory accounts that are pooled investment vehicles generally will participate in existing investments, diluting the interest of existing investors therein.

- **Assignments and Participations.** Assignments and participations are typically sold strictly without recourse to the selling institution thereof, and the selling institution will generally make no representations or warranties about the underlying loans.

- **Commodity Exposure Risks.** Exposure to the commodities markets may result in greater volatility than investments in traditional securities due to changes in overall market movements, commodity index volatility, changes in interest rates, factors affecting a particular industry or commodity, as well as changes in value, supply and demand and governmental regulatory policies.

- **Corporate Debt Securities Risks.** Corporate debt securities are subject to the risk of the issuer's inability to meet principal and interest payments on the obligation and may also be subject to price volatility

- **Credit Ratings**. An Advisory Account may use credit ratings to evaluate securities even though such credit ratings might not fully reflect the true risks of an investment.

- **Exchange-Traded Notes.** Exchange-traded notes are subject to credit risk, do not make periodic interest payments, and may impose fees and expenses on the Advisory Account.

- **Fixed Income Securities Risks**. Fixed income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations and to price volatility.

- **Floating and Variable Rate Obligations Risks**. There may be a lag between an actual change in the underlying interest rate benchmark and the reset time for an interest payment with respect to instruments with a floating and/or variable rate obligation, which could harm or benefit the Advisory Account, depending on the interest rate environment or other circumstances.

- **Inflation Protected Securities Risks**. Investments in inflation protected securities involve risks including an inability to accurately measure the rate of inflation and declining prices due to market deflation.

- **Limited Amortization Requirements.** Senior secured debt will typically have limited mandatory amortization and interim repayment requirements, which may increase the risk that a company will not be able to repay or refinance the senior debt.

- **Mezzanine Debt Risks**. An Advisory Account holding mezzanine debt will have lower priority than senior creditors, trade creditors and employees and will have substantially less influence over a company's affairs than that of senior creditors, especially during periods of financial distress or following insolvency.

- **Mortgage-Backed and/or Other Asset-Backed Securities Risks.** Mortgage-related and other asset backed securities are subject to certain risks, such as "extension risk," "prepayment risk," and, for securities offered by non-governmental issuers, the failure of private insurers to meet their obligations and unexpectedly high rates of default on the mortgages backing the securities.

- **Municipal Securities Risks.** Municipal securities risks include credit/default risk, interest rate risk, potential changes in tax rates, the ability of the issuer to repay the obligation, the relative lack of information about certain issuers of municipal securities, and the possibility of future legislative changes which could affect the market for and value of municipal securities.

- **Second Lien Loan Risks.** Second lien loans generally are subject to similar risks as those associated with investments in senior loans, and additional risks that the borrower may be unable to meet scheduled payments, price volatility, illiquidity, and the inability of the originators to sell participations in such loans

- **Other Debt Instruments - CBOs and CLOs Risks**. Advisory accounts may directly or indirectly invest in other investment grade or other debt instruments of companies or other entities not affiliated with countries or governments, including but not limited to, senior and subordinated corporate debt; investment grade equity tranches of collateralized mortgage obligations; preferred stock; corporate securities; and bank debt. As with other investments made by an Advisory Account, there may not be a liquid market for these debt instruments, which may limit the Advisory Account's ability to sell these debt instruments or to obtain the desired price. Advisory accounts may also invest in collateralized bond obligations ("CBOs") and collateralized loan obligations ("CLOs"), and other similar securities which may be fixed pools or may be "market value" or managed pools of collateral, including commercial loans, high yield and investment grade debt, structured securities and derivative instruments relating to debt. Depending upon the tranche of a CBO or CLO in which an Advisory Account invests, the returns may be extremely sensitive to the rate of defaults in the collateral pool, and redemptions by more senior tranches could result in an elimination, deferral or reduction in the funds available to make interest or principal payments to the tranches held by Advisory accounts. In addition, there can be no assurance that a liquid market will exist in any CBO or CLO when an Advisory Account seeks to sell its interest therein. Also, it is possible that an Advisory Account's investment in a CBO or CLO will be subject to certain contractual limitations on transfer. Further, a CBO or CLO may be difficult to value given current market conditions.

- **Difficulty in Valuing Fund Investments.** [JP/ Mohammed would like to defer to Compliance on wording on valuations risks here, potentially that taken from the prospectus]

- **Illiquidity of Investments**. Some performing assets and enjoying normal market liquidity could become distressed or illiquid due to a variety of reason, including but not limited to, issuer defaulting on their debt obligation and resulting restructuring processes.

- **Derivatives Risk**. Derivatives may be riskier than other types of investments and could result in losses that significantly exceed RBC GAM UK's portfolios' original investments. Many derivatives create leverage thereby causing Advisory accounts to be more volatile than they would have been if they had not used derivatives. Derivatives may also expose RBC GAM UK portfolios to counterparty risk (the risk that the derivative counterparty will not fulfil its contractual obligations), including the credit risk of the derivative counterparty.

Illiquidity in respect of collateralised debt obligations

In previous years, events in the collateralised debt obligation (including CLO), leveraged finance and fixed income markets have resulted in substantial fluctuations in prices for leveraged loans and high yield securities and limited liquidity for such instruments. No assurance can be made that conditions giving rise to similar price fluctuations and limited liquidity may not emerge following the Issue Date. During periods of limited liquidity and higher price volatility, the Issuer's ability to acquire or dispose of Collateral Debt Obligations at a price and time that the Issuer deems advantageous may be impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; and the Issuer's inability to dispose fully and promptly of positions in declining markets may exacerbate losses suffered by the Issuer when Collateral Debt Obligations are sold.

Item 9 - Disciplinary Information

To the best of RBC GAM UK's knowledge and belief, there has never been a case where the firm or any of its principals have been investigated, disciplined, suspended (including revocation or suspension of licenses), subpoenaed, indicted, prosecuted, or barred from investment activities by any U.S. state or federal government regulatory authorities.

Furthermore, RBC GAM UK is not currently subject to any threatened or pending litigation that may affect a client's decision to invest with the firm. RBC GAM UK is a subsidiary of Royal Bank of Canada, a global financial services company publicly listed on the Toronto Stock Exchange and the New York Stock Exchange. Various legal actions and proceedings are pending or threatened against RBC and its subsidiaries (other than RBC GAM UK), some of which seek relief or damages in amounts that are substantial. These actions and proceedings arise in the ordinary course of RBC's businesses and include suits relating to its lending, collections, servicing, investments and trust activities. Due to the complex nature of some of these actions and proceedings, it may be a number of years before such matters are ultimately resolved.

Item 10 - Other Financial Industry Activities and Affiliations

As discussed in Item 4 above, RBC GAM UK is ultimately owned by RBC. RBC has a global portfolio of companies under its control, including other investment advisers material to the investment advisory services we provide, including:

- RBC Global Asset Management Inc. ("RBC GAM-Canada")
- RBC Global Asset Management (U.S.) Inc. ("RBC GAM-US")
- RBC Global Asset Management (Asia) Limited ("RBC GAM-Asia")

RBC GAM UK does not have any relationships or arrangements with a related person that are material to its advisory business or clients other than those described below. RBC GAM UK is registered as a Commodity Pool Operator and Commodity Trading Adviser.

Some of our directors, executive officers and employees are also directors, officers or employees of one or more affiliates. In these circumstances, the potential for a conflict of interest exists between the obligations to our clients and the incentive to take actions that benefit one or more of our other affiliates. There may also be conflicts among the affiliated entities with respect to the allocation of resources and time. We believe these potential conflicts are mitigated because our employees and those of our affiliates are subject to a Code of Conduct and various policies that require these employees to act in the best interests of our clients and to put the needs of our clients above our own.

We serve as sub-adviser to separate accounts, private investment funds, US or non-US domiciled mutual funds and other pooled investment foreign funds such as UCITS funds for our affiliates, including RBC GAM-US and RBC GAM-Canada. Our affiliates may recommend these products to their clients. Where this occurs, other than the management fee we collect from our affiliates, we do not collect any additional fees for the sale of these funds.

We distribute certain of our affiliates' investment services or products, typically in the EMEA region. Where we do so, we may receive a portion of any related management fee payable to our affiliates. We have one affiliate on our list of approved broker-dealers. All broker-dealer business is carried out in accordance with our systems and controls to manage regulatory requirements and potential conflicts of interest.

We have one affiliate on our list of research providers. All research payments are carried out in accordance with our systems and controls to manage regulatory requirements and potential conflicts of interest.

RBC GAM UK may delegate certain responsibilities, such as client servicing or investment management, to one or more affiliates and remunerate them accordingly, where permissible by law.

We receive certain administrative, operational, infrastructure and technical support, compliance, legal, and marketing services from our affiliates that may be material to our advisory business.

In the regular course of business, RBC GAM UK and our affiliates may invest the assets of the accounts we manage in the publicly traded securities of other clients or prospective clients. We may also invest the assets of our client accounts in securities issued by companies that are customers of our affiliates. In such circumstances, we do not and will not receive any compensation from the issuer for investing client assets in such issuer's securities.

We rely on our affiliate, RBC GAM-Canada to review and validate proxy recommendations and votes from our proxy research and service provider to ensure they are in line with our proxy voting guidelines. Refer to Item 17 for more information on Proxy Voting.

RBC group entities may have direct and indirect interests in the financial instruments and markets in which RBC GAM UK invests for its clients and may affect transactions with those clients. RBC group entities may act in a variety of roles including those of proprietary trader, broker, underwriter, agent or lender in connection with transactions in which RBC GAM UK's clients have an interest and will receive remuneration or other benefits in connection with these roles.

From time to time, the activities of Advisory accounts may be restricted because of regulatory or other requirements applicable to RBC and/or its internal policies designed to comply with, limit the applicability of, or otherwise relate to such requirements.

We do not believe these relationships create material conflicts of interest between RBC GAM UK and our clients.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

Pursuant to SEC rule 204A-1 under the Advisers Act, and other applicable regulations, RBC GAM UK has adopted a Code of Ethics ("Code") which is applicable to all employees and sets out the standards of business conduct in accordance with the Firm's fiduciary duty to its clients.

The Code requires GAM UK and its employees to comply with applicable laws and regulations, and it outlines certain requirements in accordance with the Firm's Compliance policies and procedures including treatment of material non-public information, conflicts of interest, disclosure of personal relationships, and personal trading. The Code outlines the potential consequences of violating the Code and the other Compliance policies referenced within it, including penalties and disciplinary action.

The Code is available to any client or prospective client upon request. It can be requested by contacting us at ComplianceRBCBlueBay@rbc.com.

RBC Code of Conduct

The Royal Bank of Canada (RBC) strives to consistently maintain the highest possible standards of honest and ethical behaviour. In keeping with this objective, RBC has described its values and standards in RBC's Code of Conduct. This is available on RBC's website: https://www.rbc.com/our-company/_assets-custom/pdf/Code-Of-Conduct.pdf

Personal Trading

GAM UK has a Personal Account Dealing and Private Investments Policy which establishes the minimum standards to be followed by all employees in connection with their personal trading and private investments, to ensure adequate arrangements are in place to manage any actual or potential conflicts of interest that may arise from an employee's personal trading activity. Employees are required to request pre-clearance before undertaking transactions (subject to certain exceptions) and to provide reporting of transactions and positions, either via automated live feeds or manual statements. Employees are required to complete regular certifications/declarations in relation to their personal trading activity and compliance with the policy.

Other Compliance Policies – Gifts and Entertainment, and Outside Business Activities

GAM UK has Compliance policies governing the provision and acceptance of gifts and entertainment and undertaking outside business activities. Under these policies, employees are prohibited from exchanging gifts and entertainment, or engaging in outside business activities (including accepting external directorships), that may conflict with the interests of Firm and/or its clients.

Potential Conflicts resulting from Investments in Different Parts of an Issuer's Capital Structure

RBC GAM UK's affiliates and Advisory Accounts, on the one hand, and a particular Advisory Account, on the other hand, may invest in or extend credit to different parts of the capital structure of a single issuer. As a result, RBC GAM UK's affiliates or different Advisory Accounts managed by RBC GAM UK's may take actions that adversely affect a particular Advisory Account. In addition, RBC GAM UK's affiliates may advise Accounts with respect to different parts of the capital structure of the same issuer, or classes of securities that are subordinate or senior to securities, in which a particular Advisory Account invests. RBC GAM UK's affiliates may pursue rights, provide advice or engage in other activities, or refrain from pursuing rights, providing advice or engaging in other activities, on their own behalf or on behalf of their clients with respect to an issuer in which a particular Advisory Account has invested, and such actions (or refraining from action) may have a material adverse effect on a RBC GAM UK Advisory Account. For example, in the event that an affiliate holds loans, securities or other positions in the capital structure of an issuer that ranks senior in preference to the holdings of a particular RBC GAM UK Advisory Account in the same issuer, and the issuer were to experience financial or operational challenges, the affiliate, acting on behalf of itself or its client, may seek a liquidation, reorganization or restructuring of the issuer, or terms in connection with the foregoing, that may have an adverse effect on or otherwise conflict with the interests of the particular BlueBay Advisory Account's holdings in the issuer.

Alternatively, in situations in which an Advisory Account holds a more senior position in the capital structure of an issuer experiencing financial or other difficulties as compared to positions held by other, RBC GAM UK may determine not to pursue actions and remedies that may be available to the Advisory Account or particular terms that might be unfavourable to the Accounts holding the less senior position.

As a result of the various conflicts and related issues described above and the fact that conflicts will not necessarily be resolved in favour of the interests of particular Advisory Accounts, Advisory Accounts could sustain losses during periods in which RBC GAM UK's affiliates and certain Advisory Accounts achieve profits generally or with respect to particular holdings in the same issuer, or could achieve lower profits or higher losses than would have been the case had the conflicts described above not existed.

Potential Conflicts Relating to Follow-On Investments

From time to time, RBC GAM UK may provide opportunities to Advisory Accounts to make investments in companies in which certain Advisory Accounts have already invested. Such follow-on investments can create conflicts of interest, such as the determination of the terms of the new investment and the allocation of such opportunities among Advisory Accounts. Follow-on investment opportunities may be available to Advisory Accounts with no existing investment in the issuer, resulting in the assets of an Advisory Account potentially providing value to, or otherwise supporting the investments of, other Advisory Accounts.

Side Letters

RBC GAM UK acting in its capacity as Investment Adviser to RBC GAM UK-sponsored investment vehicles advised by it may enter into or may advise the entering into of side letters or other similar agreements with investors in connection with their admission to such RBC GAM UK-sponsored investment vehicles without the approval of any other investor. The side letters or other similar agreements have the effect of establishing rights under, altering or supplementing the terms of the governing documents of such applicable RBC GAM UK sponsored investment vehicles with respect to one or more such investors in a manner more favourable to such investors than those applicable to other investors. Any rights established, or any terms of the governing documents of such applicable investment vehicles altered or supplemented in a side letter or other similar agreement with an investor will govern solely with respect to such investor notwithstanding any other provision of the governing documents of such applicable RBC GAM UK-sponsored investment vehicle related thereto. Such rights or terms in any such side letter may include, without limitation, (i) fee and other economic arrangements with respect to such investor; (ii) excuse or exclusion rights applicable to particular investments or terms relating to withdrawal rights from the investment vehicle, including without limitation, as a result of an investor's specific policies; (iii) additional or modified reporting obligations of the applicable general partner; (iv) undertakings with regard to voting obligations; (v) prior consent of the general partner to transfers; (vi) special rights with respect to co-investment allocation and participation; (vii) rights or terms necessary in light of particular legal, regulatory or policy characteristics of an investor; (viii) potential mandatory waivers of compensation as a result of certain violations of law with regard to public pension plan investors; (ix) additional obligations and restrictions of the applicable general partner with respect to the structuring of any particular investment in light of the legal, tax and regulatory considerations of particular investors; (x) agreements to assist with the taking or defending of tax positions and (xi) certain obligations and restrictions on the applicable general partner with respect to the exercise of its discretion on certain matters, including amendments, exercising default remedies and waiving confidentiality or terms.

Valuation – BlueBay Fixed Income Platform

RBC GAM UK values all portfolio assets in accordance with the Pricing & Valuation Policy. RBC GAM UK's Valuation Committee (covering the BlueBay Fixed Income Platform), who provides governance and oversight over the pricing function, maintains the policy. The pricing hierarchy is listed in the policy and shows the pricing sources used to value each security type. Securities are valued using index provider consistent prices, third party valuation services, independently sourced broker quotes or market recognised valuation tools. Level 3 assets, as defined under US GAAP by ASC 820 – Fair Value Measurement, and other illiquid securities are reviewed by in-house credit analysts. The credit analysts present a Pricing Paper to the Valuation Committee who will scrutinise the information provided. The Valuation Committee can approve the use of the Pricing Paper to value the asset in the Advisory Account or challenge the credit analyst to justify their position. Before any Pricing Paper prepared by an in-house credit analyst is used to value a position in an Advisory Account it must receive approval from the Valuation Committee. Those assets that meet pre-defined size criteria will also be subject to periodic review by specialist independent third-party valuation providers

RBC GAM UK may value an identical asset differently than another division or unit within RBC, including because such other division or unit has information or uses valuation techniques and models that it does not share with RBC GAM UK. RBC GAM UK may also value an identical asset differently in different Advisory Accounts, including because different Advisory Accounts are subject to different valuation guidelines pursuant to their respective governing agreements, different third-party vendors are hired to perform valuation functions for the Advisory Accounts or the Advisory Accounts are managed or advised by different portfolio management teams that employ different valuation policies or procedures or otherwise. RBC GAM UK will face a conflict with respect to valuations generally because of their effect on fees and other compensation. In addition, to the extent RBC GAM UK utilises third-party vendors to perform certain valuation functions, these vendors may have interests and incentives that differ from those of the Advisory Accounts.

Conflicts of Interest Arising From RBC GAM UK and/or other RBC Policies, Regulatory Restrictions and Other Factors That May Affect Advisory Accounts

RBC GAM UK may restrict its investment decisions and activities on behalf of an Advisory Account in various circumstances, including as a result of applicable regulatory requirements, information held by RBC GAM UK, its affiliates, in particular RBC, RBC's roles in connection with other clients and in the capital markets (including in connection with advice it may give to such clients or commercial arrangements or transactions that may be undertaken by such clients or by RBC) and RBC's internal policies and/or potential reputational risk in connection with Accounts (including Advisory Accounts). RBC GAM UK might not engage in transactions or other activities for, enforce certain rights in favour of, or recommend transactions or activities to, an Advisory Account due to RBC's activities outside the Advisory Account and regulatory requirements, policies and reputational risk assessments.

In addition, RBC GAM UK may restrict, limit or reduce the amount of an Advisory Account's investment, or restrict the type of governance or voting rights it acquires or exercises, where Advisory Accounts (potentially together with RBC and other Accounts) exceed a certain ownership interest, or possess certain degrees of voting or control or have other interests. For example, such limitations may exist if a position or transaction could require a filing or a license or other regulatory or corporate consent, which could, among other things, result in additional costs and disclosure obligations for, or impose regulatory restrictions on, RBC, including RBC GAM UK, or on other Advisory Accounts, or where exceeding a threshold is prohibited or may result in regulatory or other restrictions. In certain cases, restrictions and limitations will be applied to avoid approaching such threshold. Circumstances in which such restrictions or limitations may arise include, without limitation: (i) a prohibition against owning more than a certain percentage of an issuer's securities; (ii) a "poison pill" that could have a dilutive impact on the holdings of the Accounts should a threshold be exceeded; (iii) provisions that would cause RBC to be considered an "interested stockholder" of an issuer; (iv) provisions that may cause RBC to be considered an "affiliate" or "control person" of the issuer; and (v) the imposition by an issuer (through charter amendment, contract or otherwise) or governmental, regulatory or self-regulatory organization (through law, rule, regulation, interpretation or other guidance) of other restrictions or limitations.

RBC GAM UK may also reduce a particular Advisory Account's interest in, or restrict certain Advisory Accounts from participating in, an investment opportunity that has limited availability or where RBC has determined to cap its aggregate investment in consideration of certain regulatory or other requirements so that other Advisory Accounts that pursue similar investment strategies may be able to acquire an interest in the investment opportunity. RBC GAM UK may determine not to engage in certain transactions or activities which may be beneficial to Advisory Accounts because engaging in such transactions or activities in compliance with applicable law would result in significant cost to, or administrative burden on, BlueBay or create the potential risk of trade or other errors.

Furthermore, RBC GAM UK operates a program reasonably designed to ensure compliance generally with economic and trade sanctions- related obligations applicable directly to its activities (although such obligations are not necessarily the same obligations that an Advisory Account may be subject to). Such economic and trade sanctions may prohibit, among other things, transactions with and the provision of services to, directly or indirectly, certain countries, territories, entities and individuals. These economic and trade sanctions, and the application by RBC GAM UK of its compliance program in respect thereof, may restrict or limit an Advisory Account's investment activities.

Other Conflicts of Interest

RBC GAM UK may from time-to-time purchase or sell on behalf of client's securities or other investment products in which RBC GAM UK, its affiliates or other related parties have a financial or other material interest or a relationship of any other description which may give rise to a potential conflict with RBC GAM UK's duty to its clients. RBC GAM UK may on occasion trade in investments issued by its clients. In all such cases RBC GAM UK will ensure that such transactions are affected on terms that are in the best interest of the clients than if the potential conflict had not existed. RBC GAM UK addresses these, and other potential conflicts of interest, in its Conflicts of Interest policy which sets out possible scenarios in which conflicts of interest may arise, as well as how they are managed and mitigated by RBC GAM UK.

All employees are evaluated and rewarded annually during the yearly compensation review process. RBC GAM UK has a Remuneration Committee which reviews the compensation arrangements annually. Compensation for any given individual is paid according to both quantitative and qualitative considerations. RBC GAM UK operates a discretionary bonus scheme. Remuneration of all investment professionals is geared to portfolio performance and takes into account the profitable growth of each investment team's business.

RBC GAM UK continues to operate a discretionary deferred bonus arrangement for all employees awarded bonuses over a certain threshold. Under this arrangement, qualifying bonus awards are made in the form of conditional investments in Advisory Accounts managed by RBC GAM UK which vest at the end of a three-year period. Unvested bonus awards will typically be forfeited by a departing employee.

Item 12 – Brokerage Practices

Broker Selection

By granting RBC GAM UK investment discretion through an investment agreement, clients are also granting us authority to determine, without further client consent, the broker or dealer for securities transactions in the client's account. Our objective for each transaction is to seek the broker most capable of providing the brokerage services necessary in obtaining the best execution, while taking into consideration factors such as:

- Price
- Costs, including spread and brokerage
- Speed
- Likelihood of execution and settlement
- Size and nature of the order
- Nature of the markets in which the security can be traded
- Counterparty risk
- Confidentiality
- Volatility
- Broker-dealer's ability to provide best execution capabilities in the types of securities traded
- Reasonableness of commissions
- Accessibility to trading personnel
- General reputation, including regulatory history of the firm
- Financial stability
- Trade desk opinion of the firm.

These considerations (and others, as relevant) guide our selection of the appropriate venue, e.g., an electronic communication networks ("ECN") or alternative trading system ("ATS"), a traditional broker, or a crossing network, etc., in which to place an order and the proper strategy with which to trade.

RBC GAM UK maintains an Approved Broker/Counterparty list which formally records the parties with which a trader may do business. All approved counterparties go through an approval process at inception of any trading relationship, and once approved are programmed into the Order Management System.
Approved counterparties are subject to an ongoing review through the monitoring of Credit Default Swap spreads, credit ratings or equity price changes.

Daily, the Risk Team monitors market indicators such as credit default swap spreads for OTC and depositor counterparties. If these indicators raise concern about the credit quality of any counterparty, further trading may be prohibited or the counterparty removed from the Approved Broker/Counterparty List.

Ongoing Review of Counterparties

Daily, the Risk team monitors market indicators such as credit default swap spreads for OTC and depositor counterparties. If these indicators raise concern about the credit quality of any counterparty, further trading may be prohibited or the counterparty removed from the Approved Broker/Counterparty List.

On an annual basis, the Broker/Counterparty Annual Approval List is updated by the Risk team with details of any legal or regulatory action (based on publicly available information) and trading volumes during the previous year, and details of any market information that may affect RBC GAM UK's decision to do business with the firm. A review is performed of the recent performance of equity and credit default swaps of the counterparty and credit ratings of each OTC and depositor counterparty. Based on the completed annual approval list and credit ratings, an assessment is performed whether the trading risk of each of the counterparties on the annual approval list continues to be acceptable.

RBC Capital Markets, an affiliate of RBC and RBC GAM UK, is included on RBC GAM UK's Approved Counterparty List. The Approved Counterparty List formally records the banks and brokers with whom RBC GAM UK's traders may do business and is subject to customary review, as with any other counterparty. RBC GAM UK is entitled to use RBC

Capital Markets for brokerage services, as long as trades are executed at arm's length, are in compliance with RBC GAM UK's best execution policies and procedures and is permitted by respective investment guidelines. We do not have any minimum trading threshold to transact with RBC Capital Markets.

Segregated account prospects may request that RBC GAM UK exclude RBC Capital Markets as a broker for their account.

We would not, as general practice, accept client instructions to direct brokerage to particular broker-dealers although we may accept restrictions on which brokers we may use, for instance for regulatory reasons. However, Advisory accounts may limit RBC GAM UK's discretionary authority in terms of the selection of broker- dealers or other terms of brokerage arrangements.

Advisory accounts that direct brokerage may have execution of their orders delayed, since, in an effort to achieve orderly execution of transactions, execution of orders for Advisory accounts that have directed RBC GAM UK to use particular broker-dealers may, in certain circumstances, be made after RBC GAM UK completes the execution of non-directed orders. This delay may negatively affect the price paid or received in the purchase or sale of securities, respectively, by an Advisory Account electing to direct brokerage.

An Advisory Account might not be able to participate in certain investment opportunities because the Advisory Account's directed or restricted broker-dealer requirements may not have access to certain securities, such as new issues.

Directing or restricting brokerage may prevent us from achieving best execution which may cost you more money, for instance by preventing the aggregation of orders which can lower commissions and/or transaction costs as well as improve prices.

Use of Client Commissions

RBC GAM UK does not receive soft dollar benefits from brokers or third parties in relation to client securities transactions.

Research Provider Selection

RBC GAM UK may purchase research from third parties, including broker-dealers, in order to supplement its own analysis. Such research is purchased using RBC GAM UK's funds and RBC GAM UK has policies and procedures in place to ensure RBC GAM UK does not receive research in such a way that it might create a conflict of interest by inducing RBC GAM UK to direct client transactions to particular broker dealers. RBC GAM UK maintains an approved list of research providers. Research provider approvals are determined and the list is reviewed by a committee which includes senior management.

Aggregation and Allocation

RBC GAM UK provides investment advisory services to different types of client accounts. Certain portfolio management decisions may affect more than one account, for example when we decide to take an investment action with respect to all of the accounts we manage in a certain style. This results in multiple trading orders relating to the same security but for different client accounts. In these cases, we will typically combine or aggregate purchase or sale orders for more than one account when we believe such aggregation is in the best interest of clients and is consistent with our duty to seek best execution.

Such aggregation may be able to reduce costs on a per-share/unit basis. We will not aggregate orders where:

- We believe aggregation will result in favouring any account over another;
- We believe aggregation systematically advantages or disadvantages any account;
- RBC GAM UK receives any additional compensation or remuneration solely as the result of the aggregation; or
- Each participating account will not receive the receive, as best possible, the average per-unit price, and will not share pro rata in any transaction costs.

In addition, RBC GAM UK may decide not to aggregate an order for reasons such as:

- The account's governing documents do not permit aggregation;
- A client has directed that trades not be executed through a specific broker-dealer;
- Aggregation is impractical because of specific trade directions received from the portfolio manager; e.g., a limit order;
- The order involves a different trading strategy; or

- We otherwise determine that aggregation is not consistent with seeking best execution.

When RBC GAM UK does not aggregate order for a client, or clients, we will seek to ensure client account orders are treated fairly and equitably over time and not intentionally favour of disfavour any client or class of client in the allocation of investment opportunities.

Once executed, aggregated orders are allocated to the participating accounts pro rata on the basis of order size, except in exceptional circumstances which are recorded and reported internally.

On occasion, an aggregated order may not receive sufficient allocation to fill all of the accounts. In such circumstances, the executed portion of any order will typically be allocated to the participating accounts pro rata on the basis of their order size. This procedure also applies to subscription orders for primary or secondary security offerings.

RBC GAM UK also aggregates trades on its Fixed Income Platform with client trades of our affiliate, RBC GAM-US, provided the aggregation of such orders does not disadvantage any accounts and all participating accounts are allocated pro rata.

Allocations must reasonably be in the best interests of all the affected clients, and the Portfolio Manager will take into account factors impacting the allocation, including:

- Availability of cash;
- Client investment guidelines that exclude a particular security or type of security;
- Client investment guidelines that restrict the amount of a particular security or security type;
- Client benchmarks against which performance is measured;
- Internal risk management measures;
- Investment objectives;
- Investment strategy;
- Alpha target;
- Advisory Account size (NAV); and
- Market parameters such as minimum tradable lot sizes and round lot sizes applicable to a security.

The trading of RBC GAM UK is undertaken on two different investment platforms: the BlueBay platform (for the relevant legacy fixed income of BlueBay Asset Management LLP), and the RBC GAM UK platform (for both equity strategies, and the UK-based fixed income strategies of RBC GAM Canada). Trading on these two platforms occurs independently of each other, and trades are not aggregated or allocated between those platforms. Information pertaining to orders and trades on these systems are ring-fenced from each other's investment functions.

Our equity investment teams may encounter occasions when clients may pay disparate transaction costs due to minimum charges per account imposed by either the broker effecting the transaction or the client's custodian. If there is an open order and a subsequent similar order for the same security for a different account is received by RBC GAM UK's trading desk, such subsequent order will generally be aggregated with any remainder of the original order consistent with the considerations set forth above.

An exception to this might occur in the rare circumstances where to do so would not be in the interests of all impacted Clients. Examples where it would not be in the best interests of all Clients to receive a pro-rata share could be availability of stock to build a meaningful position size, trading and settlements costs are deemed excessive or pro rata allocation is not possible. In these exceptional circumstance allocations will be made to one participating account randomly. In certain circumstances the portfolio manager may propose to exclude accounts from the random draw where the allocation would be de minimis given the size of the fund and the Client would not be disadvantaged from being excluded. All non-pro-rata allocations are reported and reviewed internally. Partial fills that are small odd lots will either be fully-filled or excluded on that day pursuant to an automated formula applied by our trading system. If this method does not address a particular circumstance or would produce an inappropriate result, another fair and reasonable method may be used.

Correcting Trade Errors

In the event a trade error is made by RBC GAM UK, it is our policy to correct the trade error and absorb any financial loss as a result of that error. Further, we do not use soft dollars or directed trades to correct an error or attempt to correct the error using another client account. If a trade error unfavourably affects the client's account, we will reimburse the account so that the client is not financially disadvantaged. Typically, gains as a result of a trade error will be maintained in the client account unless we are specifically instructed by the client that they do not wish to retain the gain.

Item 13 – Review of Accounts

Overview

RBC GAM UK provides monitoring and oversight of the discretionary accounts we manage through our trade order management and portfolio compliance platforms. We use Charles River Development ("CRD"), a trade order management and investment policy compliance system, to automate portfolio compliance monitoring. Accounts are reviewed on a daily basis by the Investment Policy team using CRD to ensure the portfolio holdings are in line with the client's investment mandate. The Investment Policy team and portfolio managers seek to ensure that each account is managed consistently with the investment mandate applicable to the account in terms of (1) allocation and diversification of portfolio assets; (2) duration and maturity for fixed income accounts; (3) cash levels; (4) compliance with any specific restrictions established by the client or applicable regulations; (5) the weight of individual securities or asset classes compared against targeted benchmark; (6) changes in a client's financial profile as communicated to RBC GAM UK; and/or (7) changes that are recommended in overall investment policy or strategy by RBC GAM UK portfolio managers, as appropriate.

Additionally, to help monitor investment risk at the strategy level, RBC GAM's Risk Management and Attribution teams use independent measures and in-house systems to monitor absolute and benchmark relative risk in portfolios, performance attribution analysis and reporting of performance and risk profiles.

Generally, unless otherwise agreed, we will meet with each client on an annual basis to review goals, objectives, holdings, and portfolio performance to ascertain the continued appropriateness of the client's investment strategy. In addition, some accounts may be formally reviewed more frequently by RBC GAM UK senior management. Our senior management may also meet with portfolio managers or other investment personnel to discuss accounts under their management.

RBC GAM UK periodically reviews CLO Client portfolios to monitor performance and compliance with investment guidelines and discusses prospective investments and credit, industry and economic news and trends at a frequency that is in accordance with its internal policies and procedures. RBC GAM UK delivers periodic reports and other information to CLO Clients as negotiated and set forth in Client Documentation or as otherwise required by law.

Client Reporting

RBC GAM UK provides written client reports which may, depending on client agreement, include portfolio and benchmark performance and characteristics; portfolio holdings; and transactions for the period. The frequency of reporting is set by each client and documented in the investment management agreement. RBC GAM UK encourages clients to review their reports and to promptly notify us if they identify any discrepancies or have questions.

Item 14 - Client Referrals and Other Compensation

Referrals

We may engage in third-party referral arrangements, which may include the use of affiliated and unaffiliated broker-dealers or investment advisers. Compensation will vary for each such party and will be paid pursuant to the terms of a written agreement with the respective party, which also outlines the nature of the activities to be undertaken.

These arrangements may create a conflict of interest by providing an incentive for the third-party solicitor to recommend us over another investment adviser. We may enter referral arrangements with our affiliates and may occasionally engage non-affiliated solicitors. In such cases, RBC GAM UK will pay a retainer or other fixed fee and/or a portion of the advisory fee that we receive from the referred client. All client and investor solicitation activities will be undertaken in accordance with the requirements of the various federal securities laws and disclosure specific to the solicitation will be provided to each prospective client and investor at the time of solicitation.

Where RBC GAM UK directly engages with an un-affiliated US client, it may choose to engage and remunerate a US affiliate to provide client servicing to that client.

Gifts and Entertainment

As part of its ordinary business RBC GAM UK, or a related person, may send corporate gifts to, or pay for meals and entertainment for clients or service providers who engage in business with us or our affiliates. RBC GAM UK, employees may also receive corporate gifts, meals and entertainment. RBC GAM UK, or an affiliated entity may also make charitable contributions or sponsor events. The giving and receipt of gifts, entertainment and other benefits are subject to certain limitations as outlined in our *Gifts and Entertainment Policy*.

Item 15 - Custody

RBC GAM UK does not provide custody services to its clients; nor does it recommend the services of any custodians. All clients' accounts are held in custody by unaffiliated or affiliated broker/dealers, banks or other institutions approved to provide custodian services. Notwithstanding the above, in certain situations RBC GAM UK may be deemed to be a custodian of a client account further to the Advisers Act even though it does not hold client assets. In such cases, RBC GAM UK complies with all applicable regulation.

In any case, Clients should receive at least quarterly statements from their broker-dealer, bank, or other qualified custodian that holds and maintains client assets. Clients are encouraged to contact their custodian and request copies of their statements if they are not receiving them. RBC GAM UK urges clients to carefully review such statements and compare such official custodial records to the client reports we provide them with. The account values reflected in RBC GAM UK client reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities and are not intended as a substitute for accounts statements provided by their qualified custodian.

For CLOs Clients, RBC GAM UK is not deemed, under federal securities laws, to have custody of the assets of its CLOs by virtue of its status as investment collateral manager. RBC GAM UK does not have actual physical custody of any CLO Client assets; the CLOs' assets are held in the custody of their respective unaffiliated trustees; and RBC GAM UK has no ability to deduct fees or expenses from the CLO Clients.

Refer to Item 13 for more information about client reports.

Item 16 - Investment Discretion

RBC GAM UK offers both discretionary clients (who have granted us written authorization to execute transactions for their accounts without prior approval), and non-discretionary clients (who require transactions be either traded by them or authorized by them in advance), investment management services.

Before RBC GAM UK will assume discretionary authority for a client, the client and RBC GAM UK must enter into an investment management agreement (IMA) that grants us authority to execute trades on behalf of the client. Where limitations are imposed as a result of the requirement to comply with client investment guidelines and restrictions, these are detailed in the IMA.

Regardless of whether discretion is granted to us, investment management will be conducted in a manner consistent with the stated investment objectives of the client account. With the exception of account restrictions agreed with our client, where we are granted investment discretion we are generally authorized to make the following determinations, consistent with each client's investment goals and policies, without client consultation or consent before a transaction is effected:

- which securities or other investments to buy or sell
- the total amount of securities or other investments to buy or sell
- the broker or dealer through whom securities are bought or sold
- the commission rates at which securities or other investment transactions for client accounts are affected
- the price at which securities or other investments are to be bought or sold, which may include dealer spreads or mark-ups and transactions costs.
- Such discretion will be used within any restrictions required by law, regulation or RBC GAM UK's internal policies.

In general, RBC GAM UK has full discretion to buy and sell investments on behalf of CLO clients, including authority to make decisions with respect to amount, price, and counterparties (pursuant to, and subject to the terms and conditions set forth in, the Client Documentation). RBC GAM UK provides investment advice to each CLO client and not individually to Note Holders.

Item 17 - Voting Client Securities

Many of our clients have granted us discretion to vote proxies on their behalf. RBC GAM UK has adopted proxy voting policies and procedures including specific proxy voting guidelines that set forth the general principles we use to determine how to vote in client accounts for which we have proxy voting responsibility. The proxy voting guidelines are established and updated each year by RBC GAM Inc.'s Corporate Governance & Responsible Investment ("CGRI") team.

In general, we vote proxies in accordance with the Custom Guidelines (RBC GAM Proxy Voting Guidelines); however, there may be a situation where we vote differently than recommended by the Custom Guidelines, or do not vote, because we believe that to do so would be in the best interest of the client. We generally will not vote on ballots with share blocking requirements that "lock up" securities, which would limit liquidity or access to market opportunities.
In the event that we identify a perceived or actual conflict of interest, we follow procedures to ensure that a proxy vote is exercised in accordance the best interest of the client, free from any undue or external influences.
To assist us with the management and execution of our proxy voting process, we rely on ISS and Glass, Lewis & Co., which are our primary resources for proxy research. ISS provides voting recommendations - based on our Proxy Voting Guidelines, or its local proxy voting guidelines, where applicable. RBC GAM makes all proxy voting decisions, independent of ISS and Glass Lewis & Co.

- The Custom Guidelines are updated annually and based on leading corporate governance standards.
- For these Custom Guidelines, we engage (a) ISS as our voting service provider and (b) our affiliate, RBC GAM Inc. to perform research, analysis and administrative functions. The CGRI team reviews ISS' voting recommendations to confirm adherence to the Custom Guidelines, where applicable, and works directly with RBC GAM UK investment teams to ensure votes are cast consistent with our fiduciary duty.
- Taft-Hartley Advisory Services ("T-HAS"): These guidelines are based on the AFL-CIO proxy voting policy.
- For the T-HAS Guidelines, we engage (a) Taft-Hartley Services of ISS as our research and voting service for clients who elect T-HAS as their proxy voting guidelines and (b) our affiliate, RBC GAM Inc. to perform administrative functions.

We have instructed ISS to use its automated voting platform to cast client proxy votes prior to the market cut-off date for each shareholder meeting. If, in advance of the shareholder meeting, a company files additional soliciting materials with local regulators, or publishes a response to the research or vote recommendations of ISS or Glass, Lewis & Co., we have implemented a process to review those responses and consider them in our voting decision on a best-efforts basis.

RBC GAM UK has a detailed process to manage the review and approval of vote instructions. Our CGRI team manages the internal review of proxy voting to ensure that the custom recommendations made by ISS correctly reflect the intentions of our Custom Guidelines.

Additional information about our Proxy Voting Process can be found in the RBC Global Asset Management Proxy Voting Guidelines document on our website. You may also contact us directly for a copy of the Custom Guidelines. In addition, a record of all proxy votes cast on behalf of a client's account(s) is available upon request.

Item 18 - Financial Information

RBC GAM UK is not aware of any financial condition that is likely to impair its ability to meet contractual commitments to clients.

RBC GAM UK has never been subject to a bankruptcy petition.

Item 19 – Requirements for State Registered Advisers

RBC GAM UK is not a state registered adviser.

Risk Disclosure Appendix – applicable to Equity Investments

Investing in securities involves risk of loss that you should be prepared to bear. The investment decisions that we make for you are subject to various market, currency, economic, political and business risks, and our investment decisions based on such factors will not always be profitable. Applicable risks include:

Active Management Risk. Where a portfolio is actively managed, RBC GAM UK and each individual portfolio manager will apply investment techniques and risk analyses in making investment decisions, but there can be no guarantee that these decisions will produce the desired results.

Concentration Risk. Investments are expected to be closely tied to a specific name, industry, or benchmark. As a result, performance may be more volatile than the performance of a portfolio that does not concentrate its investments in a particular economic industry or sector.

Counterparty Risk. The possibility that counterparty, including a broker-dealer holding soft dollars, or a clearing house, guarantor or any service provider to the portfolio could fail. The inability or unwillingness of others to honor obligations could result in credit losses incurred from late payments, failed payments and/or default. In times of general market turmoil, even large, well-established financial institutions may fail rapidly with little warning.

Default Risk. The risk that lenders will be unable to make the required payments on their debt obligations.

Derivatives Risk. Derivatives are financial instruments that have a value which depends upon, or is derived from, the value of something else, such as one or more underlying securities, pools of securities, options, futures, indexes or currencies. Losses involving derivative instruments may be substantial, because a relatively small price movement in the underlying security(ies), option, future, index or currency may result in a substantial loss for the portfolio. In addition to the potential for increased losses, the use of derivative instruments may lead to increased volatility within the portfolio. Derivative instruments will typically increase a portfolio's exposure to material risks to which it is otherwise exposed, and may expose the portfolio to additional risks, including correlation risk, counterparty credit risk, hedging risk, leverage risk and liquidity risk.

Correlation risk. Related to hedging risk and is the risk that there may be an incomplete correlation between the hedge and the position it is intended to hedge, which may result in increased or unanticipated losses.

Counterparty credit risk. The risk that a counterparty to the derivative instrument becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, and the portfolio may obtain no recovery of its investment or may only obtain a limited and/or delayed recovery.

Hedging risk. The risk that derivative instruments used to hedge against an opposite position may offset losses, but they may also offset gains. There is no guarantee that a hedging strategy will eliminate the risk which the hedging strategy is intended to offset, which may lead to losses within the portfolio.

Leverage risk. The risk that losses from the derivative instrument may be greater than the amount invested in the derivative instrument.

Liquidity risk. The risk that the derivative instrument may be difficult or impossible to sell or terminate, which may require the portfolio to do something the portfolio managers would not otherwise choose, including accepting a lower price for the derivative instrument, selling other investments or foregoing another, more appealing investment opportunity. Derivative instruments which are not traded on exchange, including, but not limited to, forward contracts, swaps and over-the-counter options, may have increased liquidity risk.
Certain derivatives have the potential for unlimited losses, regardless of the size of the initial investment.

Diversification and liquidity risk: Unless we and you otherwise agree, we will not be responsible for your overall diversification, asset allocation or liquidity needs.

Emerging market risk: Risks particularly associated with investing in foreign and emerging markets include:

- Vulnerability to economic downturns and instability due to undiversified economies, trade imbalances, inadequate infrastructure, heavy debt loads and dependence on foreign capital inflows, governmental corruption and economic mismanagement and difficulty in delivering economic reforms.
- Adverse government intervention: nationalization, punitive taxation policies, currency devaluations, asset transfer restrictions, restrictions on investment by non-citizens, excessive laws and regulations.
- Political and social instability, war and civil unrest.
- Less liquid and efficient securities markets: higher transaction costs, settlement delays, poor and unreliable publicly available information, non-uniform reporting and accounting standards, pricing difficulties and less effective supervision.

Equity risk: There are various risks associated with investing in equities including:

- The stock markets in which a portfolio is invested may go down.
- An adverse event, such as a poor earnings report, a negative press comment, may depress the value of a company's shares.
- Smaller companies may have less diversified product or service offerings and less market liquidity, which may increase price volatility.

Fixed-income risk: Such risks include:

- Interest rate risk: If interest rates rise the prices of fixed income securities in the portfolio may fall and the longer the maturity of a fixed income security the greater its sensitivity to changes in interest rates will typically be.
- Credit risk: The issuer may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating agency or may be perceived by the market to be less creditworthy. Lower rated bonds are more likely to be subject to an issuer's default than investment grade (higher rated) bonds. Lower rated bonds may have less liquidity and be more difficult to value in declining markets.
- Prepayment risk: If interest rates fall the issuer of a security may exercise its right to prepay principal earlier than scheduled forcing the investor to reinvest in lower yielding securities.

Foreign Risk. The risk of loss due to lower levels of foreign government regulation, public information and/or economic, political and social stability in these countries. Loss may also result from the imposition of exchange controls, confiscations and other government restrictions, or from problems in registration, settlement or custody. Foreign risk also involves the risk of negative foreign currency rate fluctuations, which may cause the value of securities denominated in such foreign currency (or other instruments through which the portfolio could have exposure to foreign currencies) to decline in value. Currency exchange rates may fluctuate significantly over short periods of time.

Foreign Currency Risk: The risk that foreign currency rate fluctuations cause the value of securities denominated in such foreign currencies (or other instruments through which the portfolio could have exposure to foreign currencies) to decline in value. Currency exchange rates may fluctuate significantly over short periods of time.

General Economic and Market Conditions Risk. The success of the portfolio's investment program may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of investments. Unexpected volatility or illiquidity could impair profitability or result in losses.

Growth Investing Risk. Growth stock prices reflect projections of future earnings or revenues, and can, therefore, fall dramatically if the company fails to meet those projections.

Investments in pooled investment funds. Certain strategies may invest in one or more pooled investment funds managed by our affiliates or by unaffiliated third-party managers including mutual funds, exchange-traded funds (ETF), collective investment funds, private funds, offshore funds, real estate funds, etc.

- A fund's investment will be made in accordance with the fund's offering documents, e.g., prospectus, offering memorandum, etc., and governing instruments
- In addition, to the extent a strategy invests in a pooled investment fund, there may be additional risks discussed in the fund's offering documents or governing instruments which are not discussed in this brochure
- Prior to investing your account in a fund we will assess whether we believe the investment is consistent with your investment guidelines
- You will generally bear, indirectly, fund investment expenses and operating costs
- When investing in a fund you will normally bear the fees paid by the underlying investment fund to its investment manager.

Issuer/Credit Risk. The possibility that issuers of securities may default on the payment of interest or principal on the securities when due, which would cause a portfolio to lose money.

Liquidity Risk. Investments in illiquid securities may be difficult or impossible to sell at desirable prices due to lack of marketability.

Market Risk. One or more markets in which the portfolio invests may go down in value, sometimes sharply and unpredictably, and the value of the securities may fall or fail to rise. Market risk may affect a single issuer, sector of the economy, industry or the market as a whole. The success of a portfolio's investment program may be affected by general economic and market conditions. These conditions may affect the level and volatility of securities prices and the liquidity of investments. Unexpected volatility or illiquidity could impair profitability or result in losses.

Political and Regulatory Risk. RBC GAM UK or its investee companies may be affected by political or regulatory decisions which affect them or their business environment. For example, instability in the financial markets has led governments to take unprecedented actions to support certain financial institutions and certain segments of the financial markets that experienced extreme volatility. Regulatory organizations may take future legislative or regulatory actions that may affect the operations of a portfolio or its investments or preclude a portfolio's ability to achieve its investment objective.

Smaller Company Risk. The value of securities issued by a smaller company may go up or down, sometimes rapidly and unpredictably as compared to more widely held securities of larger companies, due to narrow markets and limited resources of smaller companies. Investments in smaller companies may increase levels of credit, market and issuer risk.

Sustainability Risk. "Sustainability Risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made. Sustainability Risks include the following:

- Environmental Sustainability Risks include those that result from the impacts of climate change, loss of biodiversity, water and waste management, etc. Issuers may be impacted by both transition risks (for example, regulatory or legal risks related to transitioning to a low carbon economy) or physical risks associated with global warming.
- Social Sustainability Risks includes those related to employee health and safety, supply chain risk, diversity and inclusion, and the way issuers manage their impact on society.
- Governance Sustainability Risks include board independence, board diversity, board and management structure, employee relations, anti-corruption and executive remuneration. In addition, strong governance practices require proper management and oversight of environmental and social Sustainability Risks.

The impact of a Sustainability Risk may depend on the issuer's own business, policies and practices, and/or the sector or region(s) in which it operates.

Tax Risk. The risk that the issuer of a security will fail to comply with certain requirements of the local tax regulation, which would cause adverse tax consequences. Changes in tax laws could affect the taxable status of the securities causing share prices to rise or fall.

Value Investing Risk. Value stocks may not increase in price as anticipated if they fall out of favour with investors or the markets favour faster-growing companies.