ONE JIB Quarterly Reports

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ONE INVESTMENT

Investment Management Report for

Aurora

For Period Ending March 31, 2025

Table of Contents

Executive Summary - Contingency Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - AURORA - CONTINGENCY OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	379,246	2.4
BlueBay Total Return Credit Fund (Canada)	874,879	5.6
PH&N Bond Fund	473,245	3.0
PH&N Short Term Bond & Mortgage Fund	1,043,772	6.7
RBC Global Bond Fund	3,541,364	22.8
PH&N Canadian Equity Fund	947,674	6.1
PH&N Canadian Equity Value Fund	953,347	6.1
RBC QUBE Canadian Equity Fund	955,881	6.1
RBC Global Equity Focus Fund (CAD)	3,193,995	20.5
RBC QUBE Global Equity Fund	3,198,007	20.6
Total Portfolio	**15,561,409**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - AURORA - CONTINGENCY OUTCOME as of March 31, 2025 (%)	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1.30**

* Performance inception date for ONE INVESTMENT - AURORA - CONTINGENCY OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 3 to 5 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - AURORA - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	1,752,505	12.2
BlueBay Total Return Credit Fund (Canada)	1,391,796	9.7
PH&N Bond Fund	752,859	5.3
PH&N Short Term Bond & Mortgage Fund	3,385,648	23.6
RBC Global Bond Fund	5,633,755	39.3
PH&N Canadian Equity Fund	143,581	1.0
PH&N Canadian Equity Value Fund	144,441	1.0
RBC QUBE Canadian Equity Fund	144,824	1.0
RBC Global Equity Focus Fund (CAD)	483,919	3.4
RBC QUBE Global Equity Fund	484,526	3.4
Total Portfolio	**14,317,854**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - AURORA - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.10**

* Performance inception date for ONE INVESTMENT - AURORA - TARGET DATE 3 TO 5 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 5 to 10 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - AURORA - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	532,405	3.0
BlueBay Total Return Credit Fund (Canada)	1,228,199	7.0
PH&N Bond Fund	664,366	3.8
PH&N Short Term Bond & Mortgage Fund	1,465,299	8.4
RBC Global Bond Fund	4,971,544	28.4
PH&N Canadian Equity Fund	886,928	5.1
PH&N Canadian Equity Value Fund	892,238	5.1
RBC QUBE Canadian Equity Fund	894,609	5.1
RBC Global Equity Focus Fund (CAD)	2,989,260	17.1
RBC QUBE Global Equity Fund	2,993,015	17.1
Total Portfolio	**17,517,860**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - AURORA - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1.07**

* Performance inception date for ONE INVESTMENT - AURORA - TARGET DATE 5 TO 10 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 10 Year Plus Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - AURORA - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	65,778	1.5
BlueBay Total Return Credit Fund (Canada)	151,742	3.5
PH&N Bond Fund	82,081	1.9
PH&N Short Term Bond & Mortgage Fund	181,035	4.2
RBC Global Bond Fund	614,225	14.3
PH&N Canadian Equity Fund	328,735	7.6
PH&N Canadian Equity Value Fund	330,703	7.7
RBC QUBE Canadian Equity Fund	331,582	7.7
RBC Global Equity Focus Fund (CAD)	1,107,953	25.7
RBC QUBE Global Equity Fund	1,109,345	25.8
Total Portfolio	**4,303,180**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - AURORA - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.65**

* Performance inception date for ONE INVESTMENT - AURORA - TARGET DATE 10 YEAR PLUS OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Overall

Summary of Assets

Summary of Assets for ONE Investment - Aurora - Consolidated as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	2,729,934	5.3
BlueBay Total Return Credit Fund (Canada)	3,646,616	7.1
PH&N Bond Fund	1,972,551	3.8
PH&N Short Term Bond & Mortgage Fund	6,075,754	11.8
RBC Global Bond Fund	14,760,888	28.6
PH&N Canadian Equity Fund	2,306,917	4.5
PH&N Canadian Equity Value Fund	2,320,728	4.5
RBC QUBE Canadian Equity Fund	2,326,896	4.5
RBC Global Equity Focus Fund (CAD)	7,775,126	15.0
RBC QUBE Global Equity Fund	7,784,893	15.1
Total Portfolio	**51,700,303**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Aurora - Consolidated as of March 31, 2025 (%)

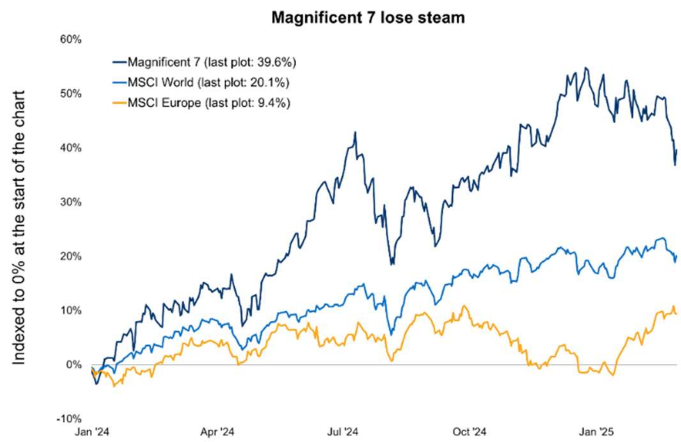
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.92**

* Performance inception date for ONE Investment - Aurora - Consolidated is March 06, 2025.).
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

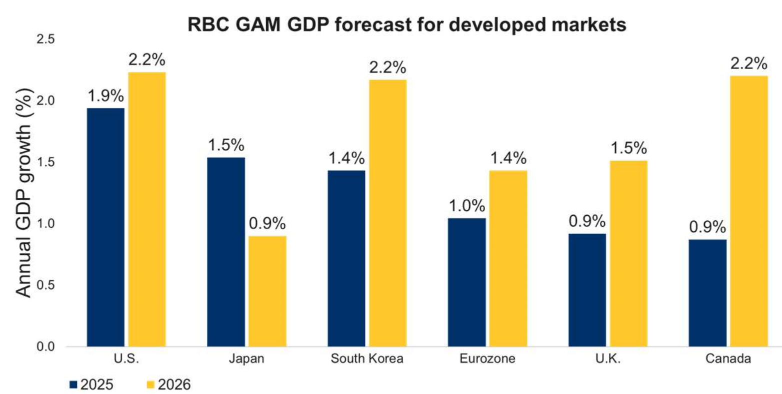
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



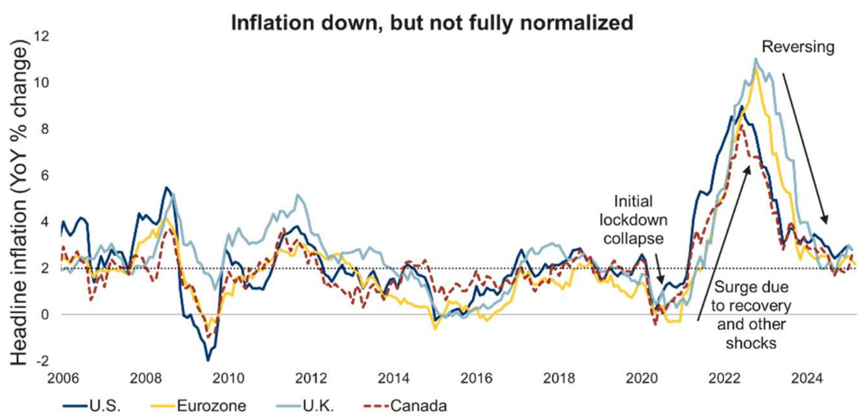
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

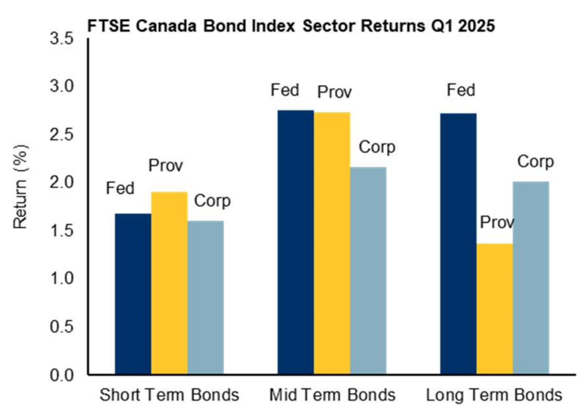
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump's tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, "portfolios"). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as "proxy voting season." These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the "Guidelines") to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term "AI"; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

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[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited "AI" on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI's full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

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- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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Please note: SI is since inception; RBC Global Asset Management is the asset management division of Royal Bank of Canada (RBC) which includes RBC Global Asset Management Inc. (RBC GAM Inc.), RBC Global Asset Management (U.S.) Inc. (RBC GAM-US), RBC Global Asset Management (UK) Limited (RBC GAM-UK), RBC Global Asset Management (Asia) Limited (RBC GAM-Asia) and RBC Indigo Asset Management Inc., which are separate, but affiliated subsidiaries of RBC.

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Investment Management Report for
Aylmer

For Period Ending March 31, 2025

Table of Contents

Executive Summary

Summary of Assets

Summary of Assets for ONE INVESTMENT - AYLMER - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	26,891	1.5
BlueBay Total Return Credit Fund (Canada)	62,034	3.5
PH&N Bond Fund	33,556	1.9
PH&N Short Term Bond & Mortgage Fund	74,010	4.2
RBC Global Bond Fund	251,105	14.3
PH&N Canadian Equity Fund	134,392	7.6
PH&N Canadian Equity Value Fund	135,196	7.7
RBC QUBE Canadian Equity Fund	135,556	7.7
RBC Global Equity Focus Fund (CAD)	452,948	25.7
RBC QUBE Global Equity Fund	453,517	25.8
Total Portfolio	**1,759,205**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - AYLMER - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025 (%)

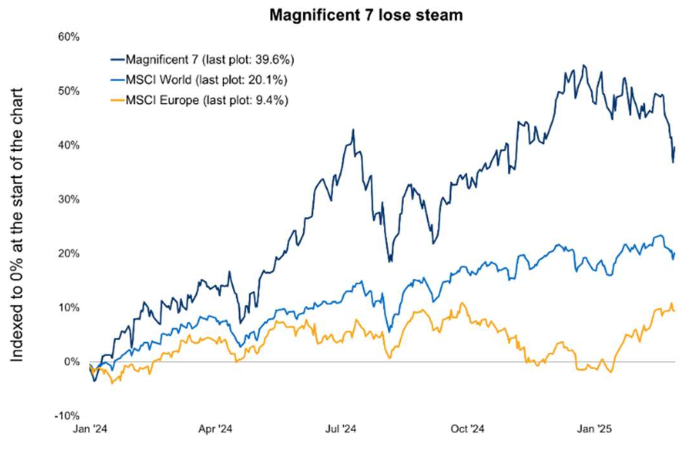
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.65**

* Performance inception date for ONE INVESTMENT - AYLMER - TARGET DATE 10 YEAR PLUS OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

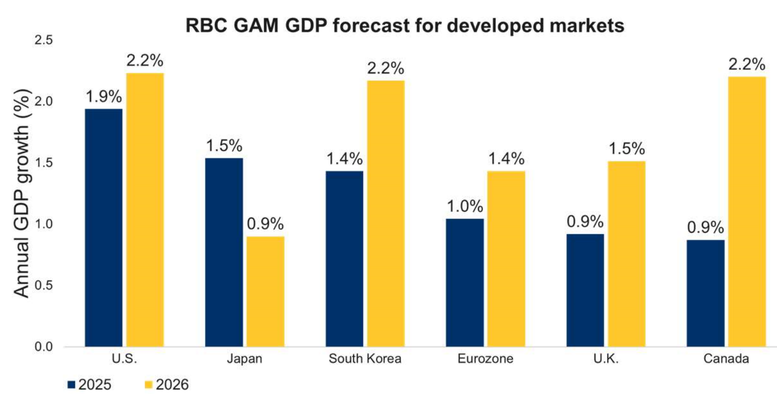
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



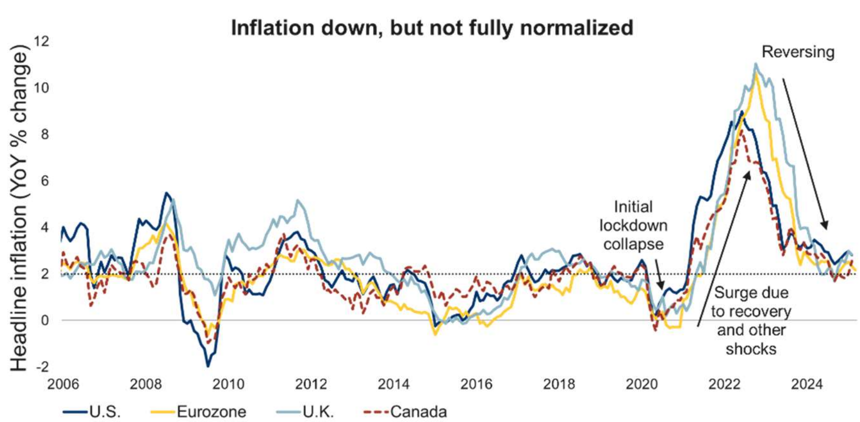
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

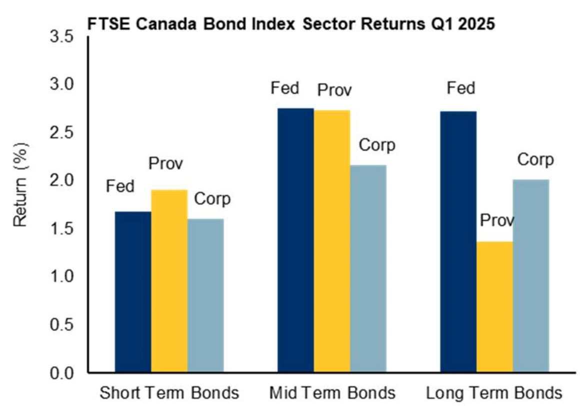
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump’s tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, "portfolios"). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as "proxy voting season." These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the "Guidelines") to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term "AI"; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited "AI" on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI's full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the “economic relevance” exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal’s significance to a company’s business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is “otherwise significantly related to the company’s business.” The SEC has further stated that, “the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company’s business.” As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that “anti-ESG proposals”[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, “anti-ESG” proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

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Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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Investment Management Report for

Bracebridge

For Period Ending March 31, 2025

Table of Contents

Executive Summary - Contingency Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - BRACEBRIDGE - CONTINGENCY OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	91,875	2.4
BlueBay Total Return Credit Fund (Canada)	211,945	5.6
PH&N Bond Fund	114,647	3.0
PH&N Short Term Bond & Mortgage Fund	252,860	6.7
RBC Global Bond Fund	857,917	22.8
PH&N Canadian Equity Fund	229,580	6.1
PH&N Canadian Equity Value Fund	230,954	6.1
RBC QUBE Canadian Equity Fund	231,568	6.1
RBC Global Equity Focus Fund (CAD)	773,765	20.5
RBC QUBE Global Equity Fund	774,737	20.6
Total Portfolio	**3,769,848**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - BRACEBRIDGE - CONTINGENCY OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.30**

* Performance inception date for ONE INVESTMENT - BRACEBRIDGE - CONTINGENCY OUTCOME is March 06, 2025. Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 10 Year Plus Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - BRACEBRIDGE - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	63,284	1.5
BlueBay Total Return Credit Fund (Canada)	145,988	3.5
PH&N Bond Fund	78,969	1.9
PH&N Short Term Bond & Mortgage Fund	174,171	4.2
RBC Global Bond Fund	590,936	14.3
PH&N Canadian Equity Fund	316,271	7.6
PH&N Canadian Equity Value Fund	318,164	7.7
RBC QUBE Canadian Equity Fund	319,010	7.7
RBC Global Equity Focus Fund (CAD)	1,065,944	25.7
RBC QUBE Global Equity Fund	1,067,282	25.8
Total Portfolio	**4,140,018**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - BRACEBRIDGE - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	-1.65

* Performance inception date for ONE INVESTMENT - BRACEBRIDGE - TARGET DATE 10 YEAR PLUS OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Overall

Summary of Assets

Summary of Assets for ONE Investment - Bracebridge - Consolidated as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	155,158	2.0
BlueBay Total Return Credit Fund (Canada)	357,933	4.5
PH&N Bond Fund	193,616	2.4
PH&N Short Term Bond & Mortgage Fund	427,031	5.4
RBC Global Bond Fund	1,448,854	18.3
PH&N Canadian Equity Fund	545,850	6.9
PH&N Canadian Equity Value Fund	549,118	6.9
RBC QUBE Canadian Equity Fund	550,578	7.0
RBC Global Equity Focus Fund (CAD)	1,839,709	23.3
RBC QUBE Global Equity Fund	1,842,020	23.3
Total Portfolio	**7,909,866**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

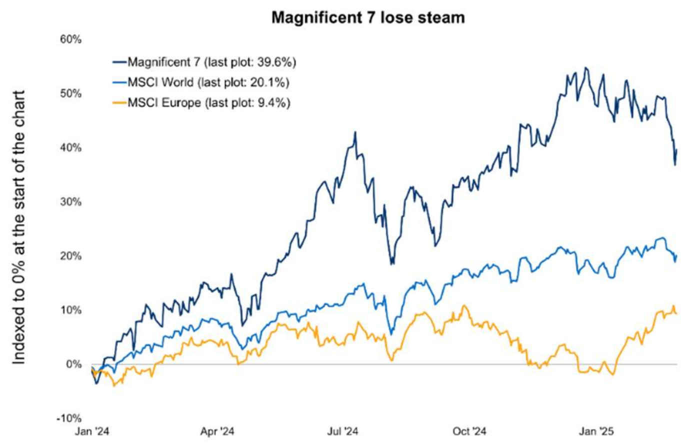
Performance for ONE Investment - Bracebridge - Consolidated as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1.48**

* Performance inception date for ONE Investment - Bracebridge - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

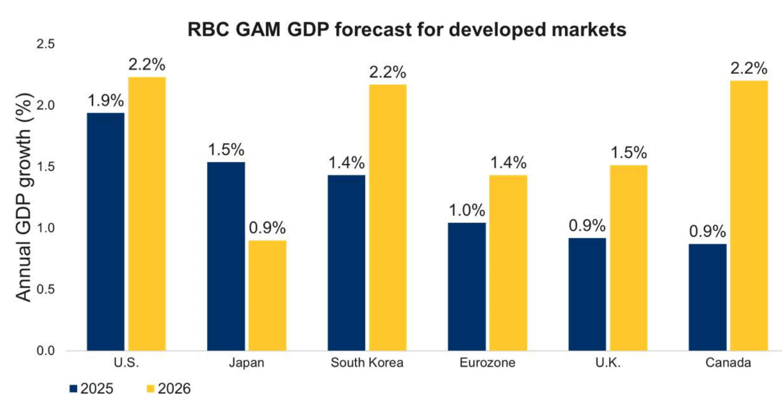
The following commentary summarizes meaningful trends and events that we've observed over the past quarter.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.



Note: As of 03/07/2025. Source: RBC GAM

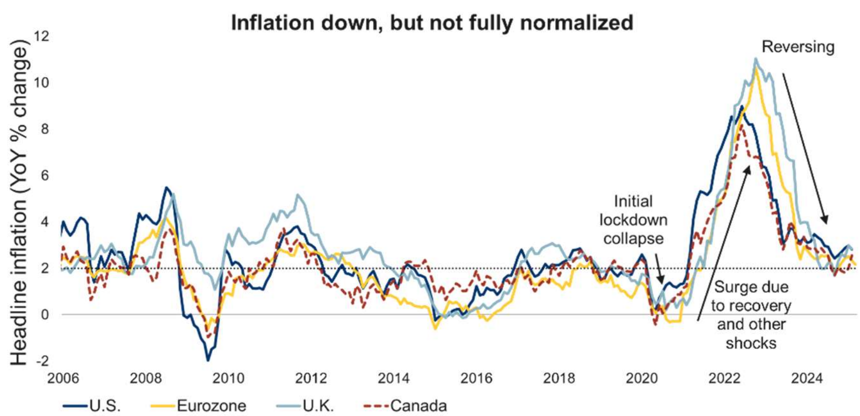
U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

Equity Indices Performance Comparison as of Mar 31, 2025 (%)

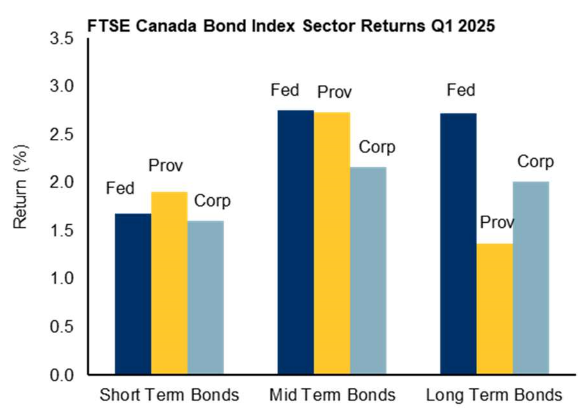
	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began



Source: RBC GAM, FTSE Russell

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump's tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, “portfolios”). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as “proxy voting season.” These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the “Guidelines”) to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term “AI”; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited “AI” on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI’s full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company's business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company's success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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

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INVESTMENT

Investment Management Report for

Central Frontenac

For Period Ending March 31, 2025

Table of Contents

Executive Summary

Summary of Assets

Summary of Assets for ONE INVESTMENT - CENTRAL FRONTENAC as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	284,818	9.9
PH&N Short Term Bond & Mortgage Fund	818,307	28.4
RBC Commercial Mortgage Fund	42,000	1.5
PH&N Canadian Equity Fund	238,151	8.3
PH&N Canadian Equity Value Fund	239,483	8.3
RBC QUBE Canadian Equity Fund	237,626	8.3
RBC QUBE Low Volatility Canadian Equity Fund	149,455	5.2
PH&N U.S. Equity Fund	80,657	2.8
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	181,393	6.3
RBC QUBE U.S. Equity Fund	79,909	2.8
PH&N Overseas Equity Fund	260,625	9.1
RBC International Equity Fund (CAD)	265,007	9.2
Total Portfolio	**2,877,431**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

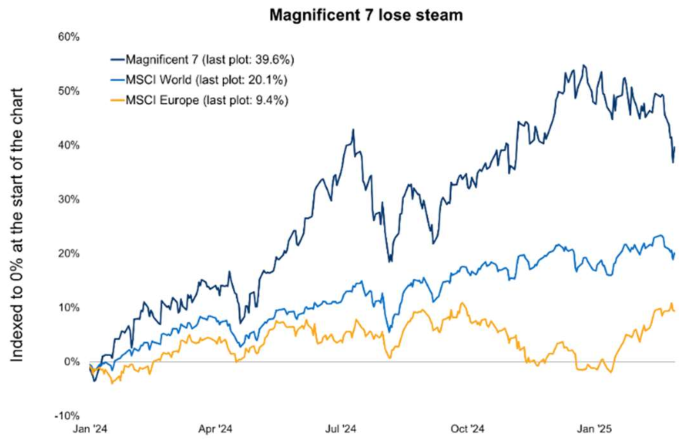
Performance for ONE INVESTMENT - CENTRAL FRONTENAC as of March 31, 2025 (%)	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**2.73**
*Benchmark***	-	-	-	-	-	-	-	-	*0.74*
Relative Performance	-	-	-	-	-	-	-	-	+1.99

* Performance inception date for ONE INVESTMENT - CENTRAL FRONTENAC is January 14, 2025.
** Benchmark: Canadian CPI (Non-Seasonally Adjusted) (1M Lagged).
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

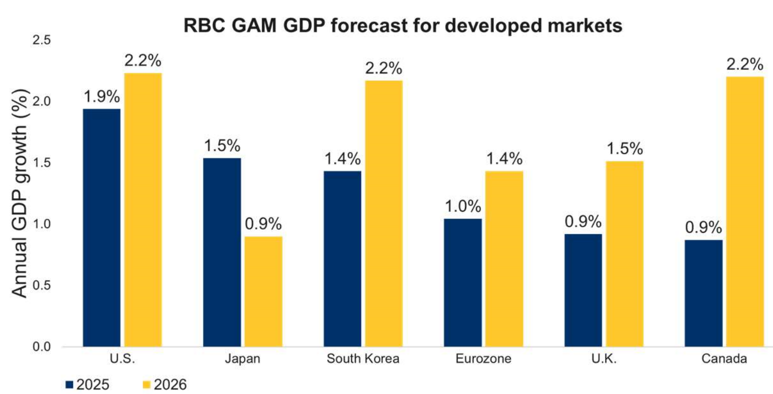
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



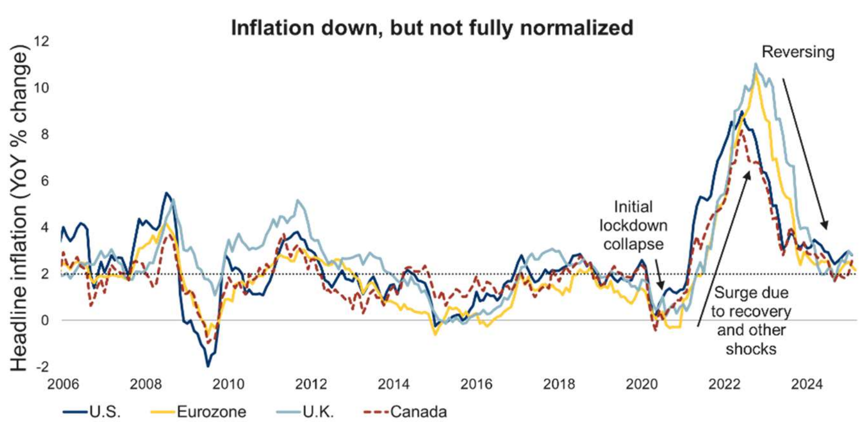
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

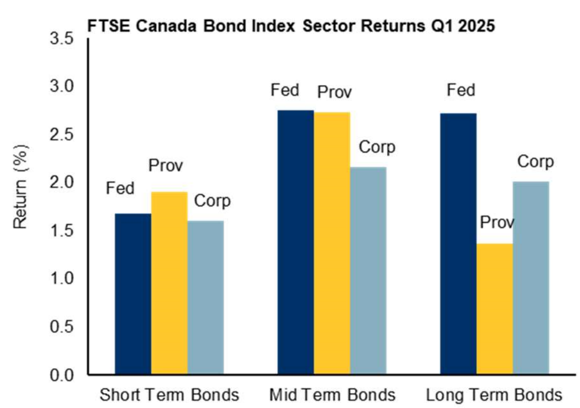
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump's tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, “portfolios”). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as “proxy voting season.” These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the “Guidelines”) to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term “AI”; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited “AI” on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI’s full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

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- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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Please note: SI is since inception; RBC Global Asset Management is the asset management division of Royal Bank of Canada (RBC) which includes RBC Global Asset Management Inc. (RBC GAM Inc.), RBC Global Asset Management (U.S.) Inc. (RBC GAM-US), RBC Global Asset Management (UK) Limited (RBC GAM-UK), RBC Global Asset Management (Asia) Limited (RBC GAM-Asia) and RBC Indigo Asset Management Inc., which are separate, but affiliated subsidiaries of RBC.

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the fund’s offering documents before investing. The performance data provided assumes reinvestment of distributions only and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. The unit values of non-money market funds change frequently. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated.

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

PH&N Institutional is the institutional business division of RBC GAM Inc., an indirect, wholly-owned subsidiary of RBC. RBC GAM Inc. is the manager and principal portfolio adviser of the PH&N, BlueBay and RBC investment funds.

ONE INVESTMENT

Investment Management Report for

Clarington

For Period Ending March 31, 2025

Table of Contents

Executive Summary

Summary of Assets

Summary of Assets for ONE INVESTMENT - CLARINGTON as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	5,843,804	28.5
RBC Commercial Mortgage Fund	300,000	1.5
PH&N Canadian Equity Fund	2,381,510	11.6
PH&N Canadian Equity Value Fund	2,394,833	11.7
RBC QUBE Canadian Equity Fund	2,376,264	11.6
PH&N U.S. Equity Fund	672,140	3.3
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	1,511,606	7.4
RBC QUBE U.S. Equity Fund	665,908	3.2
PH&N Overseas Equity Fund	2,171,871	10.6
RBC International Equity Fund (CAD)	2,208,393	10.8
Total Portfolio	**20,526,331**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

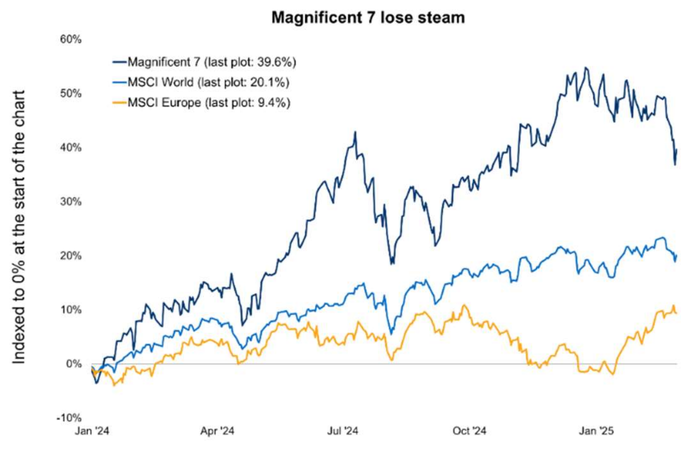
Performance for ONE INVESTMENT - CLARINGTON as of March 31, 2025 (%)	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.60**
*Benchmark***	-	-	-	-	-	-	-	-	*0.74*
Relative Performance	-	-	-	-	-	-	-	-	+1.86

* Performance inception date for ONE INVESTMENT - CLARINGTON is January 14, 2025.
** Benchmark: Canadian CPI (Non-Seasonally Adjusted) (1M Lagged)
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

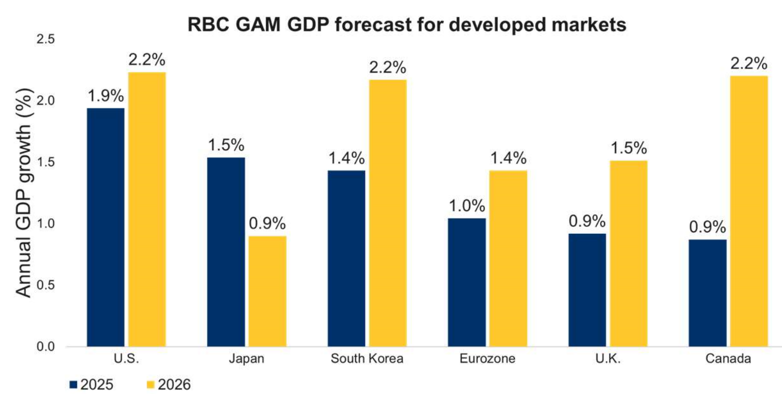
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



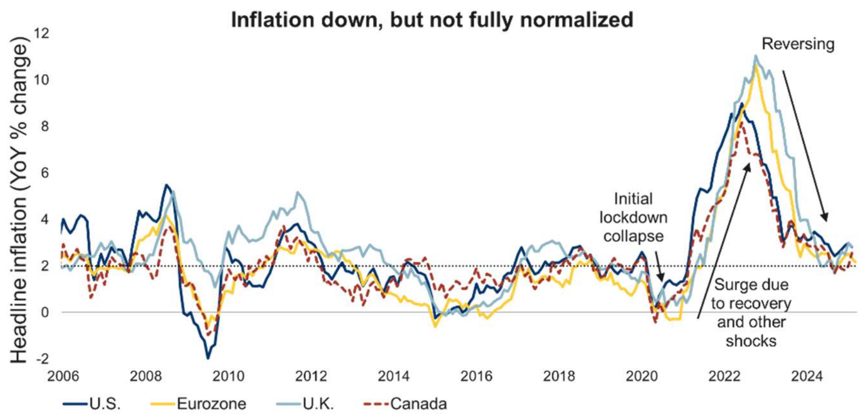
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

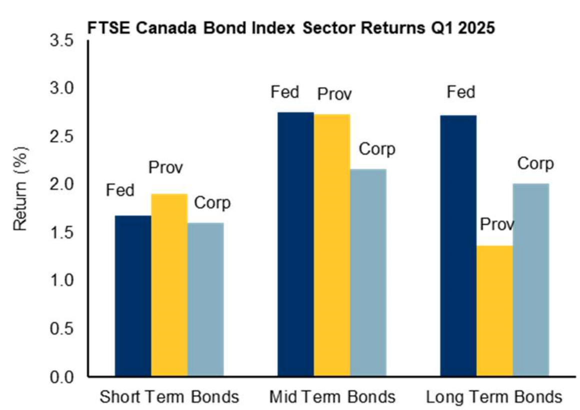
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump’s tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, "portfolios"). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as "proxy voting season." These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the "Guidelines") to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term "AI"; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited "AI" on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI's full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

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Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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

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INVESTMENT

Investment Management Report for

Regional Municipality of Durham

For Period Ending March 31, 2025

Table of Contents

Executive Summary - Durham Long

Summary of Assets

Summary of Assets for ONE INVESTMENT DURHAM LONG as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	199,065,352	14.9
PH&N Enhanced Total Return Bond Fund	248,943,959	18.7
PH&N Private Placement Corporate Debt Fund	121,010,096	9.1
PH&N Short Term Bond & Mortgage Fund	320,782,532	24.1
RBC Commercial Mortgage Fund	47,870,208	3.6
PH&N Canadian Equity Fund	32,457,551	2.4
PH&N Canadian Equity Value Fund	32,790,198	2.5
RBC QUBE Canadian Equity Fund	32,553,736	2.4
RBC QUBE Low Volatility Canadian Equity Fund	102,738,347	7.7
PH&N U.S. Equity Fund	30,547,125	2.3
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	69,054,096	5.2
RBC QUBE U.S. Equity Fund	30,315,099	2.3
PH&N Overseas Equity Fund	32,766,769	2.5
RBC International Equity Fund (CAD)	32,900,266	2.5
Total Portfolio	**1,333,795,332**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT DURHAM LONG as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**2.08**	**2.08**	**-**	**-**	**-**	**-**	**-**	**-**	**6.76**
*Benchmark***	*0.74*	*0.74*	-	-	-	-	-	-	*0.93*
Relative Performance	+1.34	+1.34	-	-	-	-	-	-	+5.83

* Performance inception date for ONE INVESTMENT DURHAM LONG is July 17, 2024.
** Benchmark: Canadian CPI (Non-Seasonally Adjusted) (1M Lagged).
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Asset Mix

Asset Mix for One Investment - Durham Long as of March 31, 2025 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
BlueBay Total Return Credit Fund (Canada)	13.5	16.5	15.0	14.9	15.1
PH&N Enhanced Total Return Bond Fund	16.0	19.0	17.5	18.7	17.5
PH&N Private Placement Corporate Debt Fund	9.0	11.0	10.0	9.1	10.0
PH&N Short Term Bond & Mortgage Fund	16.0	19.0	17.5	24.1	25.5
RBC Commercial Mortgage Fund	9.0	11.0	10.0	3.6	2.4
PH&N Canadian Equity Value Fund	1.5	3.5	2.5	2.5	2.4
PH&N Canadian Equity Fund	1.5	3.5	2.5	2.4	2.4

Asset Mix

Asset Mix for One Investment - Durham Long as of March 31, 2025 (%)					
Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
RBC QUBE Canadian Equity Fund	1.5	3.5	2.5	2.4	2.4
RBC QUBE Low Volatility Canadian Equity Fund	6.5	8.5	7.5	7.7	7.3
PH&N U.S. Equity Fund	1.5	3.5	2.5	2.3	2.5
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	4.0	6.0	5.0	5.2	4.9
RBC QUBE U.S. Equity Fund	1.5	3.5	2.5	2.3	2.5
RBC International Equity Fund (CAD)	1.5	3.5	2.5	2.5	2.4
PH&N Overseas Equity Fund	1.5	3.5	2.5	2.5	2.5

Due to rounding some data may not add to 100%.

Executive Summary - Durham Medium

Summary of Assets

Summary of Assets for ONE INVESTMENT DURHAM MEDIUM as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,206,199	15.0
PH&N Private Placement Corporate Debt Fund	6,841,040	10.1
PH&N Short Term Bond & Mortgage Fund	26,961,642	39.6
RBC Commercial Mortgage Fund	3,929,835	5.8
PH&N Canadian Equity Fund	1,647,720	2.4
PH&N Canadian Equity Value Fund	1,651,931	2.4
RBC QUBE Canadian Equity Fund	1,639,044	2.4
RBC QUBE Low Volatility Canadian Equity Fund	5,122,161	7.5
PH&N U.S. Equity Fund	1,577,013	2.3
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	3,511,071	5.2
RBC QUBE U.S. Equity Fund	1,562,929	2.3
PH&N Overseas Equity Fund	1,670,815	2.5
RBC International Equity Fund (CAD)	1,690,968	2.5
Total Portfolio	**68,012,369**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT DURHAM MEDIUM as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**2.02**	**2.02**	-	-	-	-	-	-	**6.62**
*Benchmark***	*0.74*	*0.74*	-	-	-	-	-	-	*0.93*
Relative Performance	+1.28	+1.28	-	-	-	-	-	-	+5.69

* Performance inception date for ONE INVESTMENT DURHAM MEDIUM is July 17, 2024.
** Benchmark: Canadian CPI (Non-Seasonally Adjusted) (1M Lagged).
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Asset Mix

Asset Mix for One Investment - Durham Medium as of March 31, 2025 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
BlueBay Total Return Credit Fund (Canada)	13.5	16.5	15.0	15.0	15.1
Cash			-	0.0	0.0
PH&N Private Placement Corporate Debt Fund	9.0	11.0	10.0	10.1	10.0
PH&N Short Term Bond & Mortgage Fund	33.0	37.0	35.0	39.6	42.2
RBC Commercial Mortgage Fund	9.0	11.0	10.0	5.8	3.3
PH&N Canadian Equity Value Fund	1.5	3.5	2.5	2.4	2.4
PH&N Canadian Equity Fund	1.5	3.5	2.5	2.4	2.4
RBC QUBE Canadian Equity Fund	1.5	3.5	2.5	2.4	2.4

Asset Mix

Asset Mix for One Investment - Durham Medium as of March 31, 2025 (%)					
Sector Allocations	**Minimum**	**Maximum**	**Target**	**Current Quarter**	**Previous Quarter**
RBC QUBE Low Volatility Canadian Equity Fund	6.5	8.5	7.5	7.5	7.3
PH&N U.S. Equity Fund	1.5	3.5	2.5	2.3	2.5
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	4.0	6.0	5.0	5.2	4.9
RBC QUBE U.S. Equity Fund	1.5	3.5	2.5	2.3	2.5
RBC International Equity Fund (CAD)	1.5	3.5	2.5	2.5	2.4
PH&N Overseas Equity Fund	1.5	3.5	2.5	2.5	2.5

Due to rounding some data may not add to 100%.

Executive Summary - Durham Short

Summary of Assets

Summary of Assets for ONE INVESTMENT DURHAM SHORT as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	14,909,336	14.9
PH&N Corporate Bond Trust	20,094,472	20.0
PH&N Private Placement Corporate Debt Fund	5,104,773	5.1
PH&N Short Term Bond & Mortgage Fund	52,306,298	52.1
RBC Commercial Mortgage Fund	2,917,636	2.9
RBC High Yield Bond Fund	4,968,027	5.0
Total Portfolio	**100,300,541**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT DURHAM SHORT as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.76**	**1.76**	**-**	**-**	**-**	**-**	**-**	**-**	**5.45**
*Benchmark***	*0.74*	*0.74*	-	-	-	-	-	-	*0.93*
Relative Performance	+1.02	+1.02	-	-	-	-	-	-	+4.52

* Performance inception date for ONE INVESTMENT DURHAM SHORT is July 17, 2024.
** Benchmark: Canadian CPI (Non-Seasonally Adjusted) (1M Lagged).
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Asset Mix

Asset Mix for One Investment - Durham Short as of March 31, 2025 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
PH&N Private Placement Corporate Debt Fund	4.0	6.0	5.0	5.1	5.1
Cash			-	0.0	0.0
PH&N Short Term Bond & Mortgage Fund	48.0	52.0	50.0	52.2	53.4
RBC Commercial Mortgage Fund	4.0	6.0	5.0	2.9	1.7
RBC High Yield Bond Fund	1.5	3.5	2.5	5.0	5.0
BlueBay Total Return Credit Fund (Canada)	13.5	16.5	15.0	14.9	15.0
PH&N Corporate Bond Trust	18.5	21.5	20.0	20.0	20.0
PH&N High Yield Bond Fund	1.5	3.5	2.5	0.0	0.0

Due to rounding some data may not add to 100%.

Executive Summary - Durham In-Kind

Summary of Assets

Summary of Account(s) as of March 31, 2025	Market Value ($) March 31, 2025
One Investment - Durham In-Kind	15,746,676
Total Portfolio	**15,746,676**

Total market value for segregated accounts includes accrued income.

Account Performance

Performance for One Investment - Durham In-Kind as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.85**	**1.85**	**-**	**-**	**-**	**-**	**-**	**-**	**8.80**

* Performance inception date for One Investment - Durham In-Kind is July 17, 2024.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Overall

Summary of Assets

Summary of Account(s) as of March 31, 2025	Market Value ($) March 31, 2025
One Investment Durham Consolidated	1,517,854,918
Total Portfolio	**1,517,854,918**

Total market value for segregated accounts includes accrued income.

Account Performance

Performance for One Investment Durham Consolidated as of March 31, 2025 (%)

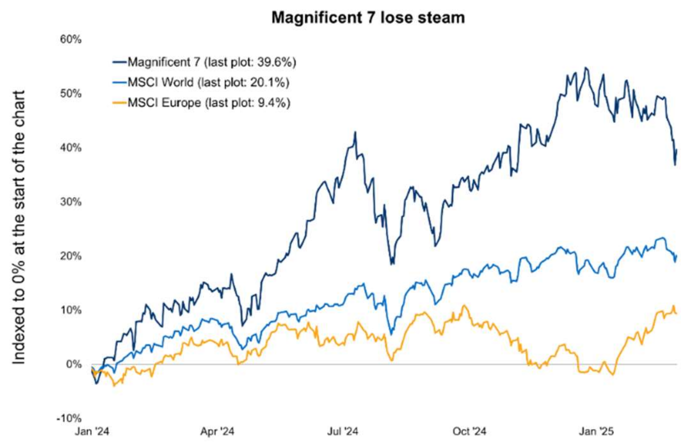
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**2.05**	**2.05**	**-**	**-**	**-**	**-**	**-**	**-**	**6.62**
*Benchmark***	*0.74*	*0.74*	-	-	-	-	-	-	*0.93*
Relative Performance	+1.31	+1.31	-	-	-	-	-	-	+5.69

* Performance inception date for One Investment Durham Consolidated is July 17, 2024.
** Benchmark: Canadian CPI (Non-Seasonally Adjusted) (1M Lagged).
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

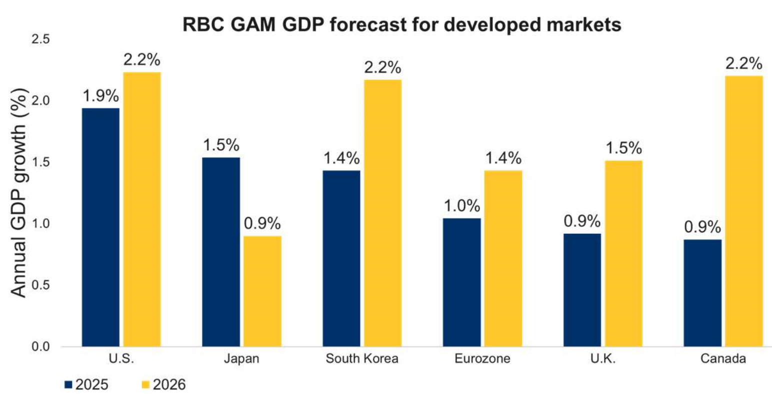
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



Note: As of 03/07/2025. Source: RBC GAM

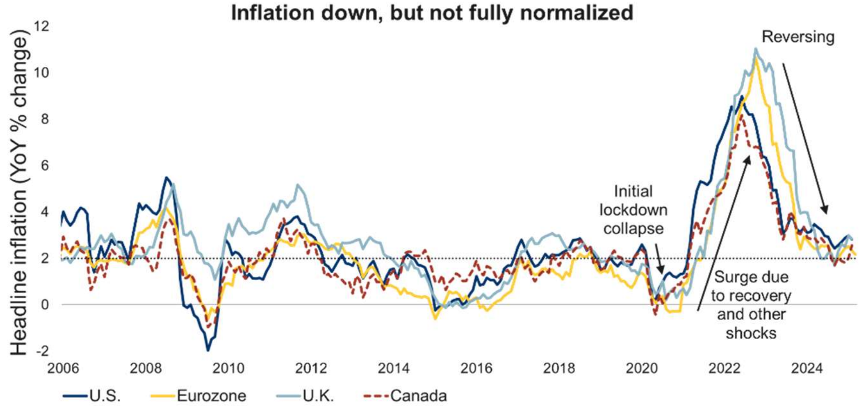
Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.

Inflation down, but not fully normalized



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

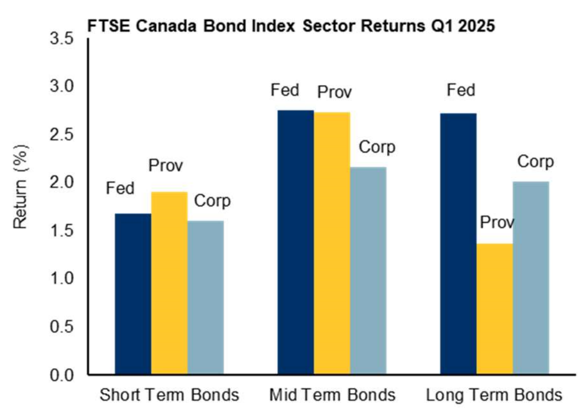
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump’s tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, "portfolios"). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as "proxy voting season." These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the "Guidelines") to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term "AI"; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited "AI" on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI's full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company's business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company's success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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Investment Management Report for

Huntsville

For Period Ending March 31, 2025

Table of Contents

Executive Summary - Contingency Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - HUNTSVILLE - CONTINGENCY OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	108,436	2.4
BlueBay Total Return Credit Fund (Canada)	250,149	5.6
PH&N Bond Fund	135,312	3.0
PH&N Short Term Bond & Mortgage Fund	298,439	6.7
RBC Global Bond Fund	1,012,561	22.8
PH&N Canadian Equity Fund	270,963	6.1
PH&N Canadian Equity Value Fund	272,585	6.1
RBC QUBE Canadian Equity Fund	273,309	6.1
RBC Global Equity Focus Fund (CAD)	913,240	20.5
RBC QUBE Global Equity Fund	914,387	20.6
Total Portfolio	**4,449,380**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - HUNTSVILLE - CONTINGENCY OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.30**

* Performance inception date for ONE INVESTMENT - HUNTSVILLE - CONTINGENCY OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 3 to 5 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - HUNTSVILLE - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	502,834	12.2
BlueBay Total Return Credit Fund (Canada)	399,338	9.7
PH&N Bond Fund	216,013	5.3
PH&N Short Term Bond & Mortgage Fund	971,420	23.6
RBC Global Bond Fund	1,616,453	39.3
PH&N Canadian Equity Fund	41,197	1.0
PH&N Canadian Equity Value Fund	41,443	1.0
RBC QUBE Canadian Equity Fund	41,553	1.0
RBC Global Equity Focus Fund (CAD)	138,847	3.4
RBC QUBE Global Equity Fund	139,022	3.4
Total Portfolio	**4,108,120**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - HUNTSVILLE - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.10**

* Performance inception date for ONE INVESTMENT - HUNTSVILLE - TARGET DATE 3 TO 5 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 5 to 10 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - HUNTSVILLE - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	34,642	3.0
BlueBay Total Return Credit Fund (Canada)	79,916	7.0
PH&N Bond Fund	43,229	3.8
PH&N Short Term Bond & Mortgage Fund	95,343	8.4
RBC Global Bond Fund	323,485	28.4
PH&N Canadian Equity Fund	57,710	5.1
PH&N Canadian Equity Value Fund	58,056	5.1
RBC QUBE Canadian Equity Fund	58,210	5.1
RBC Global Equity Focus Fund (CAD)	194,503	17.1
RBC QUBE Global Equity Fund	194,748	17.1
Total Portfolio	**1,139,841**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - HUNTSVILLE - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1.07**

* Performance inception date for ONE INVESTMENT - HUNTSVILLE - TARGET DATE 5 TO 10 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 10 Year Plus Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - HUNTSVILLE - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	22,447	1.5
BlueBay Total Return Credit Fund (Canada)	51,784	3.5
PH&N Bond Fund	28,011	1.9
PH&N Short Term Bond & Mortgage Fund	61,780	4.2
RBC Global Bond Fund	209,611	14.3
PH&N Canadian Equity Fund	112,184	7.6
PH&N Canadian Equity Value Fund	112,856	7.7
RBC QUBE Canadian Equity Fund	113,156	7.7
RBC Global Equity Focus Fund (CAD)	378,101	25.7
RBC QUBE Global Equity Fund	378,576	25.8
Total Portfolio	**1,468,507**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - HUNTSVILLE - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.65**

* Performance inception date for ONE INVESTMENT - HUNTSVILLE - TARGET DATE 10 YEAR PLUS OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Overall

Summary of Assets

Summary of Assets for ONE Investment - Huntsville - Consolidated as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	668,359	6.0
BlueBay Total Return Credit Fund (Canada)	781,186	7.0
PH&N Bond Fund	422,564	3.8
PH&N Short Term Bond & Mortgage Fund	1,426,983	12.8
RBC Global Bond Fund	3,162,110	28.3
PH&N Canadian Equity Fund	482,054	4.3
PH&N Canadian Equity Value Fund	484,940	4.3
RBC QUBE Canadian Equity Fund	486,229	4.4
RBC Global Equity Focus Fund (CAD)	1,624,692	14.6
RBC QUBE Global Equity Fund	1,626,732	14.6
Total Portfolio	**11,165,848**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Huntsville - Consolidated as of March 31, 2025 (%)

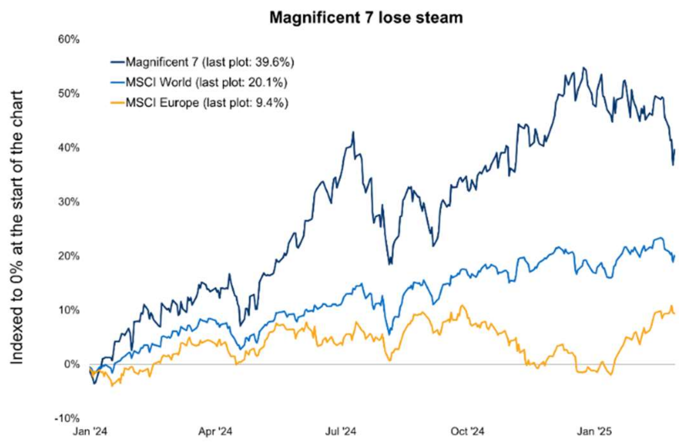
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.89**

* Performance inception date for ONE Investment - Huntsville - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

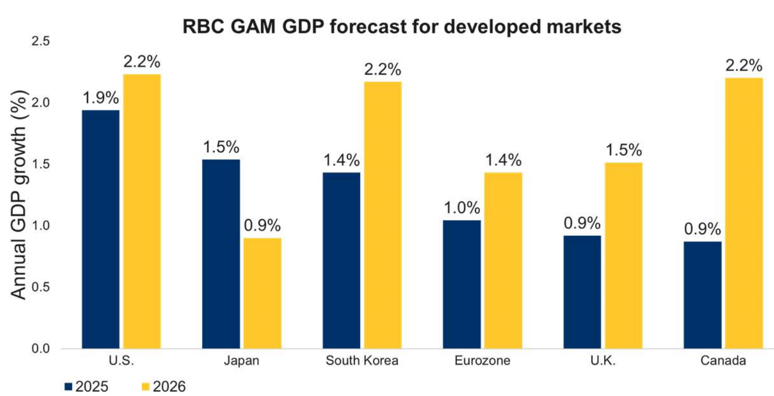
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



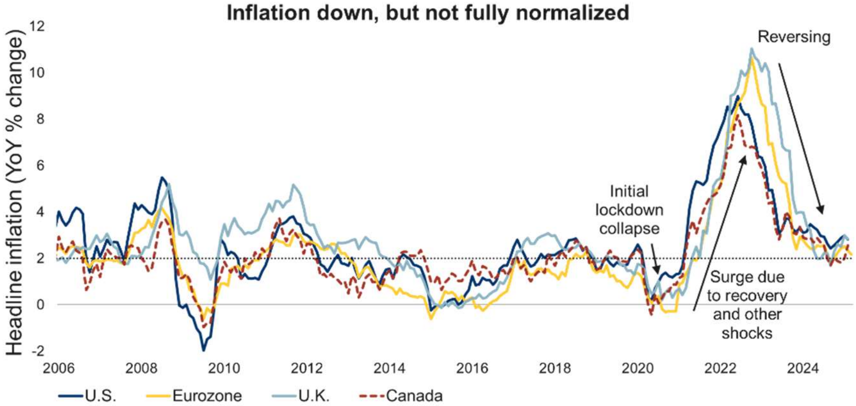
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

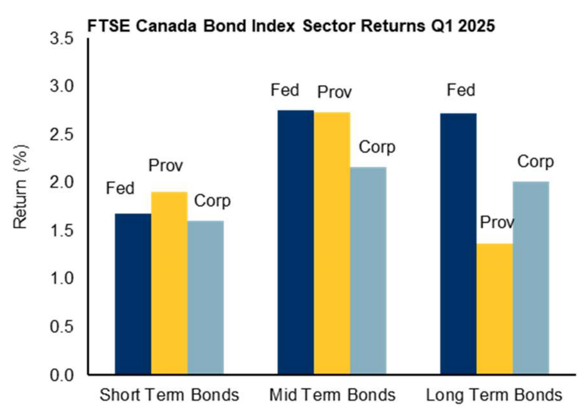
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump's tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, "portfolios"). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as "proxy voting season." These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the "Guidelines") to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term "AI"; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited "AI" on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI's full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the “economic relevance” exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal’s significance to a company’s business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is “otherwise significantly related to the company’s business.” The SEC has further stated that, “the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company’s business.” As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that “anti-ESG proposals”[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, “anti-ESG” proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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Investment Management Report for
Innisfil

For Period Ending March 31, 2025

Table of Contents

Executive Summary - Contingency Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - INNISFIL - CONTINGENCY OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	502,150	2.4
BlueBay Total Return Credit Fund (Canada)	1,158,404	5.6
PH&N Bond Fund	626,611	3.0
PH&N Short Term Bond & Mortgage Fund	1,382,030	6.7
RBC Global Bond Fund	4,689,025	22.8
PH&N Canadian Equity Fund	1,254,789	6.1
PH&N Canadian Equity Value Fund	1,262,301	6.1
RBC QUBE Canadian Equity Fund	1,265,656	6.1
RBC Global Equity Focus Fund (CAD)	4,229,083	20.5
RBC QUBE Global Equity Fund	4,234,395	20.6
Total Portfolio	**20,604,444**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - INNISFIL - CONTINGENCY OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.30**

* Performance inception date for ONE INVESTMENT - INNISFIL - CONTINGENCY OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Municipality of Innisfil

Summary of Assets

Summary of Assets for ONE INVESTMENT - INNISFIL - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	1,293,130	12.2
BlueBay Total Return Credit Fund (Canada)	1,026,972	9.7
PH&N Bond Fund	555,516	5.3
PH&N Short Term Bond & Mortgage Fund	2,498,186	23.6
RBC Global Bond Fund	4,157,009	39.3
PH&N Canadian Equity Fund	105,945	1.0
PH&N Canadian Equity Value Fund	106,579	1.0
RBC QUBE Canadian Equity Fund	106,862	1.0
RBC Global Equity Focus Fund (CAD)	357,072	3.4
RBC QUBE Global Equity Fund	357,520	3.4
Total Portfolio	**10,564,792**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - INNISFIL - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.10**

* Performance inception date for ONE INVESTMENT - INNISFIL - TARGET DATE 3 TO 5 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 5 to 10 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - INNISFIL - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	925,323	3.0
BlueBay Total Return Credit Fund (Canada)	2,134,618	7.0
PH&N Bond Fund	1,154,672	3.8
PH&N Short Term Bond & Mortgage Fund	2,546,699	8.4
RBC Global Bond Fund	8,640,576	28.4
PH&N Canadian Equity Fund	1,541,486	5.1
PH&N Canadian Equity Value Fund	1,550,715	5.1
RBC QUBE Canadian Equity Fund	1,554,836	5.1
RBC Global Equity Focus Fund (CAD)	5,195,353	17.1
RBC QUBE Global Equity Fund	5,201,879	17.1
Total Portfolio	**30,446,157**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - INNISFIL - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.07**

* Performance inception date for ONE INVESTMENT - INNISFIL - TARGET DATE 5 TO 10 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Overall

Summary of Assets

Summary of Assets for ONE Investment - Innisfil - Consolidated as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	2,720,603	4.4
BlueBay Total Return Credit Fund (Canada)	4,319,994	7.0
PH&N Bond Fund	2,336,799	3.8
PH&N Short Term Bond & Mortgage Fund	6,426,915	10.4
RBC Global Bond Fund	17,486,609	28.4
PH&N Canadian Equity Fund	2,902,220	4.7
PH&N Canadian Equity Value Fund	2,919,595	4.7
RBC QUBE Canadian Equity Fund	2,927,355	4.8
RBC Global Equity Focus Fund (CAD)	9,781,507	15.9
RBC QUBE Global Equity Fund	9,793,794	15.9
Total Portfolio	**61,615,393**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Innisfil - Consolidated as of March 31, 2025 (%)

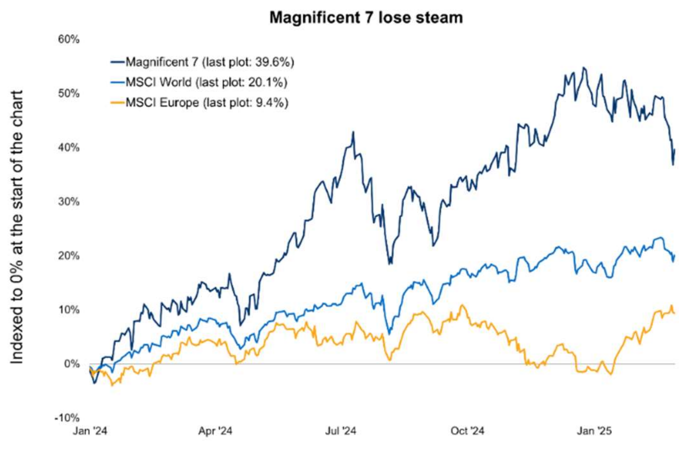
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-0.98**

* Performance inception date for ONE Investment - Innisfil - Consolidated is March 06, 2025.
*Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

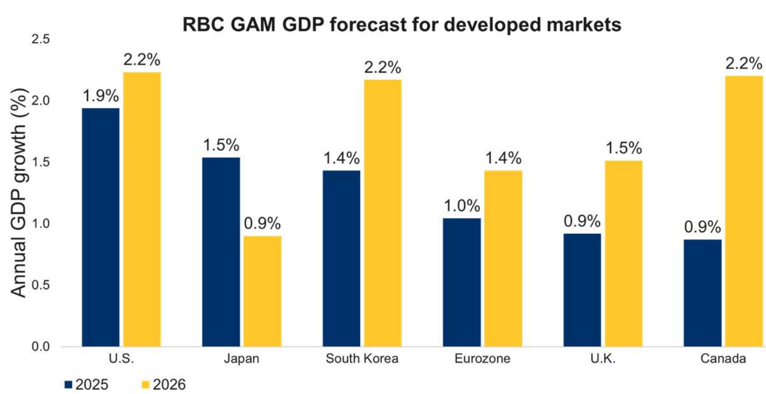
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



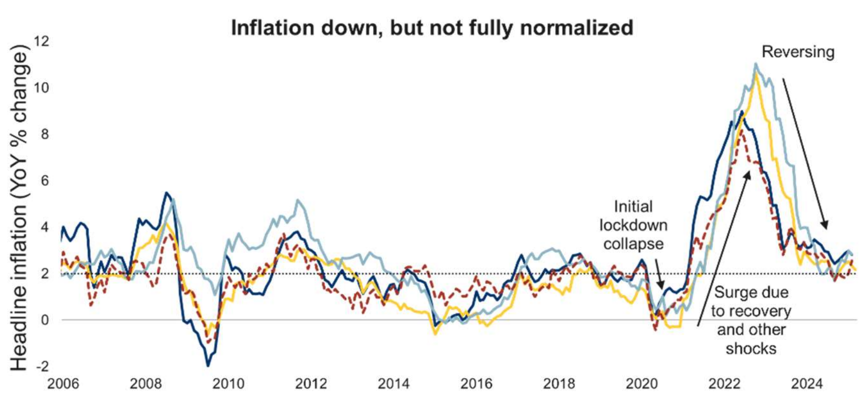
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

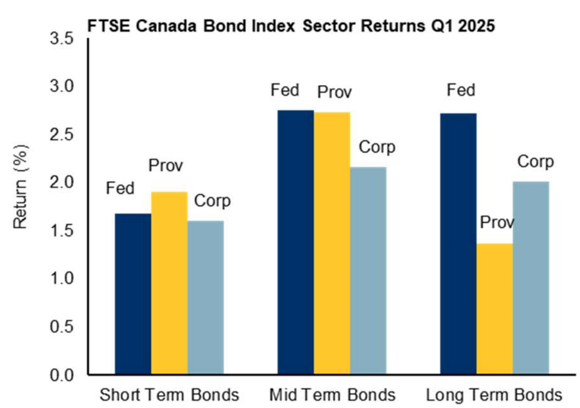
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump’s tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, “portfolios”). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as “proxy voting season.” These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the “Guidelines”) to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term “AI”; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited “AI” on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI’s full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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ONE INVESTMENT

Investment Management Report for

Kenora

For Period Ending March 31, 2025

Table of Contents

Executive Summary - Contingency Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - KENORA - CONTINGENCY OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	448,612	2.4
BlueBay Total Return Credit Fund (Canada)	1,034,899	5.6
PH&N Bond Fund	559,804	3.0
PH&N Short Term Bond & Mortgage Fund	1,234,683	6.7
RBC Global Bond Fund	4,189,098	22.8
PH&N Canadian Equity Fund	1,121,008	6.1
PH&N Canadian Equity Value Fund	1,127,719	6.1
RBC QUBE Canadian Equity Fund	1,130,716	6.1
RBC Global Equity Focus Fund (CAD)	3,778,193	20.5
RBC QUBE Global Equity Fund	3,782,939	20.6
Total Portfolio	**18,407,672**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - KENORA - CONTINGENCY OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1.30**

* Performance inception date for ONE INVESTMENT - KENORA - CONTINGENCY OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Stable Return Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - KENORA - STABLE RETURN OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	3,380,268	7.7
BlueBay Total Return Credit Fund (Canada)	3,693,744	8.4
PH&N Bond Fund	1,998,044	4.5
PH&N Short Term Bond & Mortgage Fund	7,077,602	16.0
RBC Global Bond Fund	14,951,656	33.9
PH&N Canadian Equity Fund	1,333,694	3.0
PH&N Canadian Equity Value Fund	1,341,679	3.0
RBC QUBE Canadian Equity Fund	1,345,245	3.0
RBC Global Equity Focus Fund (CAD)	4,495,021	10.2
RBC QUBE Global Equity Fund	4,500,667	10.2
Total Portfolio	**44,117,620**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - KENORA - STABLE RETURN OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.59**

* Performance inception date for ONE INVESTMENT - KENORA - STABLE RETURN OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 3 to 5 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - KENORA - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	499,223	12.2
BlueBay Total Return Credit Fund (Canada)	396,471	9.7
PH&N Bond Fund	214,462	5.3
PH&N Short Term Bond & Mortgage Fund	964,445	23.6
RBC Global Bond Fund	1,604,847	39.3
PH&N Canadian Equity Fund	40,901	1.0
PH&N Canadian Equity Value Fund	41,146	1.0
RBC QUBE Canadian Equity Fund	41,255	1.0
RBC Global Equity Focus Fund (CAD)	137,850	3.4
RBC QUBE Global Equity Fund	138,024	3.4
Total Portfolio	**4,078,623**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - KENORA - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.10**

* Performance inception date for ONE INVESTMENT - KENORA - TARGET DATE 3 TO 5 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Overall

Summary of Assets

Summary of Assets for ONE Investment - Kenora - Consolidated as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	4,328,104	6.5
BlueBay Total Return Credit Fund (Canada)	5,125,114	7.7
PH&N Bond Fund	2,772,310	4.2
PH&N Short Term Bond & Mortgage Fund	9,276,730	13.9
RBC Global Bond Fund	20,745,600	31.1
PH&N Canadian Equity Fund	2,495,603	3.7
PH&N Canadian Equity Value Fund	2,510,544	3.8
RBC QUBE Canadian Equity Fund	2,517,216	3.8
RBC Global Equity Focus Fund (CAD)	8,411,064	12.6
RBC QUBE Global Equity Fund	8,421,629	12.6
Total Portfolio	**66,603,915**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

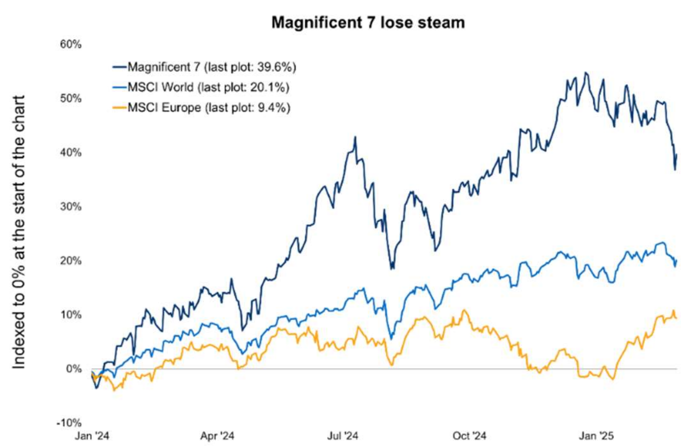
Performance for ONE Investment - Kenora - Consolidated as of March 31, 2025 (%)	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.75**

* Performance inception date for ONE Investment - Kenora - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

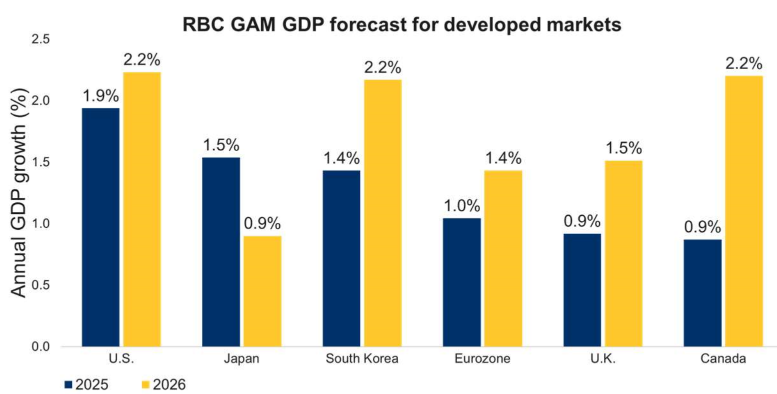
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



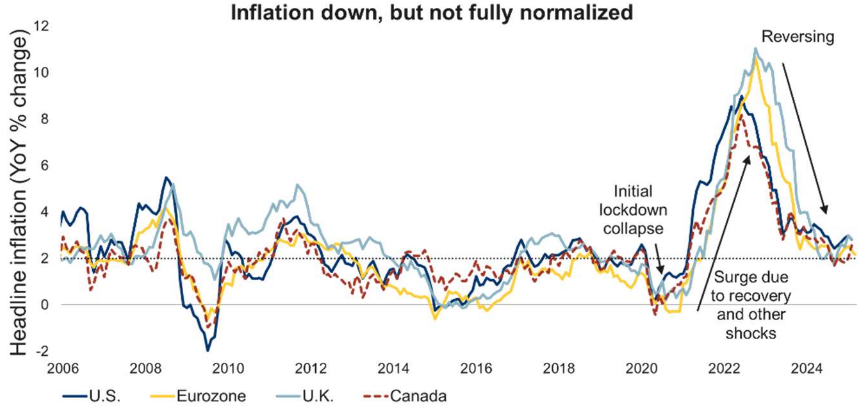
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

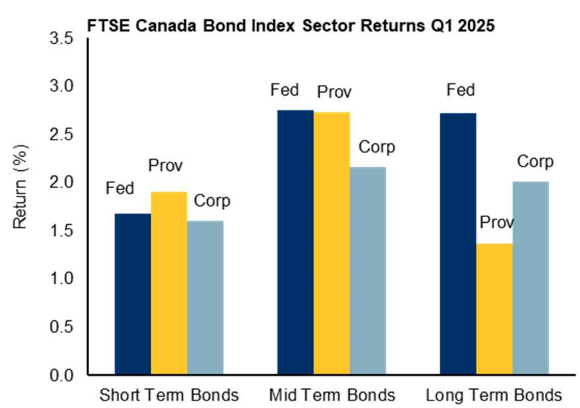
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump's tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, "portfolios"). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as "proxy voting season." These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the "Guidelines") to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term "AI"; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

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[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.

[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025

[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025

[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited "AI" on Earnings Calls for Q2*, September 13, 2024

[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI's full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing "net-zero" cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company's progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company's sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company's Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company's regenerative agriculture program. The program is crucial for reducing the company's environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

INVESTMENT

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ONE INVESTMENT

Investment Management Report for

District Municipality of Muskoka

For Period Ending March 31, 2025

Table of Contents

Executive Summary - Cash Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - MUSKOKA - CASH OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	29,779	40.0
PH&N Short Term Bond & Mortgage Fund	44,705	60.0
Total Portfolio	**74,484**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - MUSKOKA - CASH OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**0.27**

* Performance inception date for ONE INVESTMENT - MUSKOKA - CASH OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Contingency Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - MUSKOKA - CONTINGENCY OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	451,343	2.4
BlueBay Total Return Credit Fund (Canada)	1,041,199	5.6
PH&N Bond Fund	563,212	3.0
PH&N Short Term Bond & Mortgage Fund	1,242,198	6.7
RBC Global Bond Fund	4,214,597	22.8
PH&N Canadian Equity Fund	1,127,831	6.1
PH&N Canadian Equity Value Fund	1,134,584	6.1
RBC QUBE Canadian Equity Fund	1,137,599	6.1
RBC Global Equity Focus Fund (CAD)	3,801,191	20.5
RBC QUBE Global Equity Fund	3,805,966	20.6
Total Portfolio	**18,519,719**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - MUSKOKA - CONTINGENCY OUTCOME as of March 31, 2025 (%)	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.30**

* Performance inception date for ONE INVESTMENT - MUSKOKA - CONTINGENCY OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 3 to 5 Year Outcome

Summary of Assets

Summary of Assets for ONE Investment - Muskoka - Target Date 3 to 5 Year Outcome as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	2,259,969	12.2
BlueBay Total Return Credit Fund (Canada)	1,794,811	9.7
PH&N Bond Fund	970,861	5.3
PH&N Short Term Bond & Mortgage Fund	4,366,013	23.6
RBC Global Bond Fund	7,265,093	39.3
PH&N Canadian Equity Fund	185,157	1.0
PH&N Canadian Equity Value Fund	186,265	1.0
RBC QUBE Canadian Equity Fund	186,761	1.0
RBC Global Equity Focus Fund (CAD)	624,044	3.4
RBC QUBE Global Equity Fund	624,828	3.4
Total Portfolio	**18,463,803**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Muskoka - Target Date 3 to 5 Year Outcome as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-0.10**

* Performance inception date for ONE Investment - Muskoka - Target Date 3 to 5 Year Outcome is March 06, 2025.
** Benchmark: Canadian CPI (Non-Seasonally Adjusted) (1M Lagged).
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 5 to 10 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - MUSKOKA - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	2,326,828	3.0
BlueBay Total Return Credit Fund (Canada)	5,367,734	7.0
PH&N Bond Fund	2,903,550	3.8
PH&N Short Term Bond & Mortgage Fund	6,403,957	8.4
RBC Global Bond Fund	21,727,686	28.4
PH&N Canadian Equity Fund	3,876,238	5.1
PH&N Canadian Equity Value Fund	3,899,444	5.1
RBC QUBE Canadian Equity Fund	3,909,808	5.1
RBC Global Equity Focus Fund (CAD)	13,064,292	17.1
RBC QUBE Global Equity Fund	13,080,703	17.1
Total Portfolio	**76,560,241**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - MUSKOKA - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.07**

* Performance inception date for ONE INVESTMENT - MUSKOKA - TARGET DATE 5 TO 10 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 10 Year Plus Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - MUSKOKA - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	378,907	1.5
BlueBay Total Return Credit Fund (Canada)	874,097	3.5
PH&N Bond Fund	472,822	1.9
PH&N Short Term Bond & Mortgage Fund	1,042,838	4.2
RBC Global Bond Fund	3,538,196	14.3
PH&N Canadian Equity Fund	1,893,652	7.6
PH&N Canadian Equity Value Fund	1,904,989	7.7
RBC QUBE Canadian Equity Fund	1,910,052	7.7
RBC Global Equity Focus Fund (CAD)	6,382,275	25.7
RBC QUBE Global Equity Fund	6,390,292	25.8
Total Portfolio	**24,788,119**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - MUSKOKA - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.65**

* Performance inception date for ONE INVESTMENT - MUSKOKA - TARGET DATE 10 YEAR PLUS OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Overall

Summary of Assets

Summary of Assets for ONE Investment - Muskoka - Consolidated as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	5,446,826	3.9
BlueBay Total Return Credit Fund (Canada)	9,077,840	6.6
PH&N Bond Fund	4,910,445	3.5
PH&N Short Term Bond & Mortgage Fund	13,099,712	9.5
RBC Global Bond Fund	36,745,572	26.5
PH&N Canadian Equity Fund	7,082,878	5.1
PH&N Canadian Equity Value Fund	7,125,282	5.1
RBC QUBE Canadian Equity Fund	7,144,220	5.2
RBC Global Equity Focus Fund (CAD)	23,871,803	17.2
RBC QUBE Global Equity Fund	23,901,789	17.3
Total Portfolio	**138,406,366**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

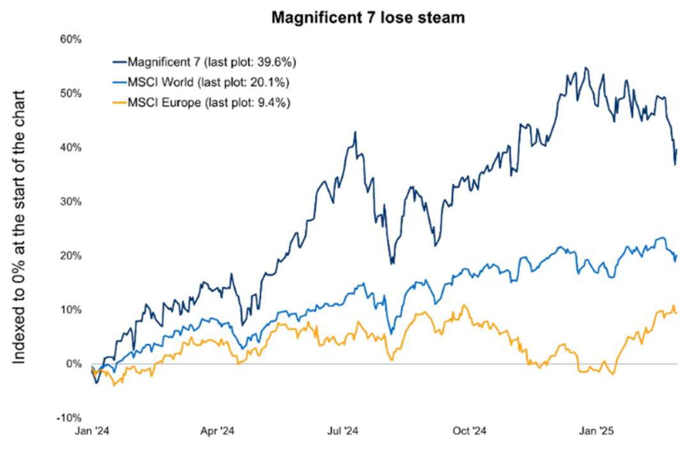
Performance for ONE Investment - Muskoka - Consolidated as of March 31, 2025 (%)	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1.08**

* Performance inception date for ONE Investment - Muskoka - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

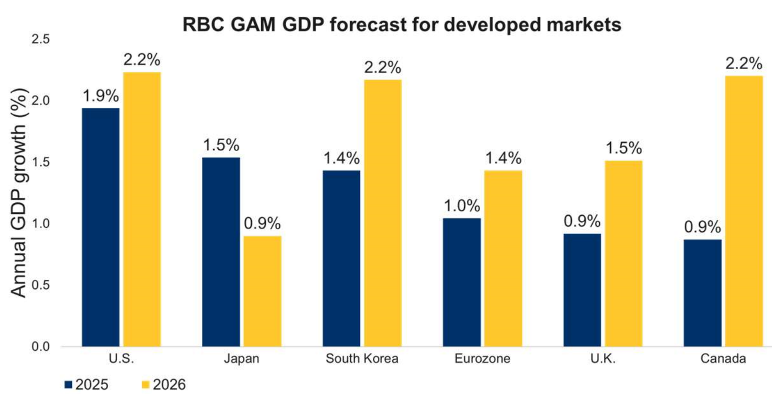
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



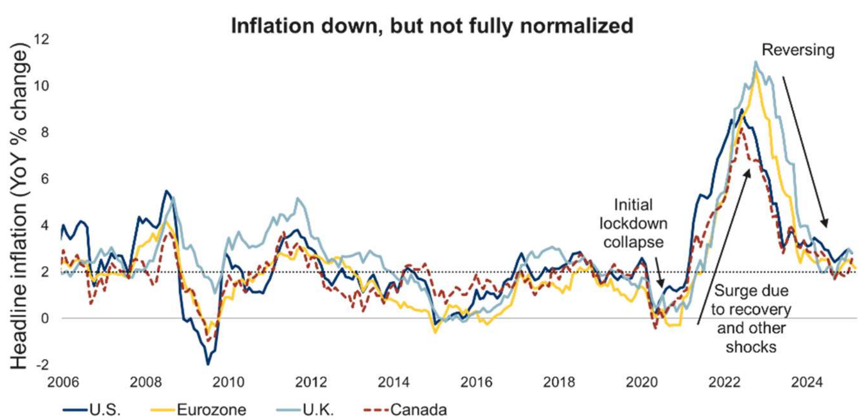
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

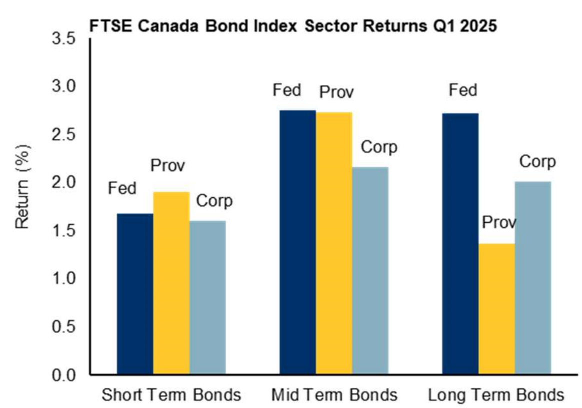
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump's tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, “portfolios”). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as “proxy voting season.” These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the “Guidelines”) to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term “AI”; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited “AI” on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI’s full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company's business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company's success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

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[14] Employees of RBC Global Asset Management (Asia) Limited

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Please note: SI is since inception; RBC Global Asset Management is the asset management division of Royal Bank of Canada (RBC) which includes RBC Global Asset Management Inc. (RBC GAM Inc.), RBC Global Asset Management (U.S.) Inc. (RBC GAM-US), RBC Global Asset Management (UK) Limited (RBC GAM-UK), RBC Global Asset Management (Asia) Limited (RBC GAM-Asia) and RBC Indigo Asset Management Inc., which are separate, but affiliated subsidiaries of RBC.

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ONE INVESTMENT

Investment Management Report for

Municipality of Neebing

For Period Ending March 31, 2025

Table of Contents

Executive Summary

Summary of Assets

Summary of Assets for ONE INVESTMENT - NEEBING - MODEL E as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	430,502	14.9
PH&N Enhanced Total Return Bond Fund	144,833	5.0
PH&N Short Term Bond & Mortgage Fund	871,579	30.2
PH&N Canadian Equity Fund	145,078	5.0
PH&N Canadian Equity Value Fund	145,947	5.1
RBC QUBE Canadian Equity Fund	146,334	5.1
RBC QUBE Low Volatility Canadian Equity Fund	294,749	10.2
PH&N U.S. Equity Fund	69,504	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	147,386	5.1
RBC QUBE U.S. Equity Fund	69,282	2.4
PH&N Overseas Equity Fund	208,680	7.2
RBC International Equity Fund (CAD)	208,954	7.2
Total Portfolio	**2,882,828**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - NEEBING - MODEL E as of March 31, 2025 (%)

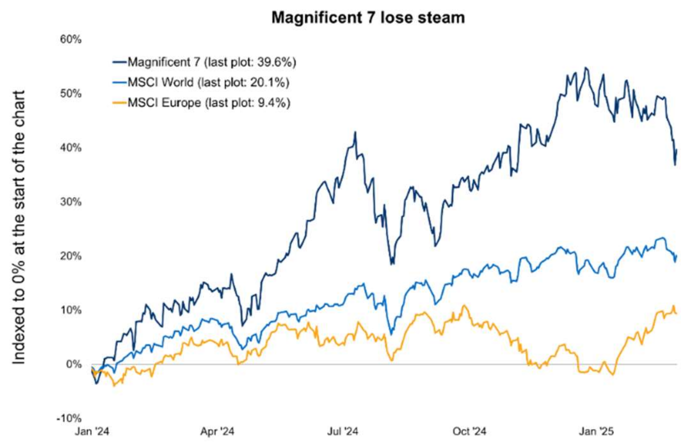
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.47**

* Performance inception date for ONE INVESTMENT - NEEBING - MODEL E is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

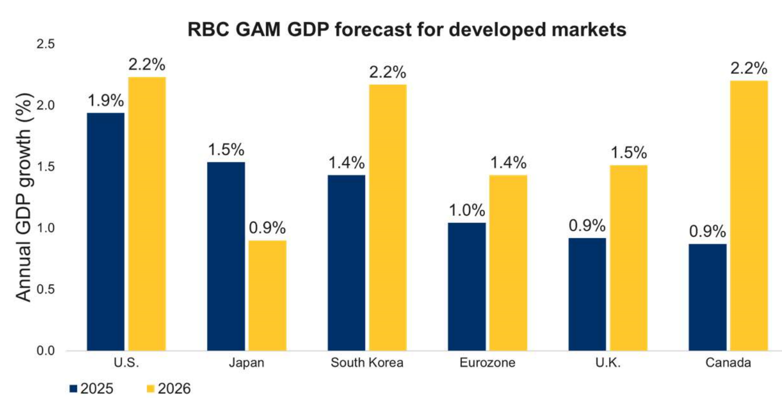
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



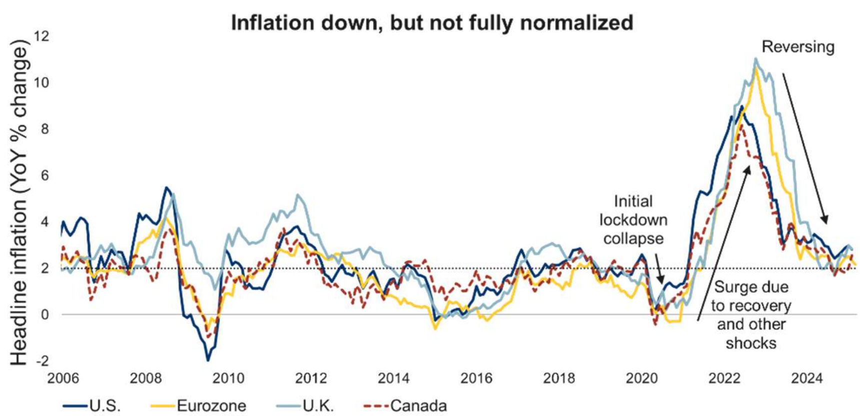
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Equity Indices Performance Comparison as of Mar 31, 2025 (%)

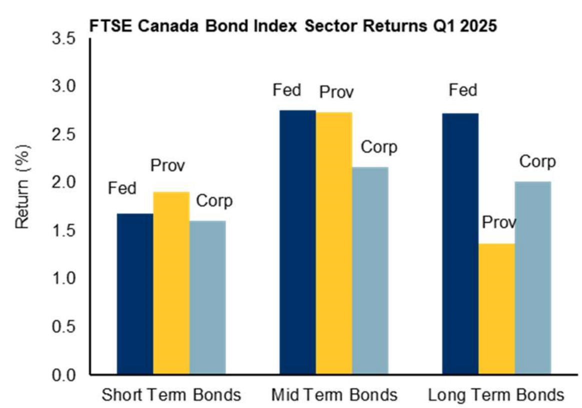
	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump’s tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, “portfolios”). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as “proxy voting season.” These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the “Guidelines”) to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term “AI”; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited “AI” on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI’s full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company's business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company's success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO’s answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO’s leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company’s earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer’s health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

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Investment Management Report for

City of Quinte West

For Period Ending March 31, 2025

Table of Contents

Executive Summary

Summary of Assets

Summary of Assets for ONE INVESTMENT - QUINTE WEST - MODEL D as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	4,930,386	14.9
PH&N Enhanced Total Return Bond Fund	3,317,433	10.0
PH&N Short Term Bond & Mortgage Fund	11,645,529	35.2
PH&N Canadian Equity Fund	1,107,684	3.3
PH&N Canadian Equity Value Fund	1,114,315	3.4
RBC QUBE Canadian Equity Fund	1,117,277	3.4
RBC QUBE Low Volatility Canadian Equity Fund	3,375,653	10.2
PH&N U.S. Equity Fund	796,001	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	1,687,961	5.1
RBC QUBE U.S. Equity Fund	793,466	2.4
PH&N Overseas Equity Fund	1,593,291	4.8
RBC International Equity Fund (CAD)	1,595,384	4.8
Total Portfolio	**33,074,381**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - QUINTE WEST - MODEL D as of March 31, 2025 (%)

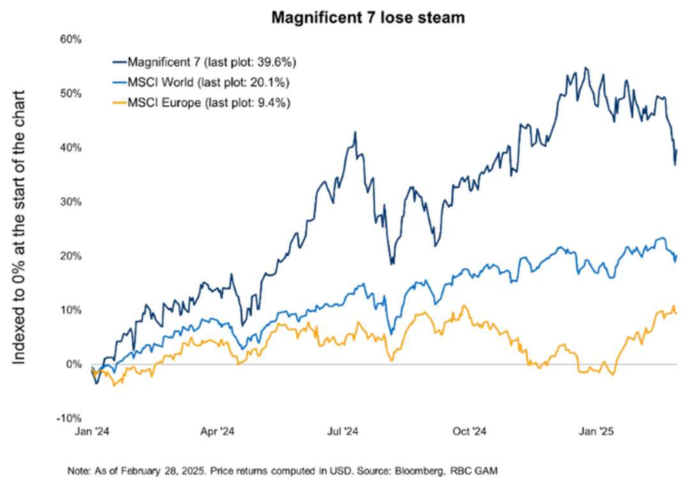
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.29**

* Performance inception date for ONE INVESTMENT - QUINTE WEST - MODEL D is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

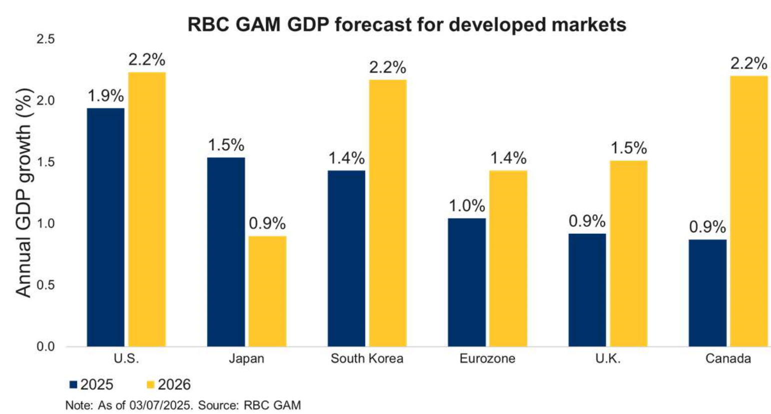
The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



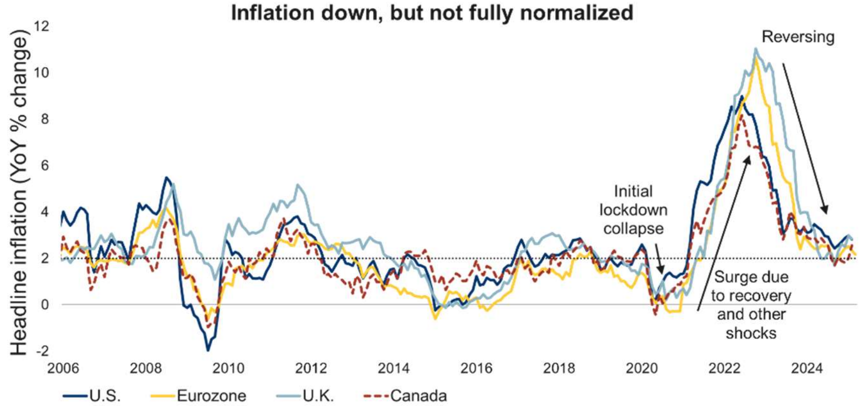
Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.

Inflation down, but not fully normalized



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

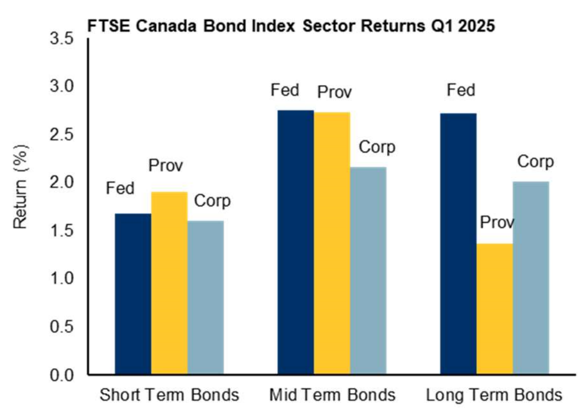
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump's tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, “portfolios”). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as “proxy voting season.” These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the “Guidelines”) to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term “AI”; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited “AI” on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI’s full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing "net-zero" cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company's progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company's sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company's Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company's regenerative agriculture program. The program is crucial for reducing the company's environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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ONE INVESTMENT

Investment Management Report for

Red Lake

For Period Ending March 31, 2025

Table of Contents

Executive Summary

Summary of Assets

Summary of Assets for ONE INVESTMENT - RED LAKE as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	336,401	14.8
PH&N Enhanced Total Return Bond Fund	66,163	2.9
PH&N Private Placement Corporate Debt Fund	162,840	7.2
PH&N Short Term Bond & Mortgage Fund	757,039	33.3
RBC Commercial Mortgage Fund	33,000	1.5
PH&N Canadian Equity Fund	75,009	3.3
PH&N Canadian Equity Value Fund	75,428	3.3
RBC QUBE Canadian Equity Fund	74,843	3.3
RBC QUBE Low Volatility Canadian Equity Fund	235,364	10.4
PH&N U.S. Equity Fund	52,925	2.3
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	119,025	5.2
RBC QUBE U.S. Equity Fund	52,434	2.3
PH&N Overseas Equity Fund	114,010	5.0
RBC International Equity Fund (CAD)	115,927	5.1
Total Portfolio	**2,270,409**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

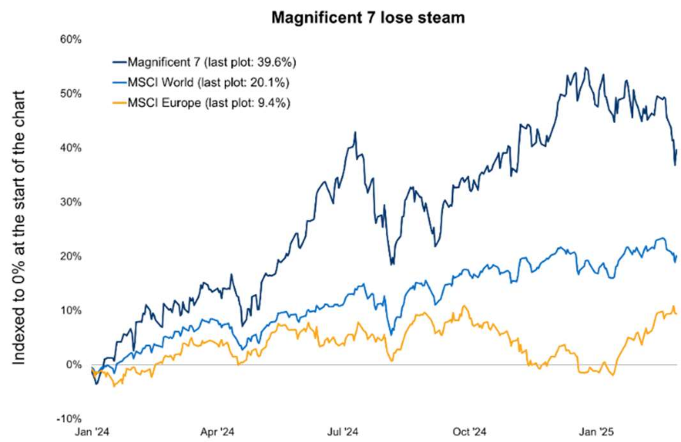
Account Performance

Performance for ONE INVESTMENT - RED LAKE as of March 31, 2025 (%)	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**2.95**
*Benchmark***	-	-	-	-	-	-	-	-	*0.74*
Relative Performance	-	-	-	-	-	-	-	-	+2.21

* Performance inception date for ONE INVESTMENT - RED LAKE is January 14, 2025.
** Benchmark: Canadian CPI (Non-Seasonally Adjusted) (1M Lagged).
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

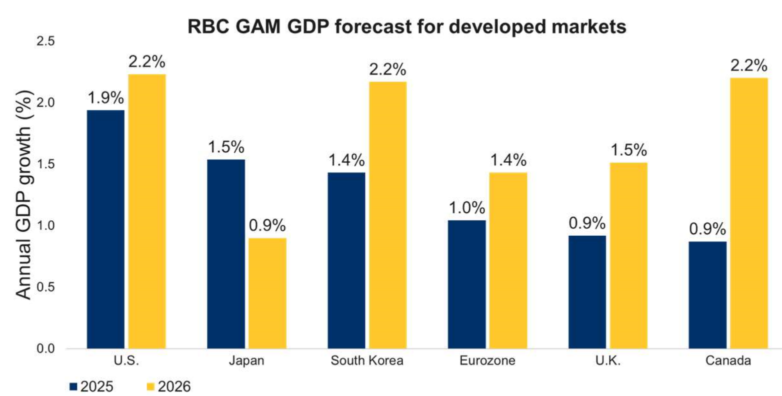
The following commentary summarizes meaningful trends and events that we've observed over the past quarter.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.



Note: As of 03/07/2025. Source: RBC GAM

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.

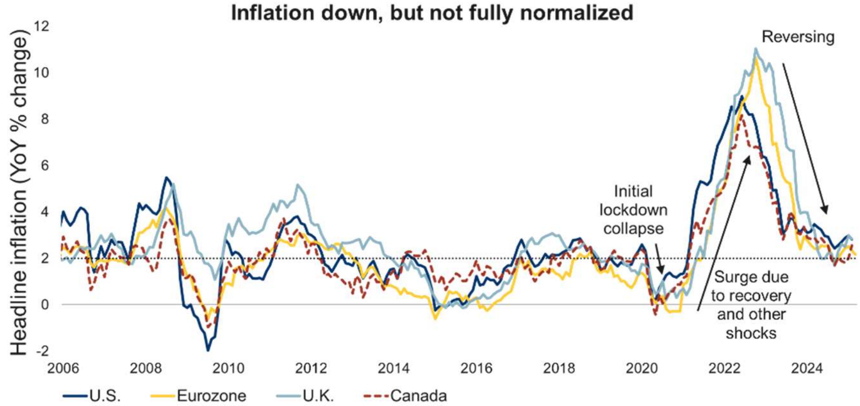
Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.

Inflation down, but not fully normalized



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

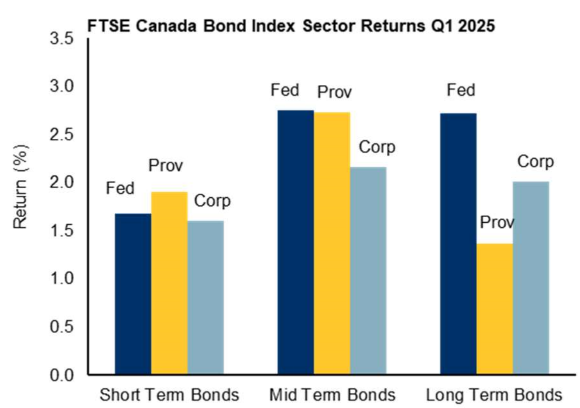
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump's tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, "portfolios"). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as "proxy voting season." These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the "Guidelines") to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term "AI"; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited "AI" on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI's full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the “economic relevance” exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal’s significance to a company’s business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is “otherwise significantly related to the company’s business.” The SEC has further stated that, “the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company’s business.” As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that “anti-ESG proposals”[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, “anti-ESG” proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO’s answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO’s leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company’s earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer’s health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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Investment Management Report for

City of Thunder Bay

For Period Ending March 31, 2025

Table of Contents

Executive Summary - Cash Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - THUNDER BAY - CASH OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	1,614,689	40.0
PH&N Short Term Bond & Mortgage Fund	2,423,994	60.0
Total Portfolio	**4,038,683**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - THUNDER BAY - CASH OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**0.27**

* Performance inception date for ONE INVESTMENT - THUNDER BAY - CASH OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Contingency Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - THUNDER BAY - CONTINGENCY OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	708,066	2.4
BlueBay Total Return Credit Fund (Canada)	1,633,430	5.6
PH&N Bond Fund	883,566	3.0
PH&N Short Term Bond & Mortgage Fund	1,948,759	6.7
RBC Global Bond Fund	6,611,852	22.8
PH&N Canadian Equity Fund	1,769,340	6.1
PH&N Canadian Equity Value Fund	1,779,933	6.1
RBC QUBE Canadian Equity Fund	1,784,664	6.1
RBC Global Equity Focus Fund (CAD)	5,963,302	20.5
RBC QUBE Global Equity Fund	5,970,792	20.6
Total Portfolio	**29,053,704**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - THUNDER BAY - CONTINGENCY OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.30**

* Performance inception date for ONE INVESTMENT - THUNDER BAY - CONTINGENCY OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 3 to 5 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - THUNDER BAY - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	4,261,179	12.2
BlueBay Total Return Credit Fund (Canada)	3,384,122	9.7
PH&N Bond Fund	1,830,562	5.3
PH&N Short Term Bond & Mortgage Fund	8,232,133	23.6
RBC Global Bond Fund	13,698,358	39.3
PH&N Canadian Equity Fund	349,114	1.0
PH&N Canadian Equity Value Fund	351,204	1.0
RBC QUBE Canadian Equity Fund	352,138	1.0
RBC Global Equity Focus Fund (CAD)	1,176,638	3.4
RBC QUBE Global Equity Fund	1,178,116	3.4
Total Portfolio	**34,813,564**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - THUNDER BAY - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.10**

* Performance inception date for ONE INVESTMENT - THUNDER BAY - TARGET DATE 3 TO 5 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 5 to 10 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - THUNDER BAY - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	1,284,722	3.0
BlueBay Total Return Credit Fund (Canada)	2,963,712	7.0
PH&N Bond Fund	1,603,151	3.8
PH&N Short Term Bond & Mortgage Fund	3,535,847	8.4
RBC Global Bond Fund	11,996,609	28.4
PH&N Canadian Equity Fund	2,140,205	5.1
PH&N Canadian Equity Value Fund	2,153,018	5.1
RBC QUBE Canadian Equity Fund	2,158,741	5.1
RBC Global Equity Focus Fund (CAD)	7,213,249	17.1
RBC QUBE Global Equity Fund	7,222,309	17.1
Total Portfolio	**42,271,564**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - THUNDER BAY - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.07**

* Performance inception date for ONE INVESTMENT - THUNDER BAY - TARGET DATE 5 TO 10 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 10 Year Plus Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - THUNDER BAY - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	307,538	1.5
BlueBay Total Return Credit Fund (Canada)	709,455	3.5
PH&N Bond Fund	383,763	1.9
PH&N Short Term Bond & Mortgage Fund	846,413	4.2
RBC Global Bond Fund	2,871,757	14.3
PH&N Canadian Equity Fund	1,536,972	7.6
PH&N Canadian Equity Value Fund	1,546,173	7.7
RBC QUBE Canadian Equity Fund	1,550,282	7.7
RBC Global Equity Focus Fund (CAD)	5,180,137	25.7
RBC QUBE Global Equity Fund	5,186,644	25.8
Total Portfolio	**20,119,135**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - THUNDER BAY - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1.65**

* Performance inception date for ONE INVESTMENT - THUNDER BAY - TARGET DATE 10 YEAR PLUS OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Overall

Summary of Assets

Summary of Assets for ONE Investment - Thunder Bay - Consolidated as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	8,176,194	6.3
BlueBay Total Return Credit Fund (Canada)	8,690,720	6.7
PH&N Bond Fund	4,701,041	3.6
PH&N Short Term Bond & Mortgage Fund	16,987,146	13.0
RBC Global Bond Fund	35,178,576	27.0
PH&N Canadian Equity Fund	5,795,631	4.4
PH&N Canadian Equity Value Fund	5,830,328	4.5
RBC QUBE Canadian Equity Fund	5,845,824	4.5
RBC Global Equity Focus Fund (CAD)	19,533,326	15.0
RBC QUBE Global Equity Fund	19,557,862	15.0
Total Portfolio	**130,296,649**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Thunder Bay - Consolidated as of March 31, 2025 (%)

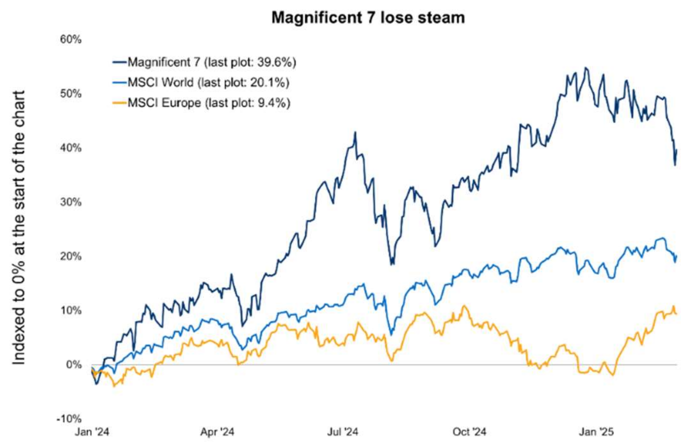
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-0.91**

* Performance inception date for ONE Investment - Thunder Bay - Consolidated is March 06, 2025.).
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

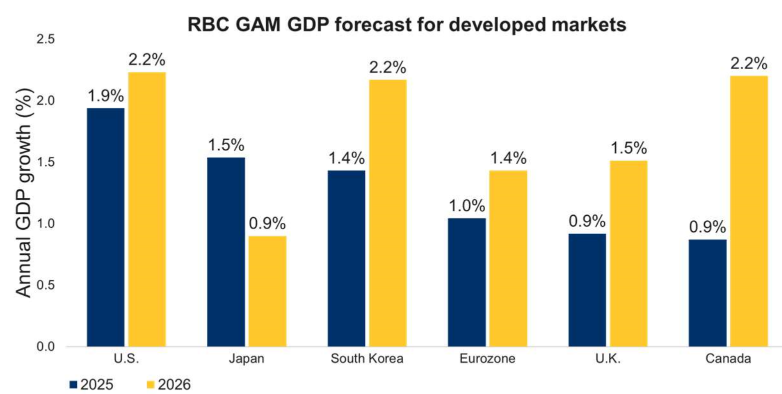
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



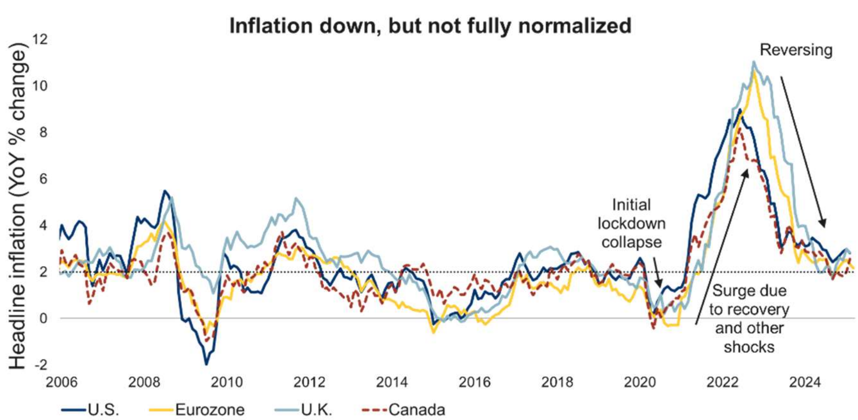
Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.



Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

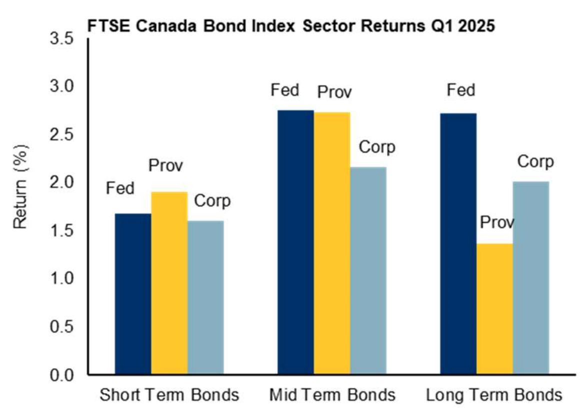
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump's tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, “portfolios”). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as “proxy voting season.” These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the “Guidelines”) to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term “AI”; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited “AI” on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI’s full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company's business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company's success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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Investment Management Report for

Whitby

For Period Ending March 31, 2025

Table of Contents

Executive Summary - Cash Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - WHITBY - CASH OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	4,559,688	40.0
PH&N Short Term Bond & Mortgage Fund	6,845,070	60.0
Total Portfolio	**11,404,757**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - WHITBY - CASH OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.27**

* Performance inception date for ONE INVESTMENT - WHITBY - CASH OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Asset Management Reserve Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - WHITBY - ASSET MANAGEMENT RESERVE OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	107,111	0.6
BlueBay Total Return Credit Fund (Canada)	247,094	1.4
PH&N Bond Fund	133,660	0.8
PH&N Short Term Bond & Mortgage Fund	294,795	1.7
RBC Global Bond Fund	1,000,196	5.7
PH&N Canadian Equity Fund	1,605,923	9.2
PH&N Canadian Equity Value Fund	1,615,537	9.3
RBC QUBE Canadian Equity Fund	1,619,831	9.3
RBC Global Equity Focus Fund (CAD)	5,412,527	31.0
RBC QUBE Global Equity Fund	5,419,326	31.0
Total Portfolio	**17,456,000**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - WHITBY - ASSET MANAGEMENT RESERVE OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-2.00**

* Performance inception date for ONE INVESTMENT - WHITBY - ASSET MANAGEMENT RESERVE OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Contingency Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - WHITBY - CONTINGENCY OUTCOME as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	327,686	2.4
BlueBay Total Return Credit Fund (Canada)	755,936	5.6
PH&N Bond Fund	408,906	3.0
PH&N Short Term Bond & Mortgage Fund	901,867	6.7
RBC Global Bond Fund	3,059,903	22.8
PH&N Canadian Equity Fund	818,834	6.1
PH&N Canadian Equity Value Fund	823,736	6.1
RBC QUBE Canadian Equity Fund	825,926	6.1
RBC Global Equity Focus Fund (CAD)	2,759,760	20.5
RBC QUBE Global Equity Fund	2,763,227	20.6
Total Portfolio	**13,445,783**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - WHITBY - CONTINGENCY OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.30**

* Performance inception date for ONE INVESTMENT - WHITBY - CONTINGENCY OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 3 to 5 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - WHITBY - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	9,031,848	12.2
BlueBay Total Return Credit Fund (Canada)	7,172,868	9.7
PH&N Bond Fund	3,879,995	5.3
PH&N Short Term Bond & Mortgage Fund	17,448,544	23.6
RBC Global Bond Fund	29,034,566	39.3
PH&N Canadian Equity Fund	739,970	1.0
PH&N Canadian Equity Value Fund	744,400	1.0
RBC QUBE Canadian Equity Fund	746,379	1.0
RBC Global Equity Focus Fund (CAD)	2,493,961	3.4
RBC QUBE Global Equity Fund	2,497,094	3.4
Total Portfolio	**73,789,626**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - WHITBY - TARGET DATE 3 TO 5 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.10**

* Performance inception date for ONE INVESTMENT - WHITBY - TARGET DATE 3 TO 5 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 5 to 10 Year Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - WHITBY - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	1,488,598	3.0
BlueBay Total Return Credit Fund (Canada)	3,434,031	7.0
PH&N Bond Fund	1,857,559	3.8
PH&N Short Term Bond & Mortgage Fund	4,096,960	8.4
RBC Global Bond Fund	13,900,382	28.4
PH&N Canadian Equity Fund	2,479,840	5.1
PH&N Canadian Equity Value Fund	2,494,686	5.1
RBC QUBE Canadian Equity Fund	2,501,317	5.1
RBC Global Equity Focus Fund (CAD)	8,357,938	17.1
RBC QUBE Global Equity Fund	8,368,437	17.1
Total Portfolio	**48,979,748**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - WHITBY - TARGET DATE 5 TO 10 YEAR OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1.07**

* Performance inception date for ONE INVESTMENT - WHITBY - TARGET DATE 5 TO 10 YEAR OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Target Date 10 Year Plus Outcome

Summary of Assets

Summary of Assets for ONE INVESTMENT - WHITBY - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025

	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	497,698	1.5
BlueBay Total Return Credit Fund (Canada)	1,148,135	3.5
PH&N Bond Fund	621,057	1.9
PH&N Short Term Bond & Mortgage Fund	1,369,779	4.2
RBC Global Bond Fund	4,647,457	14.3
PH&N Canadian Equity Fund	2,487,331	7.6
PH&N Canadian Equity Value Fund	2,502,222	7.7
RBC QUBE Canadian Equity Fund	2,508,873	7.7
RBC Global Equity Focus Fund (CAD)	8,383,185	25.7
RBC QUBE Global Equity Fund	8,393,716	25.8
Total Portfolio	**32,559,453**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE INVESTMENT - WHITBY - TARGET DATE 10 YEAR PLUS OUTCOME as of March 31, 2025 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-1.65**

* Performance inception date for ONE INVESTMENT - WHITBY - TARGET DATE 10 YEAR PLUS OUTCOME is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Overall

Summary of Assets

Summary of Assets for ONE Investment - Whitby - Consolidated as of March 31, 2025	Market Value ($) March 31, 2025	Market Value (%)
PH&N Canadian Money Market Fund	16,012,630	8.1
BlueBay Total Return Credit Fund (Canada)	12,758,065	6.5
PH&N Bond Fund	6,901,176	3.5
PH&N Short Term Bond & Mortgage Fund	30,957,014	15.7
RBC Global Bond Fund	51,642,505	26.1
PH&N Canadian Equity Fund	8,131,898	4.1
PH&N Canadian Equity Value Fund	8,180,582	4.1
RBC QUBE Canadian Equity Fund	8,202,325	4.2
RBC Global Equity Focus Fund (CAD)	27,407,372	13.9
RBC QUBE Global Equity Fund	27,441,799	13.9
Total Portfolio	**197,635,367**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Whitby - Consolidated as of March 31, 2025 (%)

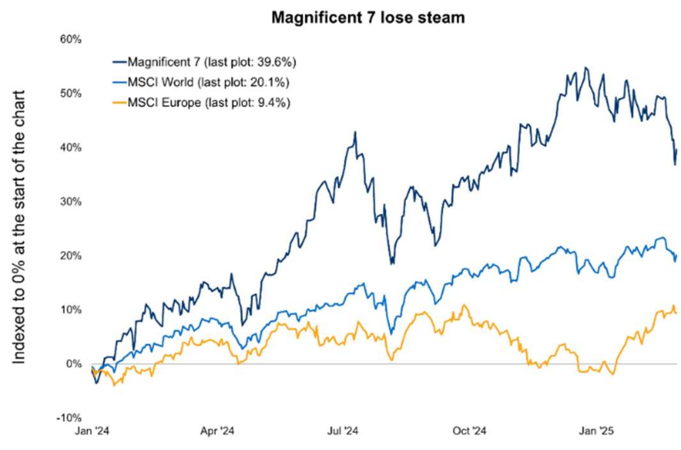
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	-	-	-	-	-	-	-	-	**-0.83**

* Performance inception date for ONE Investment - Whitby - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.

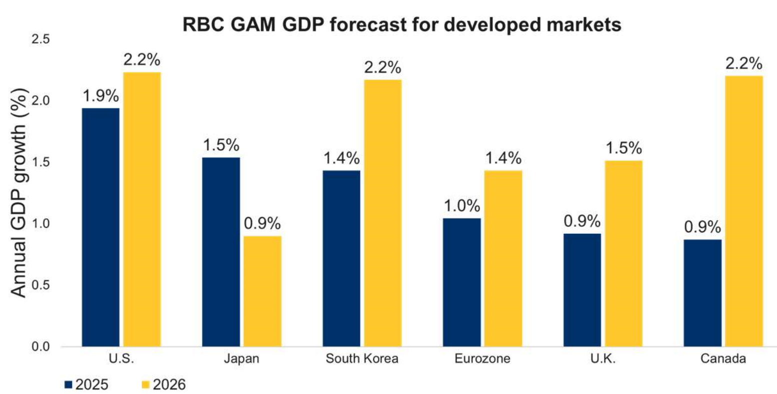
The performance of **global equity markets** was varied across regions in the first quarter, with stocks beginning to fall toward the end of February after reaching record levels earlier in the period as investors shied away from risk taking amid heightened uncertainty. The sell-off was concentrated in U.S. stocks, which had risen the most over the past two years, whereas other markets, which had lagged, delivered gains.



Note: As of February 28, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

In terms of **economic activity**, U.S. public policy announcements cast a pall of uncertainty over the global economy. The White House has implemented or announced major changes on many economically relevant fronts, including trade, immigration, taxation, government spending, regulations, the civil service, and foreign policy. Even before the impact of these changes was felt, U.S. economic growth was decelerating slightly, whereas the Eurozone, U.K., and Japan were seemingly on an accelerating track. With business and consumer sentiment fading and tariffs being applied, our developed-world growth forecasts have been nearly universally downgraded for 2025 and now rest somewhat below consensus, while emerging market growth forecasts have been steadier. Risks to these growth forecasts extend in both directions. On the optimistic side, perhaps large tariffs can be avoided or not last long after all. On the negative side, the trade war could be even greater than feared. Another downside risk is the potential for greater geopolitical tension, as the U.S. seemingly pulls away from its traditional allies.

U.S. economic growth declined to 2.3% annually for the October through December period, from 3.1% in the previous quarter. Moreover, policy uncertainty and sweeping new tariffs from the Trump administration in the first quarter have combined to result in a highly uncertain and weak outlook for the U.S. economy.



Note: As of 03/07/2025. Source: RBC GAM

Behind the weak GDP forecasts is new evidence that the decline in consumer and business sentiment is

showing up in real economic activity. Consumer spending declined for the first time in nearly two years during January, and February saw a smaller comeback than economists had expected. While the talk of recession has lately picked up, with U.S. growth set to be slower than otherwise under a tariff regime and given other policy decisions, it is still more a story of diminished growth than of vanished growth.

The **Canadian economy** began 2025 on a firm footing with January GDP up 0.4%, which was the largest gain since April 2024. However, early signs suggest growth stalled in February amid harsh winter weather and the looming threat of tariffs. Tariffs were a dominant theme for the Canadian economy in the first quarter, with President Trump initiating the trade war with Canada at the beginning of February with a round of blanket tariffs on Canadian goods, though multiple rounds of exemptions and pauses have since ensued. Given the high uncertainty, it is almost impossible to forecast the Canadian outlook with any confidence. A worst-case scenario would have the repeatedly threatened 25% tariff fully delivered; this would induce a recession in Canada, with our models arguing the economy would undershoot its normal rate of growth by around 4.5 percentage points over the coming two years. On the other hand, a best-case scenario would see U.S. tariffs largely avoided, perhaps as the U.S. economy comes to recognize its reliance on Canadian resources.

While inflation is no longer the primary market concern that it was several years ago, it is not completely settled either, especially in the U.S. In fact, we have been compelled to increase the 2025 inflation outlook for two reasons: tariffs are inflationary in the short run, and inflation in the U.S. has proven sticky of late. U.S inflation continues to hover near 3.0%, while other countries have wrangled inflation rates down to the 2.0% to 2.5% range. We look for U.S. inflation to increase outright in 2025, from 2.9% in 2024 to 3.3%. Other countries are also expected to experience inflation upticks. Central banks have been in rate-cutting mode for the past year, with some further easing likely in 2025. Though the Fed kept its key policy rate unchanged during the quarter, the Bank of Canada (BoC) cut rates by 50 basis points during the first quarter.

Note: Canada, U.K., and U.S. as of Feb 2025, Eurozone as of Mar 2025. Source: Bureau of Labor Statistics, Office for National Statistics, Statistics Canada, Statistical Office of the European Communities, Macrobond, RBC GAM

Should tariffs remain in place for an extended period, the headwind to economic growth, rather than the tailwind for inflation, will likely be the key factor nudging central banks to cut rates. In this scenario, we expect the BoC would cut its policy rate by more than otherwise, and the government would implement its fiscal support plan that is purported to include expanded eligibility for employment insurance and targeted

business supports. With Canadian elections scheduled for April 28, we could witness a new era of public policy: one focused in the short run on managing U.S. antagonism, and in the long run on sustainably reviving productivity growth after a long period of neglect. Overall, any inflation caused by tariffs would represent a one-time price-level shock and the inflation rate should return to normal afterward, whereas any related economic damage would be enduring. In turn, there is room for material further monetary easing for a number of countries.

Among **global equity markets**, U.S. stocks struggled during the first quarter, as an impressive launch of DeepSeek – a low-cost artificial intelligence (AI) model from a Chinese company –called into question American companies' spending plans on AI. Consequently, tech stocks lost momentum, and the S&P 500 Index ultimately posted a negative return of -4.2% over the period. Outside of the U.S., eurozone markets were up 12.2% and U.K. 8.4%, while Japanese markets recorded a negative return.

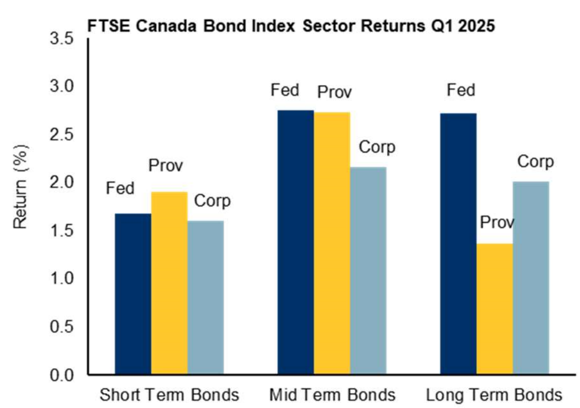
Equity Indices Performance Comparison as of Mar 31, 2025 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.51%	15.81%
S&P 500 Index (C$)	-4.17%	15.00%
MSCI World Net Index (C$)	-1.72%	13.84%
MSCI EAFE Net Index ($C)	6.94%	11.55%
MSCI Emerging Markets Net Index (C$)	3.00%	14.96%

Source: RBC GAM

The **Canadian equity market** registered gains during the period and was up for the third consecutive quarter. The S&P/TSX Composite Index rose 1.5% in the first quarter, led by strength in Materials as gold, often viewed as a safe haven from global turmoil, benefitted from increased central bank buying as well. The Utilities and Energy sectors also contributed to gains, while Information Technology, Financials, and Industrials were among the weakest performers and posted negative returns.

Turning to **emerging markets** (EM), the MSCI Emerging Markets Net Index returned 3.0% over the period. In a quarter dominated by trade tariffs and U.S. policy uncertainty, a falling U.S. 10-year Treasury yield and a weaker U.S. dollar were supportive for EM overall. The country's largest weight – China – rose during the period, benefitting from rising investor confidence and stronger corporate earnings. Looking ahead to 2025, earnings growth should become a key driver of emerging market equities returns. Another potential key driver for EM economies in 2025 will be domestic consumption stemming from lower inflation and lower rates. The key risk to this positive outlook remains geopolitical; specifically, trade tensions that could arise from increasing tariffs on U.S. imports.



Source: RBC GAM, FTSE Russell

Global fixed income markets were plagued by uncertainty during the first quarter, as investors were focused on the escalating trade war and the potential impacts on economic growth and inflation. In terms of the **Canadian fixed income market**, the FTSE Canada Universe Bond Index ended the quarter at 3.3%, down 0.3% from where it began

the period. Yields remained rangebound during the quarter, oscillating between 3.2% and 3.9% before ultimately ending the quarter lower in response to President Trump’s tariff threats and the uncertainty posed for the Canadian economy.

The combination of declining yields and a steeper yield curve over the first quarter resulted in mid-term bonds outperforming short- and long-term bonds. The bond market continues to price in modestly lower short-term yields over the next 12 months in conjunction with expectations for further but relatively fewer policy rate cuts, while longer-term yields are expected to increase slightly from current levels. Our view on the shape and direction of the yield curve is not materially different from what is expected by the market at this time. We expect volatility in yields to be a theme in the short term, and we will continue to look for opportunities to be tactical while remaining prudent in our duration and yield curve positioning.

RBC GAM ESG Spotlight: 2025 Proxy Season Preview

As an asset manager, RBC Global Asset Management (RBC GAM) acts in the best interests of the accounts that it manages, including segregated client accounts and investment funds (collectively, “portfolios”). This includes exercising the voting rights attached to securities in the portfolios we manage, where we have such authority.

Each year, many issuers hold their annual shareholder meetings between April and June, a period known as “proxy voting season.” These meetings provide shareholders with the opportunity to vote on a range of issues including the election of directors, executive compensation, and shareholder proposals focused on environmental, social, and governance (ESG) issues, among other items.

We have established the RBC GAM Proxy Voting Guidelines (the “Guidelines”) to govern the exercise of our voting rights. We review and update our Guidelines on an ongoing basis as our view of corporate governance best practices evolves and with a view to enhancing the long-term value of our portfolios.

In this article, we outline relevant updates to the RBC GAM Proxy Voting Guidelines for 2025, as well as major themes and trends heading into the 2025 proxy season.[1]

Notable updates

Artificial intelligence

Artificial intelligence (AI) remains a priority for governments and issuers alike. On January 23, 2025, U.S. President Donald Trump signed Executive Order 14179, Removing Barriers to American Leadership in Artificial Intelligence.[2] Similarly, on March 6, 2025, the Canadian government announced a refreshed Advisory Council on Artificial Intelligence and the publication of a guide for managers of AI systems.[3] Of the issuers listed on the S&P 500 Index that conducted earnings conference calls from June 15 through September 13, 2024, 210 cited the term “AI”; well above the 5-year average of 88 and the 10-year average of 55.[4]

Research from McKinsey estimates the long-term AI opportunity to be valued at USD $4.4 trillion in added productivity growth potential from corporate use cases.[5] Given the size of opportunity, the development and adoption of AI is increasingly integrated into business operations. However, we believe there may be material risks associated with using this technology. It is our view that companies using AI

[1] RBC GAM has a general approach to active stewardship, proxy voting, and engagement that address ESG matters among other matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. Examples of what would not conduct certain active stewardship activities include, but are not limited to, quantitative investment strategies that do not conduct engagements, passive, and certain third-party sub-advised strategies. RBC GAM does not manage proxy voting for certain third-party sub-advised strategies. For clarity, RBC Indigo Asset Management Inc. and its fund products are not covered by the information presented in this document, unless otherwise indicated.
[2] Federal Register, *Request for Information on the Development of an Artificial Intelligence (AI) Action Plan*, February 2, 2025
[3] Government of Canada news release, *Canada moves toward safe and responsible artificial intelligence*, March 6, 2025
[4] FactSet Insight, *More Than 40% of S&P 500 Companies Cited “AI” on Earnings Calls for Q2*, September 13, 2024
[5] McKinsey Digital, *Superagency in the workplace: Empowering people to unlock AI’s full potential*, January 28, 2025

in a meaningful way should ensure they have appropriate governance processes and expertise to handle a changing regulatory, legal, and technological landscape.

2025 Guideline updates

Consistent with the emergence of the widespread use of AI, we expect to see an increase in the number of AI-related shareholder proposals during the 2025 proxy voting season, and we updated our Guidelines to address this. Historically, we have voted on shareholder proposals related to board accountability on AI and the use of certain AI-related technologies as they relate to human rights. Although we believe AI presents significant opportunities for efficiency and productivity gains, this integration also introduces a range of potential risks, including ethical concerns, regulatory compliance challenges, data privacy issues, and operational vulnerabilities.

We approach shareholder proposals on AI on a case-by-case basis. We may support proposals that call for enhanced disclosure on AI-related board and firm governance structures and expertise. Further, we will generally support suitable proposals requesting enhanced disclosure on how a company uses AI within its operations, where material to the company’s business.

Equity-based compensation plans

Omnibus stock plans are plans that give the company flexibility to grant various types of awards within a single equity plan (e.g., restricted share units, time-based options, etc.). This means that rather than having a separate plan for each award type, all award types are consolidated into a single plan. Omnibus plans have the benefit of simplicity and efficiency. However, we believe there are downsides for both issuers and shareholders.

For issuers, when an omnibus plan is out for shareholder approval, if shareholders dislike one component of the omnibus plan (e.g., executive option plan), their only option on the voting ballot is to vote on the omnibus plan in its entirety, potentially leading to increased votes against the proposal. Similarly, shareholders may decide to support an omnibus plan with negative components because it also contains key mechanisms that are material for the company’s success. For example, an omnibus plan may include both the employee purchase plan and an option plan for executives. If used inappropriately, we believe this can be a way for issuers to shield unfavourable compensation practices behind necessary compensation features.

2025 Guideline updates

We believe shareholders should have the opportunity to consider and vote on separate components of equity compensation plans. We updated our Guidelines to clarify that we vote on omnibus stock option plans on a case-by-case basis and that in cases where we do not support components of an omnibus plan, we may vote against the proposal.

Calling a special meeting

In some jurisdictions, shareholders holding a minimum percentage of a company's shares can call a special meeting to act on matters that arise between regularly scheduled annual general meetings. If shareholders are unable to do so, their ability to remove directors, put forward resolutions, or respond to an offer from a bidder may be restricted.

Shareholder proposals requesting that companies adopt the right to call a special meeting have been one of the more common issues raised in recent years, reaching a peak in 2022.[6] Meanwhile, in 2023 and 2024, we saw several management proposals to adopt the right for shareholders to call a special meeting. Generally, this would be viewed as a shareholder-friendly development. But this meant that in some cases, shareholders were presented with two proposals to adopt the right to call a special meeting on the same ballot: one from management and one from a shareholder proponent. These proposals stipulated the shareholder ownership threshold required to call a special meeting, with the management proposal typically calling for a higher threshold. For example, if a shareholder proposal requested that owners of 15% of the company's stock have the ability to call a special meeting, the management proposal requested that owners of 25% of the company's stock have the ability to call a special meeting.

2025 Guideline updates

We updated our Guidelines to clarify our approach in these circumstances. Specifically, we may support both the management and shareholder proposals, as approval of management's proposal with a higher threshold still enhances shareholder rights.

We review both management and shareholder proposals to call a special meeting on a case-by-case basis. There may be cases where we believe the proposed ownership threshold is too low, given the circumstances of the company and we may vote against the proposal if we believe it may not be in shareholders' best interests.

Trends

Number of ESG-focused shareholder proposals likely to drop in the U.S.

When U.S. companies receive a shareholder proposal for an upcoming meeting, they can seek "no-action relief" from the Securities and Exchange Commission (SEC). If approved, this relief under SEC Rule 14a-8 allows companies to exclude shareholder proposals from the ballot. For instance, if the SEC determined that the shareholder proposal sought to micromanage the company or that the issue raised in the proposal was not significant to the company (i.e., "economic relevance"), it could approve the omission of the proposal from the company's ballot.

A Staff Legal Bulletin issued by the SEC in November 2021 outlined a change of approach. Less weight would be given to the argument that the shareholder proposals were seeking to micromanage the company, and social policy issues would no longer be assessed purely on how they related to the

[6] Harvard Law School Forum on Corporate Governance, *2022 Proxy Season – Shareholder Proposal Review*, October 3, 2022

particular company.[7] We believe that this contributed to the increase of shareholder proposals on U.S. company ballots between 2022 and 2024.[8]

In February 2025, the SEC changed course, publishing Staff Legal Bulletin No. 14M, which provides information regarding Rule 14a-8(i)(5), the "economic relevance" exclusion. The SEC considers the rule one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8.[9] Where a proposal's significance to a company's business is not obvious, the SEC has stated that a proposal may be eligible for exclusion unless the proponent demonstrates that it is "otherwise significantly related to the company's business." The SEC has further stated that, "the mere possibility of reputational or economic harm alone will not demonstrate that a proposal is otherwise significantly related to the company's business." As a result, it is possible that ESG-focused shareholder proposals in the U.S. are more likely to be excluded from company ballots this year. However, given Staff Legal Bulletin No. 14M was published in February, its impact could be muted due to its proximity to proxy season.

We expect that "anti-ESG proposals"[10] will be prevalent once again this proxy season, but the impacts of Staff Legal Bulletin No. 14M on these proposals is uncertain. According to ISS, in 2024 at least 95 such proposals were filed and 80 made it onto ballots.[11] The volume and types of these proposals have since expanded. As of March 2025, "anti-ESG" proposals made up nearly half of proposals on the ballot heading into proxy season.[12]

Heading into the 2025 proxy season, we believe companies will continue to face shareholder proposals with opposing views on ESG topics. And given recent regulatory developments - and the timing of those developments - the volume and range of proposals on ballots is less certain than past years. Amidst this uncertainty, we believe it is important to maintain a consistent process and approach when voting. At RBC GAM, we evaluate shareholder proposals on a case-by-case basis with a view to enhancing the long-term value of the securities held. We consider materiality, prescriptiveness, and existing disclosures and commitments, where applicable. Where we believe fulfilment of shareholder proposal requests is in the best interests of our portfolios, we will support them.

Engagement examples

Sustainability strategy and greenhouse gas targets

- The RBC European Equity team[13] met with a European cement producer to discuss its sustainability strategy. The company explained the steps they are taking to reduce emissions by 1% per year by reducing fossil fuel consumption, as well as switching production from coal and gas to municipal waste and biomass. The reduction in clinker (cement clinker is a solid material produced in the manufacture of cement as an intermediary product) used in its cement would reduce emissions by a

[7] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14L*, November 3, 2021
[8] Harvard Law School Forum on Corporate Governance, *U.S. Shareholder Proposals: A Decade in Motion*, November 18, 2024
[9] U.S. Securities and Exchange Commission, *Shareholder Proposals: Staff Legal Bulletin No. 14M (CF)*, February 12, 2025
[10] Shareholder proposals were categorized as anti-ESG if they mention calling for a decrease in claiming corporate responsibility for issues that span environmental, social and governance topics or are critical of investor intervention that call for companies to be held liable for social or environmental issues.
[11] Institutional Shareholder Services, *Top Governance & Stewardship Trends for 2025*, March 10, 2025
[12] Ibid
[13] Employees of RBC Global Asset Management (UK) Limited

further 1% per year. The company is also working on developing carbon capture technology at its cement plants, with the carbon captured being of a quality that it could be used in carbonated drinks. Further, it is working with industrial gas players to turn the carbon into methanol. The company expects to be producing “net-zero” cement by 2028.

The investment team understands the carbon intensive nature of the cement industry and is pleased with the innovative solutions the company is developing as part of its sustainability strategy. The team will continue to monitor the company’s progress moving forward.

- The RBC Emerging Markets Equity team[13] recently met with management of an Asian semiconductor company to follow up on prior engagements related to climate-related reporting and Science-Based Targets initiative (SBTi) commitments. The company has yet to commit to setting an SBTi-approved target, and while they do have a net-zero target of 2050, this currently only includes Scope 2 emissions.

  Management explained that the main challenge is building energy capacity, and therefore emissions are likely to continue to rise in the near term. However, due to the company’s sizeable investments in renewable energy and increasing portion of power coming from renewables, it estimates that emissions will peak in 2026. This is despite double-digit capacity growth. Once capacity peaks in 2026, the company expects to commit to an SBTi-approved target. The team was pleased with the progress the company is making on its sustainability strategy amidst overall expansion of the business.

- The RBC Global Equity team[13] engaged with a European household and personal products company. The team spoke with the company’s Head of Sustainability on how its sustainability strategy is evolving. The company now has 15 goals across four pillars, each of which has a time-bound roadmap. One key focus of the engagement was the company’s regenerative agriculture program. The program is crucial for reducing the company’s environmental footprint and ensuring long-term supply chain resilience. By promoting farmer practices that restore soil health, increase biodiversity, and enhance water conservation, it aims to lower carbon emissions, improve crop yields, and support farmers' livelihoods.

  Given the company's exposure to agriculture, this strategy may help build resilience and evolve the company's broader value chain. The company is looking at how it can develop its impact reporting on regenerative agriculture. At present it has 25 large-scale projects working up and downstream with other large organizations to roll out programs across key ingredients. The team was impressed with the progress made by the company and will continue to monitor how the strategy evolves.

CEO onboarding and governance

- The RBC Alternative Investments team engaged with a Canadian power producer in the first quarter of 2025. As both bondholders and shareholders, the team felt it was important to meet in person with the company given recent changes to the management team and market speculation about the company being a potential takeover candidate given its depressed share price. While the team came

away disappointed with the new CEO's answers to some questions on capital allocation, the team acknowledges that the CEO had only been in the role for a few days before the meeting. The Board appears to have conducted a thorough search to fill the role, and the Chair cited the new CEO's leadership qualities, and understanding of strategy implementation and capital markets as reasons for being hired.

Other topics of conversation included the construction status of two major offshore wind projects, which are key to driving the company's earnings growth in renewables in the coming years. With approximately just 10% of earnings over the long term likely to be derived from non-renewable sources, the team continues to view the company favourably from an environmental standpoint.

Access to health care

- The RBC Asian Equity team[14] met with an Australian health care company to discuss the levels of annual insurance premium increases amidst increasing cost-of-living pressures faced by Australians. The company announced that health insurance premiums will increase this year following approval by the Australian Federal Health Minister. The company acknowledged that it is committed to keeping premiums as low as possible while also recognizing the rising cost of health care, which has outpaced inflation. The company provides customer hardship support for those experiencing financial difficulties or will review whether a lower level of coverage at a lower cost would meet the customer's health needs. The team was pleased with the efforts made by the company to address affordability and will continue to monitor the issue.

Investments by Indigenous groups

- The PH&N Fixed Income team had a follow-up meeting with a Canadian Indigenous organization that seeks to bridge the gap between Indigenous groups seeking partnerships in major projects and financing opportunities. The team met with the issuer and dealer to discuss the challenges certain investment accounts may face if funding streams are not separated as part of a potential financing. The team highlighted that fossil fuel free mandates may be prohibited from owning certain bonds that have fossil fuel exposure. These challenges could be alleviated if the funding streams were separated into conventional and labelled streams.

  The team felt the organization was very receptive to their concerns and mentioned that as it grows, it will revisit the feasibility of establishing a formal framework. The organization outlined the challenges of complying with a formal framework due to the number of Indigenous groups involved and the reporting obligations that would fall on each group. During the discussion the team also discussed future project opportunities and some of the social benefits from infrastructure projects. The team plans to continue engaging with the issuer on this matter as it looks to expand its issuance program.

[14] Employees of RBC Global Asset Management (Asia) Limited

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Please note: SI is since inception; RBC Global Asset Management is the asset management division of Royal Bank of Canada (RBC) which includes RBC Global Asset Management Inc. (RBC GAM Inc.), RBC Global Asset Management (U.S.) Inc. (RBC GAM-US), RBC Global Asset Management (UK) Limited (RBC GAM-UK), RBC Global Asset Management (Asia) Limited (RBC GAM-Asia) and RBC Indigo Asset Management Inc., which are separate, but affiliated subsidiaries of RBC.

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QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

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ONE INVESTMENT

Aurora Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

Time-Weighted Rate of Return in CAD for Consolidated Holdings

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	1.0%	1.0%	-	-	-	-	11.6%	09/27/2023

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	6,533,839.67	-	6,597,076.81	(148,297.77)	211,534.91	-
CAN Equity Fund	7,642,638.02	-	7,715,997.15	(1,749,970.89)	1,823,330.02	-
Corp Bond Fund	3,793,642.43	-	3,854,293.03	60,650.60	-	-
GLB Bond Fund	17,488,894.63	134.80	17,774,140.67	285,111.24	-	-
GLB Equity Fund	16,178,491.04	-	16,239,959.72	(3,514,723.27)	3,576,191.95	-
Total	**51,637,505.79**	**134.80**	**52,181,467.38**	**(5,067,230.09)**	**5,611,056.88**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Aurora Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	-	-	-	-	21.9	09/27/2023
ONE Global Equity Fund	0.3	0.3	4.3	-	-	-	-	13.6	09/27/2023
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	-	-	-	-	9.2	09/27/2023
ONE Canadian Government Bond Fund	0.9	0.9	5.0	-	-	-	-	5.7	09/27/2023
ONE Global Bond Fund	1.6	1.6	5.2	-	-	-	-	8.2	09/27/2023

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB1AURCONT	0.9	0.9	6.4	-	-	-	-	13.0	09/27/2023
JIB2AURTD35	1.3	1.3	5.5	-	-	-	-	8.4	09/27/2023
JIB3AURTD510	1.0	1.0	6.2	-	-	-	-	12.2	09/27/2023
JIB4AURTD10P	0.7	0.7	6.6	-	-	-	-	14.2	09/27/2023

ONE INVESTMENT

Aurora Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Aurora - Contingency Outcome
Account Number: 570050682

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Buy	GLB Bond Fund	02/06/2025	02/06/2025	0.15	134.80
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	28.89	27,496.33
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	655.16	751,341.06
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	1,387.52	1,466,386.07
Sell	CAN Bond Fund	03/04/2025	03/04/2025	901.03	857,520.25
Sell	Corp Bond Fund	03/04/2025	03/04/2025	947.75	898,627.93
Sell	GLB Bond Fund	03/04/2025	03/04/2025	4,695.25	4,141,993.08
Sell	CAN Equity Fund	03/04/2025	03/04/2025	2,772.53	3,179,536.48
Sell	GLB Equity Fund	03/04/2025	03/04/2025	6,300.91	6,659,052.91

ONE INVESTMENT

Aurora Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Aurora - Target Date 3 to 5 Year Outcome
Account Number: 570050690

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	147.41	140,294.43
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	90.99	104,352.82
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	209.37	221,278.85
Sell	CAN Bond Fund	03/04/2025	03/04/2025	4,597.35	4,375,320.72
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,609.45	1,526,030.19
Sell	GLB Bond Fund	03/04/2025	03/04/2025	7,983.56	7,042,831.11
Sell	CAN Equity Fund	03/04/2025	03/04/2025	385.07	441,601.94
Sell	GLB Equity Fund	03/04/2025	03/04/2025	950.81	1,004,856.45

ONE INVESTMENT

Aurora Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Aurora - Target Date 5 to 10 Year Outcome
Account Number: 570050708

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	41.03	39,057.28
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	620.42	711,497.15
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	1,313.94	1,388,623.09
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,279.88	1,218,067.48
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,346.24	1,276,459.67
Sell	GLB Bond Fund	03/04/2025	03/04/2025	6,669.17	5,883,318.79
Sell	CAN Equity Fund	03/04/2025	03/04/2025	2,625.50	3,010,925.13
Sell	GLB Equity Fund	03/04/2025	03/04/2025	5,966.77	6,305,920.66

Aurora Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Aurora - Target Date 10 Year Plus Outcome
Account Number: 570050716

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	4.92	4,686.87
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	223.35	256,138.99
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	473.01	499,903.94
Sell	CAN Bond Fund	03/04/2025	03/04/2025	153.58	146,168.36
Sell	Corp Bond Fund	03/04/2025	03/04/2025	161.54	153,175.24
Sell	GLB Bond Fund	03/04/2025	03/04/2025	800.30	705,997.69
Sell	CAN Equity Fund	03/04/2025	03/04/2025	945.18	1,083,933.60
Sell	GLB Equity Fund	03/04/2025	03/04/2025	2,148.03	2,270,129.70

Aurora Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the “ONE JIB Agreement”) ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

ONE INVESTMENT

YEAR-END
TRANSACTION
REPORT

For The Period Ended March 4, 2025

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Aurora Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	6,333,338.89		6,597,076.81	211,534.91		52,203.01		
CAN Equity Fund	6,660,655.55		7,715,997.15	1,823,330.02		(767,988.42)		
Corp Bond Fund	3,581,059.16		3,854,293.03			273,233.87		
GLB Bond Fund	17,186,492.22	134.80	17,774,140.67			587,513.65		
GLB Equity Fund	13,954,780.93		16,239,959.72	3,576,191.95		(1,291,013.16)		
Total	**47,716,326.75**	**134.80**	**52,181,467.38**	**5,611,056.88**	**0.00**	**(1,146,051.05)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	6,533,839.67		6,597,076.81	211,534.91		(148,297.77)	
CAN Equity Fund	7,642,638.02		7,715,997.15	1,823,330.02		(1,749,970.89)	
Corp Bond Fund	3,793,642.43		3,854,293.03			60,650.60	
GLB Bond Fund	17,488,894.63	134.80	17,774,140.67			285,111.24	
GLB Equity Fund	16,178,491.04		16,239,959.72	3,576,191.95		(3,514,723.27)	
Total	**51,637,505.79**	**134.80**	**52,181,467.38**	**5,611,056.88**	**0.00**	**(5,067,230.09)**	**0.00**

ONE INVESTMENT

Aurora Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AURCONT	14,101,745.80	134.80	15,736,730.65	2,245,223.46		(610,373.41)		
JIB2AURTD35	13,744,136.05		14,390,640.41	465,926.10		180,578.26		
JIB3AURTD510	16,024,403.69		17,694,691.73	2,139,177.52		(468,889.48)		
JIB4AURTD10P	3,846,041.21		4,359,404.59	760,729.80		(247,366.42)		
Total	**47,716,326.75**	**134.80**	**52,181,467.38**	**5,611,056.88**	**0.00**	**(1,146,051.05)**	**0.00**	**0.00**

ONE INVESTMENT

Aurora Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AURCONT	15,592,361.66	134.80	15,736,730.65	2,245,223.46		(2,100,989.27)	
JIB2AURTD35	14,203,712.05		14,390,640.41	465,926.10		(278,997.74)	
JIB3AURTD510	17,516,062.35		17,694,691.73	2,139,177.52		(1,960,548.14)	
JIB4AURTD10P	4,325,369.73		4,359,404.59	760,729.80		(726,694.94)	
Total	**51,637,505.79**	**134.80**	**52,181,467.38**	**5,611,056.88**	**0.00**	**(5,067,230.09)**	**0.00**

Aurora Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AURCONT	817,521.07		857,520.25	27,496.33		12,502.85		
JIB2AURTD35	4,215,216.11		4,375,320.72	140,294.43		19,810.18		
JIB3AURTD510	1,161,251.52		1,218,067.48	39,057.28		17,758.68		
JIB4AURTD10P	139,350.19		146,168.36	4,686.87		2,131.30		
Total	**6,333,338.89**	**0.00**	**6,597,076.81**	**211,534.91**	**0.00**	**52,203.01**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AURCONT	849,300.12		857,520.25	27,496.33		(19,276.20)	
JIB2AURTD35	4,333,380.66		4,375,320.72	140,294.43		(98,354.37)	
JIB3AURTD510	1,206,391.90		1,218,067.48	39,057.28		(27,381.70)	
JIB4AURTD10P	144,766.99		146,168.36	4,686.87		(3,285.50)	
Total	**6,533,839.67**	**0.00**	**6,597,076.81**	**211,534.91**	**0.00**	**(148,297.77)**	**0.00**

Aurora Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AURCONT	2,744,661.44		3,179,536.48	751,341.06		(316,466.02)		
JIB2AURTD35	381,202.94		441,601.94	104,352.82		(43,953.82)		
JIB3AURTD510	2,599,111.21		3,010,925.13	711,497.15		(299,683.23)		
JIB4AURTD10P	935,679.96		1,083,933.60	256,138.99		(107,885.35)		
Total	**6,660,655.55**	**0.00**	**7,715,997.15**	**1,823,330.02**	**0.00**	**(767,988.42)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AURCONT	3,149,307.96		3,179,536.48	751,341.06		(721,112.54)	
JIB2AURTD35	437,403.43		441,601.94	104,352.82		(100,154.31)	
JIB3AURTD510	2,982,298.95		3,010,925.13	711,497.15		(682,870.97)	
JIB4AURTD10P	1,073,627.68		1,083,933.60	256,138.99		(245,833.07)	
Total	**7,642,638.02**	**0.00**	**7,715,997.15**	**1,823,330.02**	**0.00**	**(1,749,970.89)**	**0.00**

ONE INVESTMENT

Aurora Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AURCONT	831,031.75		898,627.93			67,596.18		
JIB2AURTD35	1,427,931.48		1,526,030.19			98,098.71		
JIB3AURTD510	1,180,442.80		1,276,459.67			96,016.87		
JIB4AURTD10P	141,653.13		153,175.24			11,522.11		
Total	**3,581,059.16**	**0.00**	**3,854,293.03**	**0.00**	**0.00**	**273,233.87**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AURCONT	884,487.25		898,627.93			14,140.68	
JIB2AURTD35	1,502,016.80		1,526,030.19			24,013.39	
JIB3AURTD510	1,256,373.49		1,276,459.67			20,086.18	
JIB4AURTD10P	150,764.89		153,175.24			2,410.35	
Total	**3,793,642.43**	**0.00**	**3,854,293.03**	**0.00**	**0.00**	**60,650.60**	**0.00**

Aurora Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AURCONT	3,991,496.32	134.80	4,141,993.08			150,361.96		
JIB2AURTD35	6,844,888.20		7,042,831.11			197,942.91		
JIB3AURTD510	5,669,739.03		5,883,318.79			213,579.76		
JIB4AURTD10P	680,368.67		705,997.69			25,629.02		
Total	**17,186,492.22**	**134.80**	**17,774,140.67**	**0.00**	**0.00**	**587,513.65**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AURCONT	4,075,418.31	134.80	4,141,993.08			66,439.97	
JIB2AURTD35	6,929,858.10		7,042,831.11			112,973.01	
JIB3AURTD510	5,788,945.34		5,883,318.79			94,373.45	
JIB4AURTD10P	694,672.88		705,997.69			11,324.81	
Total	**17,488,894.63**	**134.80**	**17,774,140.67**	**0.00**	**0.00**	**285,111.24**	**0.00**

ONE INVESTMENT

Aurora Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AURCONT	5,717,035.22		6,659,052.91	1,466,386.07		(524,368.38)		
JIB2AURTD35	874,897.32		1,004,856.45	221,278.85		(91,319.72)		
JIB3AURTD510	5,413,859.13		6,305,920.66	1,388,623.09		(496,561.56)		
JIB4AURTD10P	1,948,989.26		2,270,129.70	499,903.94		(178,763.50)		
Total	**13,954,780.93**	**0.00**	**16,239,959.72**	**3,576,191.95**	**0.00**	**(1,291,013.16)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AURCONT	6,633,848.02		6,659,052.91	1,466,386.07		(1,441,181.18)	
JIB2AURTD35	1,001,053.06		1,004,856.45	221,278.85		(217,475.46)	
JIB3AURTD510	6,282,052.67		6,305,920.66	1,388,623.09		(1,364,755.10)	
JIB4AURTD10P	2,261,537.29		2,270,129.70	499,903.94		(491,311.53)	
Total	**16,178,491.04**	**0.00**	**16,239,959.72**	**3,576,191.95**	**0.00**	**(3,514,723.27)**	**0.00**

APPENDIX

ONE INVESTMENT

ONE JIB - Outcome Framework - Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	Fixed Income	Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

ONE INVESTMENT

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for “Canadian dollars”. Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment’s Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, ‘in-kind’ securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and ‘tier discounts’ that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies. This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

ONE INVESTMENT

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist "on paper" until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Aylmer Prudent Investor Portfolio
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Aylmer Prudent Investor Portfolio

Executive Summary for the Quarter Ended March 4, 2025

Time-Weighted Rate of Return in CAD for Consolidated Holdings

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	0.7%	0.7%	-	-	-	-	10.8%	12/11/2023

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	62,194.07	-	62,796.27	(1,411.35)	2,013.55	-
CAN Equity Fund	442,063.35	-	446,306.10	(101,221.80)	105,464.55	-
Corp Bond Fund	62,964.21	-	63,970.85	1,006.64	-	-
GLB Bond Fund	292,845.03	-	297,619.09	4,774.06	-	-
GLB Equity Fund	914,540.45	-	918,014.92	(198,681.11)	202,155.58	-
Total	**1,774,607.11**	**0.00**	**1,788,707.23**	**(295,533.56)**	**309,633.68**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Aylmer Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	-	-	-	-	19.9	12/11/2023
ONE Global Equity Fund	0.3	0.3	4.3	-	-	-	-	8.8	12/11/2023
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	-	-	-	-	6.6	12/11/2023
ONE Canadian Government Bond Fund	0.9	0.9	5.0	-	-	-	-	5.0	12/11/2023
ONE Global Bond Fund	1.6	1.6	5.2	-	-	-	-	6.2	12/11/2023

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB1AYLTD10P	0.7	0.7	6.6	-	-	-	-	10.8	12/11/2023

ONE INVESTMENT

Aylmer Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Aylmer - Target Date 10 Year Plus Outcome
Account Number: 570050823

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	2.11	2,013.55
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	91.96	105,464.55
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	191.28	202,155.58
Sell	CAN Bond Fund	03/04/2025	03/04/2025	65.98	62,796.27
Sell	Corp Bond Fund	03/04/2025	03/04/2025	67.46	63,970.85
Sell	GLB Bond Fund	03/04/2025	03/04/2025	337.37	297,619.09
Sell	CAN Equity Fund	03/04/2025	03/04/2025	389.17	446,306.10
Sell	GLB Equity Fund	03/04/2025	03/04/2025	868.64	918,014.92

ONE INVESTMENT

Aylmer Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the “ONE JIB Agreement”) ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

YEAR-END
TRANSACTION
REPORT

For The Period Ended March 4, 2025

Aylmer Prudent Investor Portfolio
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ONE INVESTMENT

Aylmer Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	60,976.95		62,796.27	2,013.55		(194.23)		
CAN Equity Fund	406,396.84		446,306.10	105,464.55		(65,555.29)		
Corp Bond Fund	61,886.66		63,970.85			2,084.19		
GLB Bond Fund	297,533.66		297,619.09			85.43		
GLB Equity Fund	851,367.46		918,014.92	202,155.58		(135,508.12)		
Total	**1,678,161.57**	**0.00**	**1,788,707.23**	**309,633.68**	**0.00**	**(199,088.02)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	62,194.07		62,796.27	2,013.55		(1,411.35)	
CAN Equity Fund	442,063.35		446,306.10	105,464.55		(101,221.80)	
Corp Bond Fund	62,964.21		63,970.85			1,006.64	
GLB Bond Fund	292,845.03		297,619.09			4,774.06	
GLB Equity Fund	914,540.45		918,014.92	202,155.58		(198,681.11)	
Total	**1,774,607.11**	**0.00**	**1,788,707.23**	**309,633.68**	**0.00**	**(295,533.56)**	**0.00**

Aylmer Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AYLTD10P	1,678,161.57		1,788,707.23	309,633.68		(199,088.02)		
Total	**1,678,161.57**	**0.00**	**1,788,707.23**	**309,633.68**	**0.00**	**(199,088.02)**	**0.00**	**0.00**

Aylmer Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AYLTD10P	1,774,607.11		1,788,707.23	309,633.68		(295,533.56)	
Total	**1,774,607.11**	**0.00**	**1,788,707.23**	**309,633.68**	**0.00**	**(295,533.56)**	**0.00**

ONE INVESTMENT

Aylmer Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AYLTD10P	60,976.95		62,796.27	2,013.55		(194.23)		
Total	**60,976.95**	**0.00**	**62,796.27**	**2,013.55**	**0.00**	**(194.23)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AYLTD10P	62,194.07		62,796.27	2,013.55		(1,411.35)	
Total	**62,194.07**	**0.00**	**62,796.27**	**2,013.55**	**0.00**	**(1,411.35)**	**0.00**

ONE INVESTMENT

Aylmer Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AYLTD10P	406,396.84		446,306.10	105,464.55		(65,555.29)		
Total	**406,396.84**	**0.00**	**446,306.10**	**105,464.55**	**0.00**	**(65,555.29)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AYLTD10P	442,063.35		446,306.10	105,464.55		(101,221.80)	
Total	**442,063.35**	**0.00**	**446,306.10**	**105,464.55**	**0.00**	**(101,221.80)**	**0.00**

Aylmer Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AYLTD10P	61,886.66		63,970.85			2,084.19		
Total	**61,886.66**	**0.00**	**63,970.85**	**0.00**	**0.00**	**2,084.19**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AYLTD10P	62,964.21		63,970.85			1,006.64	
Total	**62,964.21**	**0.00**	**63,970.85**	**0.00**	**0.00**	**1,006.64**	**0.00**

ONE INVESTMENT

Aylmer Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AYLTD10P	297,533.66		297,619.09			85.43		
Total	**297,533.66**	**0.00**	**297,619.09**	**0.00**	**0.00**	**85.43**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AYLTD10P	292,845.03		297,619.09			4,774.06	
Total	**292,845.03**	**0.00**	**297,619.09**	**0.00**	**0.00**	**4,774.06**	**0.00**

Aylmer Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1AYLTD10P	851,367.46		918,014.92	202,155.58		(135,508.12)		
Total	**851,367.46**	**0.00**	**918,014.92**	**202,155.58**	**0.00**	**(135,508.12)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1AYLTD10P	914,540.45		918,014.92	202,155.58		(198,681.11)	
Total	**914,540.45**	**0.00**	**918,014.92**	**202,155.58**	**0.00**	**(198,681.11)**	**0.00**

APPENDIX

ONE JIB – Outcome Framework – Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	 Fixed Income	 Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

ONE INVESTMENT

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for “Canadian dollars”. Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment’s Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, ‘in-kind’ securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and ‘tier discounts’ that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies.   This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as ‘solution’. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist "on paper" until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

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ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

Time-Weighted Rate of Return in CAD for Consolidated Holdings

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	0.8%	0.8%	-	-	-	-	7.9%	07/02/2020

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	367,088.87	-	370,641.01	(8,332.46)	11,884.60	-
CAN Equity Fund	1,730,724.16	-	1,747,336.51	(396,292.37)	412,904.72	-
Corp Bond Fund	372,256.74	-	378,208.16	5,951.42	-	-
GLB Bond Fund	1,750,928.95	794.53	1,780,272.47	28,548.99	-	-
GLB Equity Fund	3,738,317.89	-	3,752,521.06	(812,137.33)	826,340.50	-
Total	**7,959,316.61**	**794.53**	**8,028,979.21**	**(1,182,261.75)**	**1,251,129.82**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	10.2	9.7	-	14.1	07/02/2020
ONE Global Equity Fund	0.3	0.3	4.3	11.0	8.4	8.8	-	9.4	07/02/2020
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	3.0	1.1	-	0.5	07/02/2020
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	2.5	1.0	-	0.8	07/02/2020
ONE Global Bond Fund	1.6	1.6	5.2	4.7	2.4	1.1	-	1.6	07/02/2020

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB1BRBCONT	0.9	0.9	6.3	9.7	6.6	6.1	-	7.2	07/02/2020
JIB2BRBTD10P	0.8	0.8	6.5	10.8	7.5	7.2	-	8.6	07/02/2020
JIBBRBCASH	0.0	0.0	0.0	1.5	2.0	1.7	-	1.5	08/06/2020

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Bracebridge - Contingency Outcome
Account Number: 570050021

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	7.40	7,045.80
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	153.69	176,253.53
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	329.97	348,733.51
Sell	CAN Bond Fund	03/04/2025	03/04/2025	230.88	219,735.06
Sell	Corp Bond Fund	03/04/2025	03/04/2025	232.90	220,833.50
Sell	GLB Bond Fund	03/04/2025	03/04/2025	1,192.58	1,052,053.89
Sell	CAN Equity Fund	03/04/2025	03/04/2025	650.39	745,872.57
Sell	GLB Equity Fund	03/04/2025	03/04/2025	1,498.47	1,583,645.01

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Bracebridge - Target Date 10 Year Plus Outcome
Account Number: 570050039

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Buy	GLB Bond Fund	02/06/2025	02/06/2025	0.90	794.53
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	5.08	4,838.80
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	206.35	236,651.19
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	451.92	477,606.99
Sell	CAN Bond Fund	03/04/2025	03/04/2025	158.56	150,905.95
Sell	Corp Bond Fund	03/04/2025	03/04/2025	165.97	157,374.66
Sell	GLB Bond Fund	03/04/2025	03/04/2025	825.48	728,218.58
Sell	CAN Equity Fund	03/04/2025	03/04/2025	873.27	1,001,463.94
Sell	GLB Equity Fund	03/04/2025	03/04/2025	2,052.22	2,168,876.05

Bracebridge Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the “ONE JIB Agreement”) ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

YEAR-END TRANSACTION REPORT

For The Period Ended March 4, 2025

Bracebridge Prudent Investor Portfolio
1000 Taylor Court
Bracebridge, ON
P1L 1R6

Paul Judson
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ONE Investment
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Relationship Manager
Marie Wong Takishita, Client Service Representative
416-971-9856
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Bracebridge Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	369,667.61		370,641.01	11,884.60		(10,911.20)		
CAN Equity Fund	1,249,146.51		1,747,336.51	412,904.72		85,285.28		
Corp Bond Fund	388,267.36		378,208.16			(10,059.20)		
GLB Bond Fund	1,941,351.81	794.53	1,780,272.47			(161,873.87)		
GLB Equity Fund	2,815,873.19		3,752,521.06	826,340.50		110,307.37		
Total	**6,764,306.48**	**794.53**	**8,028,979.21**	**1,251,129.82**	**0.00**	**12,748.38**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	367,088.87		370,641.01	11,884.60		(8,332.46)	
CAN Equity Fund	1,730,724.16		1,747,336.51	412,904.72		(396,292.37)	
Corp Bond Fund	372,256.74		378,208.16			5,951.42	
GLB Bond Fund	1,750,928.95	794.53	1,780,272.47			28,548.99	
GLB Equity Fund	3,738,317.89		3,752,521.06	826,340.50		(812,137.33)	
Total	**7,959,316.61**	**794.53**	**8,028,979.21**	**1,251,129.82**	**0.00**	**(1,182,261.75)**	**0.00**

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1BRBCONT	3,316,898.85		3,822,140.03	532,032.84		(26,791.66)		
JIB2BRBTD10P	3,447,407.63	794.53	4,206,839.18	719,096.98		39,540.04		
Total	**6,764,306.48**	**794.53**	**8,028,979.21**	**1,251,129.82**	**0.00**	**12,748.38**	**0.00**	**0.00**

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1BRBCONT	3,786,597.61		3,822,140.03	532,032.84		(496,490.42)	
JIB2BRBTD10P	4,172,719.00	794.53	4,206,839.18	719,096.98		(685,771.33)	
Total	**7,959,316.61**	**794.53**	**8,028,979.21**	**1,251,129.82**	**0.00**	**(1,182,261.75)**	**0.00**

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1BRBCONT	219,217.34		219,735.06	7,045.80		(6,528.08)		
JIB2BRBTD10P	150,450.27		150,905.95	4,838.80		(4,383.12)		
Total	**369,667.61**	**0.00**	**370,641.01**	**11,884.60**	**0.00**	**(10,911.20)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1BRBCONT	217,629.11		219,735.06	7,045.80		(4,939.85)	
JIB2BRBTD10P	149,459.76		150,905.95	4,838.80		(3,392.61)	
Total	**367,088.87**	**0.00**	**370,641.01**	**11,884.60**	**0.00**	**(8,332.46)**	**0.00**

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1BRBCONT	533,212.97		745,872.57	176,253.53		36,406.07		
JIB2BRBTD10P	715,933.54		1,001,463.94	236,651.19		48,879.21		
Total	**1,249,146.51**	**0.00**	**1,747,336.51**	**412,904.72**	**0.00**	**85,285.28**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1BRBCONT	738,781.19		745,872.57	176,253.53		(169,162.15)	
JIB2BRBTD10P	991,942.97		1,001,463.94	236,651.19		(227,130.22)	
Total	**1,730,724.16**	**0.00**	**1,747,336.51**	**412,904.72**	**0.00**	**(396,292.37)**	**0.00**

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1BRBCONT	227,251.98		220,833.50			(6,418.48)		
JIB2BRBTD10P	161,015.38		157,374.66			(3,640.72)		
Total	**388,267.36**	**0.00**	**378,208.16**	**0.00**	**0.00**	**(10,059.20)**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1BRBCONT	217,358.50		220,833.50			3,475.00	
JIB2BRBTD10P	154,898.24		157,374.66			2,476.42	
Total	**372,256.74**	**0.00**	**378,208.16**	**0.00**	**0.00**	**5,951.42**	**0.00**

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1BRBCONT	1,148,958.15		1,052,053.89			(96,904.26)		
JIB2BRBTD10P	792,393.66	794.53	728,218.58			(64,969.61)		
Total	**1,941,351.81**	**794.53**	**1,780,272.47**	**0.00**	**0.00**	**(161,873.87)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1BRBCONT	1,035,178.04		1,052,053.89			16,875.85	
JIB2BRBTD10P	715,750.91	794.53	728,218.58			11,673.14	
Total	**1,750,928.95**	**794.53**	**1,780,272.47**	**0.00**	**0.00**	**28,548.99**	**0.00**

ONE INVESTMENT

Bracebridge Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1BRBCONT	1,188,258.41		1,583,645.01	348,733.51		46,653.09		
JIB2BRBTD10P	1,627,614.78		2,168,876.05	477,606.99		63,654.28		
Total	**2,815,873.19**	**0.00**	**3,752,521.06**	**826,340.50**	**0.00**	**110,307.37**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1BRBCONT	1,577,650.77		1,583,645.01	348,733.51		(342,739.27)	
JIB2BRBTD10P	2,160,667.12		2,168,876.05	477,606.99		(469,398.06)	
Total	**3,738,317.89**	**0.00**	**3,752,521.06**	**826,340.50**	**0.00**	**(812,137.33)**	**0.00**

APPENDIX

ONE INVESTMENT

ONE JIB - Outcome Framework - Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation Equity	Allocation Fixed Income	Allocation Cash	Allocation Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	Allocation Fixed Income	Allocation Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for “Canadian dollars”. Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment’s Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, ‘in-kind’ securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and ‘tier discounts’ that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies.   This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist "on paper" until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Huntsville Prudent Investor Portfolio

37 Main St. East
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Marie Wong Takishita, Client Service Representative
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ONE INVESTMENT

Huntsville Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

Time-Weighted Rate of Return in CAD for Consolidated Holdings

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	1.0%	1.0%	-	-	-	-	5.1%	07/02/2020

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	1,630,273.14	-	1,646,051.50	(37,002.20)	52,780.56	-
CAN Equity Fund	1,509,417.32	-	1,523,905.94	(345,618.17)	360,106.79	-
Corp Bond Fund	815,382.28	-	828,418.15	13,035.87	-	-
GLB Bond Fund	3,833,800.09	1,112.95	3,897,418.65	62,505.61	-	-
GLB Equity Fund	3,357,102.64	-	3,369,857.55	(729,319.46)	742,074.37	-
Total	**11,145,975.47**	**1,112.95**	**11,265,651.79**	**(1,036,398.35)**	**1,154,961.72**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Huntsville Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	10.2	9.7	-	14.1	07/02/2020
ONE Global Equity Fund	0.3	0.3	4.3	11.0	8.4	8.8	-	9.4	07/02/2020
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	3.0	1.1	-	0.5	07/02/2020
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	2.5	1.0	-	0.8	07/02/2020
ONE Global Bond Fund	1.6	1.6	5.2	4.7	2.4	1.1	-	1.6	07/02/2020

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB1HNTCONT	0.9	0.9	6.3	9.6	6.5	6.0	-	7.1	07/02/2020
JIB2HNTTD35	1.3	1.3	5.5	5.7	3.7	2.5	-	2.7	07/02/2020
JIB3HNTTD10P	0.7	0.7	6.6	10.8	7.5	7.2	-	8.6	07/02/2020
JIBHNTCASH	0.0	0.0	0.0	1.3	6.3	8.8	-	7.5	07/02/2020
JIB4HNTTD510	1.0	1.0	6.2	8.8	5.9	-	-	4.0	08/04/2021

Huntsville Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Huntsville - Contingency Outcome
Account Number: 570050047

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	8.86	8,440.76
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	178.43	204,626.32
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	389.54	411,687.57
Sell	CAN Bond Fund	03/04/2025	03/04/2025	276.59	263,239.34
Sell	Corp Bond Fund	03/04/2025	03/04/2025	282.07	267,453.87
Sell	GLB Bond Fund	03/04/2025	03/04/2025	1,397.15	1,232,522.17
Sell	CAN Equity Fund	03/04/2025	03/04/2025	755.09	865,941.13
Sell	GLB Equity Fund	03/04/2025	03/04/2025	1,768.98	1,869,527.41

ONE INVESTMENT

Huntsville Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Huntsville - Target Date 3 to 5 Year Outcome
Account Number: 570050054

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	41.96	39,933.93
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	27.34	31,361.31
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	63.97	67,615.20
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,308.60	1,245,407.08
Sell	Corp Bond Fund	03/04/2025	03/04/2025	446.77	423,616.78
Sell	GLB Bond Fund	03/04/2025	03/04/2025	2,286.76	2,017,307.02
Sell	CAN Equity Fund	03/04/2025	03/04/2025	115.72	132,715.45
Sell	GLB Equity Fund	03/04/2025	03/04/2025	290.53	307,049.83

ONE INVESTMENT

Huntsville Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Huntsville - Target Date 10 Year Plus Outcome
Account Number: 570050062

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Buy	GLB Bond Fund	02/06/2025	02/06/2025	1.26	1,112.95
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	1.83	1,744.43
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	71.00	81,422.65
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	162.42	171,660.29
Sell	CAN Bond Fund	03/04/2025	03/04/2025	57.16	54,403.19
Sell	Corp Bond Fund	03/04/2025	03/04/2025	58.05	55,046.71
Sell	GLB Bond Fund	03/04/2025	03/04/2025	289.99	255,821.17
Sell	CAN Equity Fund	03/04/2025	03/04/2025	300.45	344,565.66
Sell	GLB Equity Fund	03/04/2025	03/04/2025	737.60	779,531.99

ONE INVESTMENT

Huntsville Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Huntsville - Target Date 5 to 10 Year Outcome
Account Number: 570050377

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	2.79	2,661.44
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	37.23	42,696.51
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	86.21	91,111.31
Sell	CAN Bond Fund	03/04/2025	03/04/2025	87.21	83,001.89
Sell	Corp Bond Fund	03/04/2025	03/04/2025	86.80	82,300.79
Sell	GLB Bond Fund	03/04/2025	03/04/2025	444.09	391,768.29
Sell	CAN Equity Fund	03/04/2025	03/04/2025	157.55	180,683.70
Sell	GLB Equity Fund	03/04/2025	03/04/2025	391.49	413,748.32

Huntsville Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the "ONE JIB Agreement") ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

YEAR-END TRANSACTION REPORT

For The Period Ended March 4, 2025

Huntsville Prudent Investor Portfolio
37 Main St. East
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ONE INVESTMENT

Huntsville Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	1,606,312.05		1,646,051.50	52,780.56		(13,041.11)		
CAN Equity Fund	1,134,675.33		1,523,905.94	360,106.79		29,123.82		
Corp Bond Fund	853,817.75		828,418.15			(25,399.60)		
GLB Bond Fund	4,310,613.83	1,112.95	3,897,418.65			(414,308.13)		
GLB Equity Fund	2,607,136.68		3,369,857.55	742,074.37		20,646.50		
Total	**10,512,555.64**	**1,112.95**	**11,265,651.79**	**1,154,961.72**	**0.00**	**(402,978.52)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	1,630,273.14		1,646,051.50	52,780.56		(37,002.20)	
CAN Equity Fund	1,509,417.32		1,523,905.94	360,106.79		(345,618.17)	
Corp Bond Fund	815,382.28		828,418.15			13,035.87	
GLB Bond Fund	3,833,800.09	1,112.95	3,897,418.65			62,505.61	
GLB Equity Fund	3,357,102.64		3,369,857.55	742,074.37		(729,319.46)	
Total	**11,145,975.47**	**1,112.95**	**11,265,651.79**	**1,154,961.72**	**0.00**	**(1,036,398.35)**	**0.00**

INVESTMENT

Huntsville Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1HNTCONT	3,931,186.76		4,498,683.92	624,754.65		(57,257.49)		
JIB2HNTTD35	4,233,471.85		4,126,096.16	138,910.44		(246,286.13)		
JIB3HNTTD10P	1,222,269.69	1,112.95	1,489,368.72	254,827.37		11,158.71		
JIB4HNTTD510	1,125,627.34		1,151,502.99	136,469.26		(110,593.61)		
Total	**10,512,555.64**	**1,112.95**	**11,265,651.79**	**1,154,961.72**	**0.00**	**(402,978.52)**	**0.00**	**0.00**

Huntsville Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1HNTCONT	4,456,872.31		4,498,683.92	624,754.65		(582,943.04)	
JIB2HNTTD35	4,072,708.88		4,126,096.16	138,910.44		(85,523.16)	
JIB3HNTTD10P	1,476,550.38	1,112.95	1,489,368.72	254,827.37		(243,121.98)	
JIB4HNTTD510	1,139,843.90		1,151,502.99	136,469.26		(124,810.17)	
Total	**11,145,975.47**	**1,112.95**	**11,265,651.79**	**1,154,961.72**	**0.00**	**(1,036,398.35)**	**0.00**

ONE INVESTMENT

Huntsville Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1HNTCONT	262,620.10		263,239.34	8,440.76		(7,821.52)		
JIB2HNTTD35	1,206,900.53		1,245,407.08	39,933.93		(1,427.38)		
JIB3HNTTD10P	54,220.21		54,403.19	1,744.43		(1,561.45)		
JIB4HNTTD510	82,571.21		83,001.89	2,661.44		(2,230.76)		
Total	**1,606,312.05**	**0.00**	**1,646,051.50**	**52,780.56**	**0.00**	**(13,041.11)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1HNTCONT	260,716.13		263,239.34	8,440.76		(5,917.55)	
JIB2HNTTD35	1,233,469.55		1,245,407.08	39,933.93		(27,996.40)	
JIB3HNTTD10P	53,881.67		54,403.19	1,744.43		(1,222.91)	
JIB4HNTTD510	82,205.79		83,001.89	2,661.44		(1,865.34)	
Total	**1,630,273.14**	**0.00**	**1,646,051.50**	**52,780.56**	**0.00**	**(37,002.20)**	**0.00**

Huntsville Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1HNTCONT	626,734.52		865,941.13	204,626.32		34,580.29		
JIB2HNTTD35	101,486.61		132,715.45	31,361.31		(132.47)		
JIB3HNTTD10P	246,324.26		344,565.66	81,422.65		16,818.75		
JIB4HNTTD510	160,129.94		180,683.70	42,696.51		(22,142.75)		
Total	**1,134,675.33**	**0.00**	**1,523,905.94**	**360,106.79**	**0.00**	**29,123.82**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1HNTCONT	857,708.09		865,941.13	204,626.32		(196,393.28)	
JIB2HNTTD35	131,453.50		132,715.45	31,361.31		(30,099.36)	
JIB3HNTTD10P	341,289.77		344,565.66	81,422.65		(78,146.76)	
JIB4HNTTD510	178,965.96		180,683.70	42,696.51		(40,978.77)	
Total	**1,509,417.32**	**0.00**	**1,523,905.94**	**360,106.79**	**0.00**	**(345,618.17)**	**0.00**

Huntsville Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1HNTCONT	275,304.71		267,453.87			(7,850.84)		
JIB2HNTTD35	437,994.02		423,616.78			(14,377.24)		
JIB3HNTTD10P	56,376.51		55,046.71			(1,329.80)		
JIB4HNTTD510	84,142.51		82,300.79			(1,841.72)		
Total	**853,817.75**	**0.00**	**828,418.15**	**0.00**	**0.00**	**(25,399.60)**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1HNTCONT	263,245.25		267,453.87			4,208.62	
JIB2HNTTD35	416,950.80		423,616.78			6,665.98	
JIB3HNTTD10P	54,180.51		55,046.71			866.20	
JIB4HNTTD510	81,005.72		82,300.79			1,295.07	
Total	**815,382.28**	**0.00**	**828,418.15**	**0.00**	**0.00**	**13,035.87**	**0.00**

ONE INVESTMENT

Huntsville Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1HNTCONT	1,354,838.23		1,232,522.17			(122,316.06)		
JIB2HNTTD35	2,242,559.63		2,017,307.02			(225,252.61)		
JIB3HNTTD10P	277,987.82	1,112.95	255,821.17			(23,279.60)		
JIB4HNTTD510	435,228.15		391,768.29			(43,459.86)		
Total	**4,310,613.83**	**1,112.95**	**3,897,418.65**	**0.00**	**0.00**	**(414,308.13)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1HNTCONT	1,212,751.47		1,232,522.17			19,770.70	
JIB2HNTTD35	1,984,947.69		2,017,307.02			32,359.33	
JIB3HNTTD10P	250,616.94	1,112.95	255,821.17			4,091.28	
JIB4HNTTD510	385,483.99		391,768.29			6,284.30	
Total	**3,833,800.09**	**1,112.95**	**3,897,418.65**	**0.00**	**0.00**	**62,505.61**	**0.00**

ONE INVESTMENT

Huntsville Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1HNTCONT	1,411,689.20		1,869,527.41	411,687.57		46,150.64		
JIB2HNTTD35	244,531.06		307,049.83	67,615.20		(5,096.43)		
JIB3HNTTD10P	587,360.89		779,531.99	171,660.29		20,510.81		
JIB4HNTTD510	363,555.53		413,748.32	91,111.31		(40,918.52)		
Total	**2,607,136.68**	**0.00**	**3,369,857.55**	**742,074.37**	**0.00**	**20,646.50**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1HNTCONT	1,862,451.37		1,869,527.41	411,687.57		(404,611.53)	
JIB2HNTTD35	305,887.34		307,049.83	67,615.20		(66,452.71)	
JIB3HNTTD10P	776,581.49		779,531.99	171,660.29		(168,709.79)	
JIB4HNTTD510	412,182.44		413,748.32	91,111.31		(89,545.43)	
Total	**3,357,102.64**	**0.00**	**3,369,857.55**	**742,074.37**	**0.00**	**(729,319.46)**	**0.00**

APPENDIX

ONE JIB – Outcome Framework – Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE INVESTMENT

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	Allocation Fixed Income	Allocation Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for "Canadian dollars". Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment's Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, 'in-kind' securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and 'tier discounts' that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies. This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist “on paper” until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Innisfil Prudent Investor Portfolio

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ONE INVESTMENT

Innisfil Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

	Time-Weighted Rate of Return in CAD for Consolidated Holdings							
	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	1.0%	1.0%	-	-	-	-	6.7%	07/02/2020

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	6,623,567.14	-	6,687,672.34	(150,334.67)	214,439.87	-
CAN Equity Fund	9,212,815.78	-	9,301,245.29	(2,109,503.12)	2,197,932.63	-
Corp Bond Fund	4,568,249.35	-	4,641,283.92	73,034.57	-	-
GLB Bond Fund	21,065,556.38	7,871.60	21,416,889.39	343,461.41	-	-
GLB Equity Fund	20,103,133.18	-	20,179,512.80	(4,367,339.09)	4,443,718.71	-
Total	**61,573,321.83**	**7,871.60**	**62,226,603.74**	**(6,210,680.90)**	**6,856,091.21**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Innisfil Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	10.2	9.7	-	14.1	07/02/2020
ONE Global Equity Fund	0.3	0.3	4.3	11.0	8.4	8.8	-	9.4	07/02/2020
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	3.0	1.1	-	0.5	07/02/2020
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	2.5	1.0	-	0.8	07/02/2020
ONE Global Bond Fund	1.6	1.6	5.2	4.7	2.4	1.1	-	1.6	07/02/2020

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB1INNCONT	0.9	0.9	6.3	9.6	6.5	6.0	-	7.2	07/02/2020
JIBINNCASH	0.0	0.0	0.0	1.5	2.1	1.7	-	1.5	08/06/2020
JIB2INNTD510	1.0	1.0	6.1	8.8	5.9	-	-	4.0	08/04/2021
JIB3INNTD35	1.3	1.3	5.5	-	-	-	-	6.1	06/20/2023

ONE INVESTMENT

Innisfil Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Innisfil - Contingency Outcome
Account Number: 570050070

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Buy	GLB Bond Fund	02/06/2025	02/06/2025	8.97	7,871.60
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	40.61	38,652.85
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	825.40	946,568.21
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	1,830.46	1,934,503.65
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,266.62	1,205,454.55
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,320.33	1,251,895.54
Sell	GLB Bond Fund	03/04/2025	03/04/2025	6,352.14	5,603,650.02
Sell	CAN Equity Fund	03/04/2025	03/04/2025	3,492.94	4,005,702.09
Sell	GLB Equity Fund	03/04/2025	03/04/2025	8,312.36	8,784,836.35

ONE INVESTMENT

Innisfil Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Innisfil - Target Date 5 to 10 Year Outcome
Account Number: 570050385

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	75.20	71,572.06
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	1,022.91	1,173,079.32
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	2,217.23	2,343,255.40
Sell	CAN Bond Fund	03/04/2025	03/04/2025	2,345.36	2,232,096.36
Sell	Corp Bond Fund	03/04/2025	03/04/2025	2,394.29	2,270,186.74
Sell	GLB Bond Fund	03/04/2025	03/04/2025	12,074.34	10,651,577.61
Sell	CAN Equity Fund	03/04/2025	03/04/2025	4,328.79	4,964,255.16
Sell	GLB Equity Fund	03/04/2025	03/04/2025	10,068.73	10,641,031.73

ONE INVESTMENT

Innisfil Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Innisfil - Target Date 3 to 5 Year Outcome
Account Number: 570050666

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	109.50	104,214.96
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	68.26	78,285.10
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	157.03	165,959.66
Sell	CAN Bond Fund	03/04/2025	03/04/2025	3,415.05	3,250,121.43
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,180.38	1,119,201.64
Sell	GLB Bond Fund	03/04/2025	03/04/2025	5,851.12	5,161,661.76
Sell	CAN Equity Fund	03/04/2025	03/04/2025	288.88	331,288.04
Sell	GLB Equity Fund	03/04/2025	03/04/2025	713.11	753,644.72

Innisfil Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the "ONE JIB Agreement") ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

YEAR-END TRANSACTION REPORT

For The Period Ended March 4, 2025

Innisfil Prudent Investor Portfolio
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ONE INVESTMENT

Innisfil Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	6,558,599.61		6,687,672.34	214,439.87		(85,367.14)		
CAN Equity Fund	7,234,451.29		9,301,245.29	2,197,932.63		(131,138.63)		
Corp Bond Fund	4,557,823.22		4,641,283.92			83,460.70		
GLB Bond Fund	22,320,162.67	7,871.60	21,416,889.39			(911,144.88)		
GLB Equity Fund	15,737,035.02		20,179,512.80	4,443,718.71		(1,240.93)		
Total	**56,408,071.81**	**7,871.60**	**62,226,603.74**	**6,856,091.21**	**0.00**	**(1,045,430.88)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	6,623,567.14		6,687,672.34	214,439.87		(150,334.67)	
CAN Equity Fund	9,212,815.78		9,301,245.29	2,197,932.63		(2,109,503.12)	
Corp Bond Fund	4,568,249.35		4,641,283.92			73,034.57	
GLB Bond Fund	21,065,556.38	7,871.60	21,416,889.39			343,461.41	
GLB Equity Fund	20,103,133.18		20,179,512.80	4,443,718.71		(4,367,339.09)	
Total	**61,573,321.83**	**7,871.60**	**62,226,603.74**	**6,856,091.21**	**0.00**	**(6,210,680.90)**	**0.00**

ONE INVESTMENT

Innisfil Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1INNCONT	18,068,683.44	7,871.60	20,851,538.55	2,919,724.71		(144,741.20)		
JIB2INNTD510	27,854,090.08		30,759,147.60	3,587,906.78		(682,849.26)		
JIB3INNTD35	10,485,298.29		10,615,917.59	348,459.72		(217,840.42)		
Total	**56,408,071.81**	**7,871.60**	**62,226,603.74**	**6,856,091.21**	**0.00**	**(1,045,430.88)**	**0.00**	**0.00**

ONE INVESTMENT

Innisfil Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1INNCONT	20,651,274.90	7,871.60	20,851,538.55	2,919,724.71		(2,727,332.66)	
JIB2INNTD510	30,443,695.25		30,759,147.60	3,587,906.78		(3,272,454.43)	
JIB3INNTD35	10,478,351.68		10,615,917.59	348,459.72		(210,893.81)	
Total	**61,573,321.83**	**7,871.60**	**62,226,603.74**	**6,856,091.21**	**0.00**	**(6,210,680.90)**	**0.00**

ONE INVESTMENT

Innisfil Prudent Investor Portfolio
For the Period March 4, 2025 Summary
By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1INNCONT	1,202,430.81		1,205,454.55	38,652.85		(35,629.11)		
JIB2INNTD510	2,159,440.31		2,232,096.36	71,572.06		1,083.99		
JIB3INNTD35	3,196,728.49		3,250,121.43	104,214.96		(50,822.02)		
Total	**6,558,599.61**	**0.00**	**6,687,672.34**	**214,439.87**	**0.00**	**(85,367.14)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1INNCONT	1,193,899.91		1,205,454.55	38,652.85		(27,098.21)	
JIB2INNTD510	2,210,700.53		2,232,096.36	71,572.06		(50,176.23)	
JIB3INNTD35	3,218,966.70		3,250,121.43	104,214.96		(73,060.23)	
Total	**6,623,567.14**	**0.00**	**6,687,672.34**	**214,439.87**	**0.00**	**(150,334.67)**	**0.00**

Innisfil Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1INNCONT	2,863,621.33		4,005,702.09	946,568.21		195,512.55		
JIB2INNTD510	4,061,241.85		4,964,255.16	1,173,079.32		(270,066.01)		
JIB3INNTD35	309,588.11		331,288.04	78,285.10		(56,585.17)		
Total	**7,234,451.29**	**0.00**	**9,301,245.29**	**2,197,932.63**	**0.00**	**(131,138.63)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1INNCONT	3,967,618.67		4,005,702.09	946,568.21		(908,484.79)	
JIB2INNTD510	4,917,058.64		4,964,255.16	1,173,079.32		(1,125,882.80)	
JIB3INNTD35	328,138.47		331,288.04	78,285.10		(75,135.53)	
Total	**9,212,815.78**	**0.00**	**9,301,245.29**	**2,197,932.63**	**0.00**	**(2,109,503.12)**	**0.00**

ONE INVESTMENT

Innisfil Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1INNCONT	1,282,709.82		1,251,895.54			(30,814.28)		
JIB2INNTD510	2,184,836.36		2,270,186.74			85,350.38		
JIB3INNTD35	1,090,277.04		1,119,201.64			28,924.60		
Total	**4,557,823.22**	**0.00**	**4,641,283.92**	**0.00**	**0.00**	**83,460.70**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1INNCONT	1,232,195.90		1,251,895.54			19,699.64	
JIB2INNTD510	2,234,463.41		2,270,186.74			35,723.33	
JIB3INNTD35	1,101,590.04		1,119,201.64			17,611.60	
Total	**4,568,249.35**	**0.00**	**4,641,283.92**	**0.00**	**0.00**	**73,034.57**	**0.00**

Innisfil Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1INNCONT	6,128,383.64	7,871.60	5,603,650.02			(532,605.22)		
JIB2INNTD510	10,992,561.40		10,651,577.61			(340,983.79)		
JIB3INNTD35	5,199,217.63		5,161,661.76			(37,555.87)		
Total	**22,320,162.67**	**7,871.60**	**21,416,889.39**	**0.00**	**0.00**	**(911,144.88)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1INNCONT	5,505,974.85	7,871.60	5,603,650.02			89,803.57	
JIB2INNTD510	10,480,717.22		10,651,577.61			170,860.39	
JIB3INNTD35	5,078,864.31		5,161,661.76			82,797.45	
Total	**21,065,556.38**	**7,871.60**	**21,416,889.39**	**0.00**	**0.00**	**343,461.41**	**0.00**

Innisfil Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1INNCONT	6,591,537.84		8,784,836.35	1,934,503.65		258,794.86		
JIB2INNTD510	8,456,010.16		10,641,031.73	2,343,255.40		(158,233.83)		
JIB3INNTD35	689,487.02		753,644.72	165,959.66		(101,801.96)		
Total	**15,737,035.02**	**0.00**	**20,179,512.80**	**4,443,718.71**	**0.00**	**(1,240.93)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1INNCONT	8,751,585.57		8,784,836.35	1,934,503.65		(1,901,252.87)	
JIB2INNTD510	10,600,755.45		10,641,031.73	2,343,255.40		(2,302,979.12)	
JIB3INNTD35	750,792.16		753,644.72	165,959.66		(163,107.10)	
Total	**20,103,133.18**	**0.00**	**20,179,512.80**	**4,443,718.71**	**0.00**	**(4,367,339.09)**	**0.00**

APPENDIX

ONE INVESTMENT

ONE JIB - Outcome Framework - Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation			
							Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	Fixed Income	Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

ONE INVESTMENT

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for “Canadian dollars”. Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment’s Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, ‘in-kind’ securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and ‘tier discounts’ that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies.   This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist "on paper" until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Kenora CPTF - Prudent Investor Portfolio

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Kenora CPTF - Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

Time-Weighted Rate of Return in CAD for Consolidated Holdings

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	1.1%	1.1%	-	-	-	-	4.5%	07/02/2020

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	8,212,378.53	-	8,291,861.24	(186,395.38)	265,878.09	-
CAN Equity Fund	4,410,440.58	-	4,452,774.25	(1,009,880.06)	1,052,213.73	-
Corp Bond Fund	3,848,923.23	-	3,910,457.63	61,534.40	-	-
GLB Bond Fund	18,243,309.55	5,968.89	18,546,719.87	297,441.43	-	-
GLB Equity Fund	9,140,942.27	-	9,175,672.39	(1,985,839.30)	2,020,569.42	-
Total	**43,855,994.16**	**5,968.89**	**44,377,485.38**	**(2,823,138.91)**	**3,338,661.24**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Kenora CPTF - Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	10.2	9.7	-	14.1	07/02/2020
ONE Global Equity Fund	0.3	0.3	4.3	11.0	8.4	8.8	-	9.4	07/02/2020
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	3.0	1.1	-	0.5	07/02/2020
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	2.5	1.0	-	0.8	07/02/2020
ONE Global Bond Fund	1.6	1.6	5.2	4.7	2.4	1.1	-	1.6	07/02/2020

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB2KENCSTAB	1.1	1.1	5.8	7.2	4.8	3.9	-	4.5	07/02/2020

Kenora CPTF - Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Kenora - Stable Return Outcome
Account Number: 570050179

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Buy	GLB Bond Fund	02/06/2025	02/06/2025	6.80	5,968.89
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	279.37	265,878.09
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	917.52	1,052,213.73
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	1,911.89	2,020,569.42
Sell	CAN Bond Fund	03/04/2025	03/04/2025	8,712.65	8,291,861.24
Sell	Corp Bond Fund	03/04/2025	03/04/2025	4,124.23	3,910,457.63
Sell	GLB Bond Fund	03/04/2025	03/04/2025	21,024.06	18,546,719.87
Sell	CAN Equity Fund	03/04/2025	03/04/2025	3,882.79	4,452,774.25
Sell	GLB Equity Fund	03/04/2025	03/04/2025	8,682.18	9,175,672.39

Kenora CPTF - Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the “ONE JIB Agreement”) ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

ONE INVESTMENT

YEAR-END
TRANSACTION
REPORT

For The Period Ended March 4, 2025

Kenora CPTF - Prudent Investor Portfolio

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Kenora CPTF - Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	8,078,656.20		8,291,861.24	265,878.09		(52,673.05)		
CAN Equity Fund	3,322,590.96		4,452,774.25	1,052,213.73		77,969.56		
Corp Bond Fund	4,009,418.41		3,910,457.63			(98,960.78)		
GLB Bond Fund	20,419,351.62	5,968.89	18,546,719.87			(1,878,600.64)		
GLB Equity Fund	7,249,822.79		9,175,672.39	2,020,569.42		(94,719.82)		
Total	**43,079,839.98**	**5,968.89**	**44,377,485.38**	**3,338,661.24**	**0.00**	**(2,046,984.73)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	8,212,378.53		8,291,861.24	265,878.09		(186,395.38)	
CAN Equity Fund	4,410,440.58		4,452,774.25	1,052,213.73		(1,009,880.06)	
Corp Bond Fund	3,848,923.23		3,910,457.63			61,534.40	
GLB Bond Fund	18,243,309.55	5,968.89	18,546,719.87			297,441.43	
GLB Equity Fund	9,140,942.27		9,175,672.39	2,020,569.42		(1,985,839.30)	
Total	**43,855,994.16**	**5,968.89**	**44,377,485.38**	**3,338,661.24**	**0.00**	**(2,823,138.91)**	**0.00**

Kenora CPTF - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB2KENCSTAB	43,079,839.98	5,968.89	44,377,485.38	3,338,661.24		(2,046,984.73)		
Total	**43,079,839.98**	**5,968.89**	**44,377,485.38**	**3,338,661.24**	**0.00**	**(2,046,984.73)**	**0.00**	**0.00**

ONE INVESTMENT

Kenora CPTF - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB2KENCSTAB	43,855,994.16	5,968.89	44,377,485.38	3,338,661.24		(2,823,138.91)	
Total	**43,855,994.16**	**5,968.89**	**44,377,485.38**	**3,338,661.24**	**0.00**	**(2,823,138.91)**	**0.00**

ONE INVESTMENT

Kenora CPTF - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB2KENCSTAB	8,078,656.20		8,291,861.24	265,878.09		(52,673.05)		
Total	**8,078,656.20**	**0.00**	**8,291,861.24**	**265,878.09**	**0.00**	**(52,673.05)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB2KENCSTAB	8,212,378.53		8,291,861.24	265,878.09		(186,395.38)	
Total	**8,212,378.53**	**0.00**	**8,291,861.24**	**265,878.09**	**0.00**	**(186,395.38)**	**0.00**

ONE INVESTMENT

Kenora CPTF - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB2KENCSTAB	3,322,590.96		4,452,774.25	1,052,213.73		77,969.56		
Total	**3,322,590.96**	**0.00**	**4,452,774.25**	**1,052,213.73**	**0.00**	**77,969.56**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB2KENCSTAB	4,410,440.58		4,452,774.25	1,052,213.73		(1,009,880.06)	
Total	**4,410,440.58**	**0.00**	**4,452,774.25**	**1,052,213.73**	**0.00**	**(1,009,880.06)**	**0.00**

Kenora CPTF - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB2KENCSTAB	4,009,418.41		3,910,457.63			(98,960.78)		
Total	**4,009,418.41**	**0.00**	**3,910,457.63**	**0.00**	**0.00**	**(98,960.78)**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB2KENCSTAB	3,848,923.23		3,910,457.63			61,534.40	
Total	**3,848,923.23**	**0.00**	**3,910,457.63**	**0.00**	**0.00**	**61,534.40**	**0.00**

Kenora CPTF - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB2KENCSTAB	20,419,351.62	5,968.89	18,546,719.87			(1,878,600.64)		
Total	**20,419,351.62**	**5,968.89**	**18,546,719.87**	**0.00**	**0.00**	**(1,878,600.64)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB2KENCSTAB	18,243,309.55	5,968.89	18,546,719.87			297,441.43	
Total	**18,243,309.55**	**5,968.89**	**18,546,719.87**	**0.00**	**0.00**	**297,441.43**	**0.00**

ONE INVESTMENT

Kenora CPTF - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB2KENCSTAB	7,249,822.79		9,175,672.39	2,020,569.42		(94,719.82)		
Total	**7,249,822.79**	**0.00**	**9,175,672.39**	**2,020,569.42**	**0.00**	**(94,719.82)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB2KENCSTAB	9,140,942.27		9,175,672.39	2,020,569.42		(1,985,839.30)	
Total	**9,140,942.27**	**0.00**	**9,175,672.39**	**2,020,569.42**	**0.00**	**(1,985,839.30)**	**0.00**

APPENDIX

ONE JIB – Outcome Framework – Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	 Fixed Income	 Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

ONE INVESTMENT

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for “Canadian dollars”. Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment’s Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, ‘in-kind’ securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and ‘tier discounts’ that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies. This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

ONE INVESTMENT

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist “on paper” until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Kenora General Account - Prudent Investor Portfolio
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ONE INVESTMENT

Kenora General Account - Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

Time-Weighted Rate of Return in CAD for Consolidated Holdings

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	1.0%	1.0%	-	-	-	-	6.3%	07/02/2020

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	2,273,173.10	-	2,295,173.38	(51,594.34)	73,594.62	-
CAN Equity Fund	3,566,819.35	-	3,601,056.85	(816,710.66)	850,948.16	-
Corp Bond Fund	1,483,576.80	-	1,507,295.38	23,718.58	-	-
GLB Bond Fund	6,969,954.34	3,070.26	7,086,667.72	113,643.12	-	-
GLB Equity Fund	8,211,698.61	-	8,242,897.66	(1,783,964.71)	1,815,163.76	-
Total	**22,505,222.20**	**3,070.26**	**22,733,090.99**	**(2,514,908.01)**	**2,739,706.54**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Kenora General Account - Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	10.2	9.7	-	14.1	07/02/2020
ONE Global Equity Fund	0.3	0.3	4.3	11.0	8.4	8.8	-	9.4	07/02/2020
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	3.0	1.1	-	0.5	07/02/2020
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	2.5	1.0	-	0.8	07/02/2020
ONE Global Bond Fund	1.6	1.6	5.2	4.7	2.4	1.1	-	1.6	07/02/2020

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB1KENCONT	0.9	0.9	6.4	9.6	6.5	6.0	-	7.2	07/02/2020
JIB3KENTD35	1.3	1.3	5.5	5.7	3.7	2.5	-	2.7	07/02/2020

ONE INVESTMENT

Kenora General Account - Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Kenora - Contingency Outcome
Account Number: 570050161

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	36.25	34,503.07
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	711.61	816,079.20
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	1,650.44	1,744,251.92
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,130.64	1,076,037.13
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,139.47	1,080,413.12
Sell	GLB Bond Fund	03/04/2025	03/04/2025	5,782.36	5,101,010.18
Sell	CAN Equity Fund	03/04/2025	03/04/2025	3,011.42	3,453,497.26
Sell	GLB Equity Fund	03/04/2025	03/04/2025	7,494.87	7,920,877.70

Kenora General Account - Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Kenora - Target Date 3 to 5 Year Outcome
Account Number: 570050187

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Buy	GLB Bond Fund	02/06/2025	02/06/2025	3.49	3,070.26
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	41.07	39,091.55
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	30.40	34,868.96
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	67.09	70,911.84
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,281.00	1,219,136.25
Sell	Corp Bond Fund	03/04/2025	03/04/2025	450.21	426,882.26
Sell	GLB Bond Fund	03/04/2025	03/04/2025	2,250.88	1,985,657.54
Sell	CAN Equity Fund	03/04/2025	03/04/2025	128.67	147,559.59
Sell	GLB Equity Fund	03/04/2025	03/04/2025	304.70	322,019.96

Kenora General Account - Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the “ONE JIB Agreement”) ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

YEAR-END TRANSACTION REPORT

For The Period Ended March 4, 2025

Kenora General Account - Prudent Investor Portfolio

1 Main Street South
Kenora, ON
P9N 3X2

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Marie Wong Takishita, Client Service Representative
416-971-9856
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ONE INVESTMENT

Kenora General Account - Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	2,254,305.65		2,295,173.38	73,594.62		(32,726.89)		
CAN Equity Fund	2,576,208.51		3,601,056.85	850,948.16		173,900.18		
Corp Bond Fund	1,549,467.31		1,507,295.38			(42,171.93)		
GLB Bond Fund	7,760,397.03	3,070.26	7,086,667.72			(676,799.57)		
GLB Equity Fund	6,187,832.70		8,242,897.66	1,815,163.76		239,901.20		
Total	**20,328,211.20**	**3,070.26**	**22,733,090.99**	**2,739,706.54**	**0.00**	**(337,897.01)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	2,273,173.10		2,295,173.38	73,594.62		(51,594.34)	
CAN Equity Fund	3,566,819.35		3,601,056.85	850,948.16		(816,710.66)	
Corp Bond Fund	1,483,576.80		1,507,295.38			23,718.58	
GLB Bond Fund	6,969,954.34	3,070.26	7,086,667.72			113,643.12	
GLB Equity Fund	8,211,698.61		8,242,897.66	1,815,163.76		(1,783,964.71)	
Total	**22,505,222.20**	**3,070.26**	**22,733,090.99**	**2,739,706.54**	**0.00**	**(2,514,908.01)**	**0.00**

Kenora General Account - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1KENCONT	16,185,026.54		18,631,835.39	2,594,834.19		(148,025.34)		
JIB3KENTD35	4,143,184.66	3,070.26	4,101,255.60	144,872.35		(189,871.67)		
Total	**20,328,211.20**	**3,070.26**	**22,733,090.99**	**2,739,706.54**	**0.00**	**(337,897.01)**	**0.00**	**0.00**

ONE INVESTMENT

Kenora General Account - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1KENCONT	18,459,880.88		18,631,835.39	2,594,834.19		(2,422,879.68)	
JIB3KENTD35	4,045,341.32	3,070.26	4,101,255.60	144,872.35		(92,028.33)	
Total	**22,505,222.20**	**3,070.26**	**22,733,090.99**	**2,739,706.54**	**0.00**	**(2,514,908.01)**	**0.00**

Kenora General Account - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1KENCONT	1,075,016.55		1,076,037.13	34,503.07		(33,482.49)		
JIB3KENTD35	1,179,289.10		1,219,136.25	39,091.55		755.60		
Total	**2,254,305.65**	**0.00**	**2,295,173.38**	**73,594.62**	**0.00**	**(32,726.89)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1KENCONT	1,065,722.68		1,076,037.13	34,503.07		(24,188.62)	
JIB3KENTD35	1,207,450.42		1,219,136.25	39,091.55		(27,405.72)	
Total	**2,273,173.10**	**0.00**	**2,295,173.38**	**73,594.62**	**0.00**	**(51,594.34)**	**0.00**

ONE INVESTMENT

Kenora General Account - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1KENCONT	2,468,857.06		3,453,497.26	816,079.20		168,561.00		
JIB3KENTD35	107,351.45		147,559.59	34,868.96		5,339.18		
Total	**2,576,208.51**	**0.00**	**3,601,056.85**	**850,948.16**	**0.00**	**173,900.18**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1KENCONT	3,420,663.22		3,453,497.26	816,079.20		(783,245.16)	
JIB3KENTD35	146,156.13		147,559.59	34,868.96		(33,465.50)	
Total	**3,566,819.35**	**0.00**	**3,601,056.85**	**850,948.16**	**0.00**	**(816,710.66)**	**0.00**

ONE INVESTMENT

Kenora General Account - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1KENCONT	1,111,205.50		1,080,413.12			(30,792.38)		
JIB3KENTD35	438,261.81		426,882.26			(11,379.55)		
Total	**1,549,467.31**	**0.00**	**1,507,295.38**	**0.00**	**0.00**	**(42,171.93)**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1KENCONT	1,063,411.90		1,080,413.12			17,001.22	
JIB3KENTD35	420,164.90		426,882.26			6,717.36	
Total	**1,483,576.80**	**0.00**	**1,507,295.38**	**0.00**	**0.00**	**23,718.58**	**0.00**

ONE INVESTMENT

Kenora General Account - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1KENCONT	5,586,664.02		5,101,010.18			(485,653.84)		
JIB3KENTD35	2,173,733.01	3,070.26	1,985,657.54			(191,145.73)		
Total	**7,760,397.03**	**3,070.26**	**7,086,667.72**	**0.00**	**0.00**	**(676,799.57)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1KENCONT	5,019,185.63		5,101,010.18			81,824.55	
JIB3KENTD35	1,950,768.71	3,070.26	1,985,657.54			31,818.57	
Total	**6,969,954.34**	**3,070.26**	**7,086,667.72**	**0.00**	**0.00**	**113,643.12**	**0.00**

Kenora General Account - Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1KENCONT	5,943,283.41		7,920,877.70	1,744,251.92		233,342.37		
JIB3KENTD35	244,549.29		322,019.96	70,911.84		6,558.83		
Total	**6,187,832.70**	**0.00**	**8,242,897.66**	**1,815,163.76**	**0.00**	**239,901.20**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1KENCONT	7,890,897.45		7,920,877.70	1,744,251.92		(1,714,271.67)	
JIB3KENTD35	320,801.16		322,019.96	70,911.84		(69,693.04)	
Total	**8,211,698.61**	**0.00**	**8,242,897.66**	**1,815,163.76**	**0.00**	**(1,783,964.71)**	**0.00**

APPENDIX

ONE INVESTMENT

ONE JIB – Outcome Framework – Target Allocations

							Allocation			
Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	Fixed Income	Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for “Canadian dollars”. Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment’s Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, ‘in-kind’ securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and ‘tier discounts’ that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies.   This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist "on paper" until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Muskoka Prudent Investor Portfolio
70 Pine St.
Bracebridge, ON
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INVESTMENT

Muskoka Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
	Time-Weighted Rate of Return in CAD for Consolidated Holdings							
Consolidated Portfolio Returns	1.0%	1.0%	-	-	-	-	6.0%	07/02/2020

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	14,880,038.64	-	15,024,052.38	(337,731.73)	481,745.47	-
CAN Equity Fund	27,754,546.75	-	28,020,953.47	(6,355,089.41)	6,621,496.13	-
Corp Bond Fund	10,578,503.13	-	10,747,626.22	169,123.09	-	-
GLB Bond Fund	51,546,989.22	37,971.82	52,425,505.02	840,543.98	-	-
GLB Equity Fund	58,471,434.62	-	58,693,588.82	(12,702,726.99)	12,924,881.19	-
Total	**163,231,512.36**	**37,971.82**	**164,911,725.91**	**(18,385,881.06)**	**20,028,122.79**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	10.2	9.7	-	14.1	07/02/2020
ONE Global Equity Fund	0.3	0.3	4.3	11.0	8.4	8.8	-	9.4	07/02/2020
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	3.0	1.1	-	0.5	07/02/2020
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	2.5	1.0	-	0.8	07/02/2020
ONE Global Bond Fund	1.6	1.6	5.2	4.7	2.4	1.1	-	1.6	07/02/2020

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB1MUSCONT	0.9	0.9	6.3	9.6	6.5	6.0	-	7.1	07/02/2020
JIB2MUSTD35	1.3	1.3	5.5	5.7	3.7	2.5	-	2.7	07/02/2020
JIB3MUSTD510	1.0	1.0	6.2	8.8	5.9	5.2	-	6.2	07/02/2020
JIBMUSCASH	0.9	0.9	5.0	5.7	9.2	6.9	-	5.9	07/02/2020
JIB4MUSTD10P	0.7	0.7	6.6	10.7	-	-	-	12.2	07/04/2022

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Muskoka - Contingency Outcome
Account Number: 570050088

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	43.01	40,941.54
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	872.82	1,000,957.97
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	1,904.21	2,012,451.37
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,341.62	1,276,831.38
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,393.77	1,321,526.00
Sell	GLB Bond Fund	03/04/2025	03/04/2025	6,943.08	6,124,951.19
Sell	CAN Equity Fund	03/04/2025	03/04/2025	3,693.65	4,235,870.10
Sell	GLB Equity Fund	03/04/2025	03/04/2025	8,647.30	9,138,806.67

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Muskoka - Target Date 3 to 5 Year Outcome
Account Number: 570050096

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Buy	GLB Bond Fund	02/06/2025	02/06/2025	43.27	37,971.82
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	221.90	211,190.07
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	153.52	176,058.36
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	331.07	349,889.10
Sell	CAN Bond Fund	03/04/2025	03/04/2025	6,920.55	6,586,321.61
Sell	Corp Bond Fund	03/04/2025	03/04/2025	2,427.86	2,302,021.40
Sell	GLB Bond Fund	03/04/2025	03/04/2025	12,126.89	10,697,941.62
Sell	CAN Equity Fund	03/04/2025	03/04/2025	649.67	745,046.88
Sell	GLB Equity Fund	03/04/2025	03/04/2025	1,503.43	1,588,892.21

Muskoka Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Muskoka - Target Date 5 to 10 Year Outcome
Account Number: 570050104

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	203.88	194,038.39
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	3,253.75	3,731,400.50
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	6,790.67	7,176,654.21
Sell	CAN Bond Fund	03/04/2025	03/04/2025	6,358.51	6,051,417.49
Sell	Corp Bond Fund	03/04/2025	03/04/2025	6,392.52	6,061,173.58
Sell	GLB Bond Fund	03/04/2025	03/04/2025	34,790.20	30,690,742.89
Sell	CAN Equity Fund	03/04/2025	03/04/2025	13,769.30	15,790,600.19
Sell	GLB Equity Fund	03/04/2025	03/04/2025	30,837.36	32,590,132.99

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Muskoka - Cash Outcome
Account Number: 570050757

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	2.96	2,816.96
Sell	CAN Bond Fund	03/04/2025	03/04/2025	92.31	87,851.77

Muskoka Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Muskoka - Target Date 10 Year Plus Outcome
Account Number: 570050625

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	34.42	32,758.51
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	1,493.79	1,713,079.30
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	3,203.78	3,385,886.51
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,073.47	1,021,630.13
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,121.01	1,062,905.24
Sell	GLB Bond Fund	03/04/2025	03/04/2025	5,567.96	4,911,869.32
Sell	CAN Equity Fund	03/04/2025	03/04/2025	6,321.46	7,249,436.30
Sell	GLB Equity Fund	03/04/2025	03/04/2025	14,548.81	15,375,756.95

INVESTMENT

Muskoka Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the "ONE JIB Agreement") ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

YEAR-END TRANSACTION REPORT

For The Period Ended March 4, 2025

Muskoka Prudent Investor Portfolio

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ONE INVESTMENT

Muskoka Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	14,748,766.98		15,024,052.38	481,745.47		(206,460.07)		
CAN Equity Fund	20,971,982.12		28,020,953.47	6,621,496.13		427,475.22		
Corp Bond Fund	11,006,692.42		10,747,626.22			(259,066.20)		
GLB Bond Fund	57,318,239.50	37,971.82	52,425,505.02			(4,930,706.30)		
GLB Equity Fund	44,765,103.30		58,693,588.82	12,924,881.19		1,003,604.33		
Total	**148,810,784.32**	**37,971.82**	**164,911,725.91**	**20,028,122.79**	**0.00**	**(3,965,153.02)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	14,880,038.64		15,024,052.38	481,745.47		(337,731.73)	
CAN Equity Fund	27,754,546.75		28,020,953.47	6,621,496.13		(6,355,089.41)	
Corp Bond Fund	10,578,503.13		10,747,626.22			169,123.09	
GLB Bond Fund	51,546,989.22	37,971.82	52,425,505.02			840,543.98	
GLB Equity Fund	58,471,434.62		58,693,588.82	12,924,881.19		(12,702,726.99)	
Total	**163,231,512.36**	**37,971.82**	**164,911,725.91**	**20,028,122.79**	**0.00**	**(18,385,881.06)**	**0.00**

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIBMUSCASH	83,754.05		87,851.77	2,816.96		1,280.76		
JIB1MUSCONT	20,579,017.62		22,097,985.34	3,054,350.88		(1,535,383.16)		
JIB2MUSTD35	22,042,984.87	37,971.82	21,920,223.72	737,137.53		(897,870.50)		
JIB3MUSTD510	82,209,033.50		91,184,067.14	11,102,093.10		(2,127,059.46)		
JIB4MUSTD10P	23,895,994.28		29,621,597.94	5,131,724.32		593,879.34		
Total	**148,810,784.32**	**37,971.82**	**164,911,725.91**	**20,028,122.79**	**0.00**	**(3,965,153.02)**	**0.00**	**0.00**

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIBMUSCASH	87,009.58		87,851.77	2,816.96		(1,974.77)	
JIB1MUSCONT	21,891,839.30		22,097,985.34	3,054,350.88		(2,848,204.84)	
JIB2MUSTD35	21,598,598.55	37,971.82	21,920,223.72	737,137.53		(453,484.18)	
JIB3MUSTD510	90,264,896.59		91,184,067.14	11,102,093.10		(10,182,922.55)	
JIB4MUSTD10P	29,389,168.34		29,621,597.94	5,131,724.32		(4,899,294.72)	
Total	**163,231,512.36**	**37,971.82**	**164,911,725.91**	**20,028,122.79**	**0.00**	**(18,385,881.06)**	**0.00**

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1MUSCONT	1,270,654.21		1,276,831.38	40,941.54		(34,764.37)		
JIB2MUSTD35	6,373,556.40		6,586,321.61	211,190.07		1,575.14		
JIB3MUSTD510	6,053,397.07		6,051,417.49	194,038.39		(196,017.97)		
JIB4MUSTD10P	967,405.25		1,021,630.13	32,758.51		21,466.37		
JIBMUSCASH	83,754.05		87,851.77	2,816.96		1,280.76		
Total	**14,748,766.98**	**0.00**	**15,024,052.38**	**481,745.47**	**0.00**	**(206,460.07)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1MUSCONT	1,264,592.39		1,276,831.38	40,941.54		(28,702.55)	
JIB2MUSTD35	6,523,188.18		6,586,321.61	211,190.07		(148,056.64)	
JIB3MUSTD510	5,993,411.37		6,051,417.49	194,038.39		(136,032.27)	
JIB4MUSTD10P	1,011,837.12		1,021,630.13	32,758.51		(22,965.50)	
JIBMUSCASH	87,009.58		87,851.77	2,816.96		(1,974.77)	
Total	**14,880,038.64**	**0.00**	**15,024,052.38**	**481,745.47**	**0.00**	**(337,731.73)**	**0.00**

Muskoka Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1MUSCONT	3,518,888.97		4,235,870.10	1,000,957.97		(283,976.84)		
JIB2MUSTD35	536,857.79		745,046.88	176,058.36		32,130.73		
JIB3MUSTD510	11,288,480.06		15,790,600.19	3,731,400.50		770,719.63		
JIB4MUSTD10P	5,627,755.30		7,249,436.30	1,713,079.30		(91,398.30)		
Total	**20,971,982.12**	**0.00**	**28,020,953.47**	**6,621,496.13**	**0.00**	**427,475.22**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1MUSCONT	4,195,597.84		4,235,870.10	1,000,957.97		(960,685.71)	
JIB2MUSTD35	737,963.14		745,046.88	176,058.36		(168,974.62)	
JIB3MUSTD510	15,640,472.70		15,790,600.19	3,731,400.50		(3,581,273.01)	
JIB4MUSTD10P	7,180,513.07		7,249,436.30	1,713,079.30		(1,644,156.07)	
Total	**27,754,546.75**	**0.00**	**28,020,953.47**	**6,621,496.13**	**0.00**	**(6,355,089.41)**	**0.00**

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1MUSCONT	1,352,172.90		1,321,526.00			(30,646.90)		
JIB2MUSTD35	2,352,797.50		2,302,021.40			(50,776.10)		
JIB3MUSTD510	6,316,809.76		6,061,173.58			(255,636.18)		
JIB4MUSTD10P	984,912.26		1,062,905.24			77,992.98		
Total	**11,006,692.42**	**0.00**	**10,747,626.22**	**0.00**	**0.00**	**(259,066.20)**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1MUSCONT	1,300,730.65		1,321,526.00			20,795.35	
JIB2MUSTD35	2,265,797.13		2,302,021.40			36,224.27	
JIB3MUSTD510	5,965,795.83		6,061,173.58			95,377.75	
JIB4MUSTD10P	1,046,179.52		1,062,905.24			16,725.72	
Total	**10,578,503.13**	**0.00**	**10,747,626.22**	**0.00**	**0.00**	**169,123.09**	**0.00**

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1MUSCONT	6,793,076.21		6,124,951.19			(668,125.02)		
JIB2MUSTD35	11,581,078.26	37,971.82	10,697,941.62			(921,108.46)		
JIB3MUSTD510	34,096,949.62		30,690,742.89			(3,406,206.73)		
JIB4MUSTD10P	4,847,135.41		4,911,869.32			64,733.91		
Total	**57,318,239.50**	**37,971.82**	**52,425,505.02**	**0.00**	**0.00**	**(4,930,706.30)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1MUSCONT	6,026,701.75		6,124,951.19			98,249.44	
JIB2MUSTD35	10,488,771.53	37,971.82	10,697,941.62			171,198.27	
JIB3MUSTD510	30,198,437.20		30,690,742.89			492,305.69	
JIB4MUSTD10P	4,833,078.74		4,911,869.32			78,790.58	
Total	**51,546,989.22**	**37,971.82**	**52,425,505.02**	**0.00**	**0.00**	**840,543.98**	**0.00**

ONE INVESTMENT

Muskoka Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1MUSCONT	7,644,225.33		9,138,806.67	2,012,451.37		(517,870.03)		
JIB2MUSTD35	1,198,694.92		1,588,892.21	349,889.10		40,308.19		
JIB3MUSTD510	24,453,396.99		32,590,132.99	7,176,654.21		960,081.79		
JIB4MUSTD10P	11,468,786.06		15,375,756.95	3,385,886.51		521,084.38		
Total	**44,765,103.30**	**0.00**	**58,693,588.82**	**12,924,881.19**	**0.00**	**1,003,604.33**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1MUSCONT	9,104,216.67		9,138,806.67	2,012,451.37		(1,977,861.37)	
JIB2MUSTD35	1,582,878.57		1,588,892.21	349,889.10		(343,875.46)	
JIB3MUSTD510	32,466,779.49		32,590,132.99	7,176,654.21		(7,053,300.71)	
JIB4MUSTD10P	15,317,559.89		15,375,756.95	3,385,886.51		(3,327,689.45)	
Total	**58,471,434.62**	**0.00**	**58,693,588.82**	**12,924,881.19**	**0.00**	**(12,702,726.99)**	**0.00**

APPENDIX

ONE INVESTMENT

ONE JIB - Outcome Framework - Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation: Equity	Allocation: Fixed Income	Allocation: Cash	Allocation: Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE INVESTMENT

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	Fixed Income	Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

ONE INVESTMENT

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for “Canadian dollars”. Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment’s Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, ‘in-kind’ securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and ‘tier discounts’ that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies.   This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

ONE INVESTMENT

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist "on paper" until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Neebing Prudent Investor Portfolio
4766 Highway 61
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ONE INVESTMENT

Neebing Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

Time-Weighted Rate of Return in CAD for Consolidated Holdings

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	0.9%	0.9%	-	-	-	-	4.6%	01/07/2022

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	474,386.73	-	478,978.20	(10,766.93)	15,358.40	-
CAN Equity Fund	472,015.95	-	476,547.16	(108,079.23)	112,610.44	-
Corp Bond Fund	156,183.31	-	158,680.28	2,496.97	-	-
GLB Bond Fund	742,040.50	-	754,137.51	12,097.01	-	-
GLB Equity Fund	1,024,170.44	-	1,028,062.52	(222,496.77)	226,388.85	-
Total	**2,868,796.93**	**0.00**	**2,896,405.67**	**(326,748.95)**	**354,357.69**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Neebing Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	10.2	-	-	9.1	01/07/2022
ONE Global Equity Fund	0.3	0.3	4.3	11.0	8.4	-	-	6.0	01/07/2022
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	3.0	-	-	1.5	01/07/2022
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	2.5	-	-	1.5	01/07/2022
ONE Global Bond Fund	1.6	1.6	5.2	4.7	2.4	-	-	1.1	01/07/2022

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIBNEECASH	0.9	0.9	5.0	5.9	4.9	-	-	4.6	01/07/2022
JIB1NEECONT	0.9	0.9	6.3	9.6	6.5	-	-	4.7	01/07/2022
JIB2NEETD35	1.3	1.3	5.5	5.6	3.7	-	-	2.5	01/07/2022
JIB3NEETD510	1.0	1.0	6.2	8.8	5.8	-	-	4.2	01/07/2022
JIB4NEETD10P	0.8	0.8	6.5	10.8	7.5	-	-	5.6	01/07/2022

ONE INVESTMENT

Neebing Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Neebing - Cash Outcome
Account Number: 570050773

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	7.63	7,266.37
Sell	CAN Bond Fund	03/04/2025	03/04/2025	238.11	226,613.97

Neebing Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Neebing - Contingency Outcome
Account Number: 570050443

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	0.80	761.00
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	16.51	18,934.59
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	36.13	38,189.54
Sell	CAN Bond Fund	03/04/2025	03/04/2025	24.93	23,733.59
Sell	Corp Bond Fund	03/04/2025	03/04/2025	26.18	24,826.77
Sell	GLB Bond Fund	03/04/2025	03/04/2025	130.58	115,195.04
Sell	CAN Equity Fund	03/04/2025	03/04/2025	69.87	80,127.90
Sell	GLB Equity Fund	03/04/2025	03/04/2025	164.09	173,424.14

ONE INVESTMENT

Neebing Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Neebing - Target Date 3 to 5 Year Outcome
Account Number: 570050450

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	4.94	4,704.53
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	3.78	4,344.03
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	8.10	8,560.65
Sell	CAN Bond Fund	03/04/2025	03/04/2025	154.16	146,718.45
Sell	Corp Bond Fund	03/04/2025	03/04/2025	53.60	50,823.58
Sell	GLB Bond Fund	03/04/2025	03/04/2025	270.54	238,663.04
Sell	CAN Equity Fund	03/04/2025	03/04/2025	16.03	18,383.17
Sell	GLB Equity Fund	03/04/2025	03/04/2025	36.78	38,874.77

ONE INVESTMENT

Neebing Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Neebing - Target Date 5 to 10 Year Outcome
Account Number: 570050468

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	1.32	1,262.76
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	19.29	22,129.27
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	41.65	44,026.56
Sell	CAN Bond Fund	03/04/2025	03/04/2025	41.38	39,381.50
Sell	Corp Bond Fund	03/04/2025	03/04/2025	41.50	39,357.41
Sell	GLB Bond Fund	03/04/2025	03/04/2025	223.84	197,464.99
Sell	CAN Equity Fund	03/04/2025	03/04/2025	81.66	93,647.49
Sell	GLB Equity Fund	03/04/2025	03/04/2025	189.17	199,930.73

ONE INVESTMENT

Neebing Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Neebing - Target Date 10 Year Plus Outcome
Account Number: 570050476

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	1.43	1,363.74
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	58.60	67,202.55
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	128.31	135,612.10
Sell	CAN Bond Fund	03/04/2025	03/04/2025	44.68	42,530.69
Sell	Corp Bond Fund	03/04/2025	03/04/2025	46.06	43,672.52
Sell	GLB Bond Fund	03/04/2025	03/04/2025	229.90	202,814.44
Sell	CAN Equity Fund	03/04/2025	03/04/2025	247.98	284,388.60
Sell	GLB Equity Fund	03/04/2025	03/04/2025	582.71	615,832.88

Neebing Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the "ONE JIB Agreement") ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

YEAR-END TRANSACTION REPORT

For The Period Ended March 4, 2025

Neebing Prudent Investor Portfolio
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Neebing Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	460,616.31		478,978.20	15,358.40		3,003.49		
CAN Equity Fund	416,371.53		476,547.16	112,610.44		(52,434.81)		
Corp Bond Fund	156,794.23		158,680.28			1,886.05		
GLB Bond Fund	791,176.16		754,137.51			(37,038.65)		
GLB Equity Fund	889,294.24		1,028,062.52	226,388.85		(87,620.57)		
Total	**2,714,252.47**	**0.00**	**2,896,405.67**	**354,357.69**	**0.00**	**(172,204.49)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	474,386.73		478,978.20	15,358.40		(10,766.93)	
CAN Equity Fund	472,015.95		476,547.16	112,610.44		(108,079.23)	
Corp Bond Fund	156,183.31		158,680.28			2,496.97	
GLB Bond Fund	742,040.50		754,137.51			12,097.01	
GLB Equity Fund	1,024,170.44		1,028,062.52	226,388.85		(222,496.77)	
Total	**2,868,796.93**	**0.00**	**2,896,405.67**	**354,357.69**	**0.00**	**(326,748.95)**	**0.00**

ONE INVESTMENT

Neebing Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIBNEECASH	216,053.50		226,613.97	7,266.37		3,294.10		
JIB1NEECONT	390,765.42		417,307.44	57,885.13		(31,343.11)		
JIB2NEETD35	481,571.15		493,463.01	17,609.21		(5,717.35)		
JIB3NEETD510	543,227.93		569,782.12	67,418.59		(40,864.40)		
JIB4NEETD10P	1,082,634.47		1,189,239.13	204,178.39		(97,573.73)		
Total	**2,714,252.47**	**0.00**	**2,896,405.67**	**354,357.69**	**0.00**	**(172,204.49)**	**0.00**	**0.00**

ONE INVESTMENT

Neebing Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIBNEECASH	224,441.86		226,613.97	7,266.37		(5,094.26)	
JIB1NEECONT	413,422.29		417,307.44	57,885.13		(53,999.98)	
JIB2NEETD35	487,107.06		493,463.01	17,609.21		(11,253.26)	
JIB3NEETD510	563,969.79		569,782.12	67,418.59		(61,606.26)	
JIB4NEETD10P	1,179,855.93		1,189,239.13	204,178.39		(194,795.19)	
Total	**2,868,796.93**	**0.00**	**2,896,405.67**	**354,357.69**	**0.00**	**(326,748.95)**	**0.00**

ONE INVESTMENT

Neebing Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1NEECONT	23,306.35		23,733.59	761.00		(333.76)		
JIB2NEETD35	140,818.65		146,718.45	4,704.53		1,195.27		
JIB3NEETD510	38,672.04		39,381.50	1,262.76		(553.30)		
JIB4NEETD10P	41,765.77		42,530.69	1,363.74		(598.82)		
JIBNEECASH	216,053.50		226,613.97	7,266.37		3,294.10		
Total	**460,616.31**	**0.00**	**478,978.20**	**15,358.40**	**0.00**	**3,003.49**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1NEECONT	23,505.73		23,733.59	761.00		(533.14)	
JIB2NEETD35	145,312.32		146,718.45	4,704.53		(3,298.40)	
JIB3NEETD510	39,003.86		39,381.50	1,262.76		(885.12)	
JIB4NEETD10P	42,122.96		42,530.69	1,363.74		(956.01)	
JIBNEECASH	224,441.86		226,613.97	7,266.37		(5,094.26)	
Total	**474,386.73**	**0.00**	**478,978.20**	**15,358.40**	**0.00**	**(10,766.93)**	**0.00**

ONE INVESTMENT

Neebing Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1NEECONT	70,079.31		80,127.90	18,934.59		(8,886.00)		
JIB2NEETD35	15,664.26		18,383.17	4,344.03		(1,625.12)		
JIB3NEETD510	81,902.47		93,647.49	22,129.27		(10,384.25)		
JIB4NEETD10P	248,725.49		284,388.60	67,202.55		(31,539.44)		
Total	**416,371.53**	**0.00**	**476,547.16**	**112,610.44**	**0.00**	**(52,434.81)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1NEECONT	79,365.91		80,127.90	18,934.59		(18,172.60)	
JIB2NEETD35	18,208.35		18,383.17	4,344.03		(4,169.21)	
JIB3NEETD510	92,756.67		93,647.49	22,129.27		(21,238.45)	
JIB4NEETD10P	281,685.02		284,388.60	67,202.55		(64,498.97)	
Total	**472,015.95**	**0.00**	**476,547.16**	**112,610.44**	**0.00**	**(108,079.23)**	**0.00**

ONE INVESTMENT

Neebing Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1NEECONT	24,682.01		24,826.77			144.76		
JIB2NEETD35	49,443.69		50,823.58			1,379.89		
JIB3NEETD510	39,274.10		39,357.41			83.31		
JIB4NEETD10P	43,394.43		43,672.52			278.09		
Total	**156,794.23**	**0.00**	**158,680.28**	**0.00**	**0.00**	**1,886.05**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1NEECONT	24,436.10		24,826.77			390.67	
JIB2NEETD35	50,023.83		50,823.58			799.75	
JIB3NEETD510	38,738.09		39,357.41			619.32	
JIB4NEETD10P	42,985.29		43,672.52			687.23	
Total	**156,183.31**	**0.00**	**158,680.28**	**0.00**	**0.00**	**2,496.97**	**0.00**

ONE INVESTMENT

Neebing Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1NEECONT	122,513.39		115,195.04			(7,318.35)		
JIB2NEETD35	242,980.17		238,663.04			(4,317.13)		
JIB3NEETD510	210,241.79		197,464.99			(12,776.80)		
JIB4NEETD10P	215,440.81		202,814.44			(12,626.37)		
Total	**791,176.16**	**0.00**	**754,137.51**	**0.00**	**0.00**	**(37,038.65)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1NEECONT	113,347.21		115,195.04			1,847.83	
JIB2NEETD35	234,834.68		238,663.04			3,828.36	
JIB3NEETD510	194,297.48		197,464.99			3,167.51	
JIB4NEETD10P	199,561.13		202,814.44			3,253.31	
Total	**742,040.50**	**0.00**	**754,137.51**	**0.00**	**0.00**	**12,097.01**	**0.00**

ONE INVESTMENT

Neebing Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1NEECONT	150,184.36		173,424.14	38,189.54		(14,949.76)		
JIB2NEETD35	32,664.38		38,874.77	8,560.65		(2,350.26)		
JIB3NEETD510	173,137.53		199,930.73	44,026.56		(17,233.36)		
JIB4NEETD10P	533,307.97		615,832.88	135,612.10		(53,087.19)		
Total	**889,294.24**	**0.00**	**1,028,062.52**	**226,388.85**	**0.00**	**(87,620.57)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1NEECONT	172,767.34		173,424.14	38,189.54		(37,532.74)	
JIB2NEETD35	38,727.88		38,874.77	8,560.65		(8,413.76)	
JIB3NEETD510	199,173.69		199,930.73	44,026.56		(43,269.52)	
JIB4NEETD10P	613,501.53		615,832.88	135,612.10		(133,280.75)	
Total	**1,024,170.44**	**0.00**	**1,028,062.52**	**226,388.85**	**0.00**	**(222,496.77)**	**0.00**

APPENDIX

ONE JIB – Outcome Framework – Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE INVESTMENT

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	Allocation Fixed Income	Allocation Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for "Canadian dollars". Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment's Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, 'in-kind' securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and 'tier discounts' that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies. This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist "on paper" until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Quinte West Prudent Investor Portfolio

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ONE INVESTMENT

Quinte West Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
	Time-Weighted Rate of Return in CAD for Consolidated Holdings							
Consolidated Portfolio Returns	1.0%	1.0%	-	-	-	-	4.2%	01/07/2022

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	8,669,007.91	-	8,752,908.40	(196,761.09)	280,661.58	-
CAN Equity Fund	5,094,339.41	-	5,143,239.30	(1,166,473.90)	1,215,373.79	-
Corp Bond Fund	2,245,905.93	-	2,281,812.19	35,906.26	-	-
GLB Bond Fund	10,952,586.13	-	11,131,139.08	178,552.95	-	-
GLB Equity Fund	10,821,265.67	-	10,862,379.30	(2,350,884.68)	2,391,998.31	-
Total	**37,783,105.05**	**0.00**	**38,171,478.27**	**(3,499,660.46)**	**3,888,033.68**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	10.2	-	-	9.1	01/07/2022
ONE Global Equity Fund	0.3	0.3	4.3	11.0	8.4	-	-	6.0	01/07/2022
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	3.0	-	-	1.5	01/07/2022
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	2.5	-	-	1.5	01/07/2022
ONE Global Bond Fund	1.6	1.6	5.2	4.7	2.4	-	-	1.1	01/07/2022

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIBQUICASH	0.9	0.9	5.0	5.8	4.8	-	-	4.5	01/07/2022
JIB1QUICONT	0.9	0.9	6.3	9.6	6.5	-	-	4.8	01/07/2022
JIB2QUITD35	1.3	1.3	5.5	5.7	3.7	-	-	2.5	01/07/2022
JIB3QUITD510	1.0	1.0	6.2	8.8	5.8	-	-	4.2	01/07/2022
JIB4QUITD10P	0.7	0.7	6.5	10.8	7.5	-	-	5.6	01/07/2022

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Quinte West - Cash Outcome
Account Number: 570050781

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	171.99	163,685.88
Sell	CAN Bond Fund	03/04/2025	03/04/2025	5,363.87	5,104,822.54

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Quinte West - Contingency Outcome
Account Number: 570050484

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	8.73	8,317.17
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	186.66	214,068.78
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	401.25	424,065.94
Sell	CAN Bond Fund	03/04/2025	03/04/2025	272.54	259,384.94
Sell	Corp Bond Fund	03/04/2025	03/04/2025	282.71	268,060.69
Sell	GLB Bond Fund	03/04/2025	03/04/2025	1,449.55	1,278,751.22
Sell	CAN Equity Fund	03/04/2025	03/04/2025	789.93	905,900.15
Sell	GLB Equity Fund	03/04/2025	03/04/2025	1,822.16	1,925,739.63

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Quinte West - Target Date 3 to 5 Year Outcome
Account Number: 570050492

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	70.69	67,282.77
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	53.41	61,258.87
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	114.45	120,963.44
Sell	CAN Bond Fund	03/04/2025	03/04/2025	2,204.81	2,098,327.74
Sell	Corp Bond Fund	03/04/2025	03/04/2025	757.76	718,489.70
Sell	GLB Bond Fund	03/04/2025	03/04/2025	3,890.56	3,432,121.80
Sell	CAN Equity Fund	03/04/2025	03/04/2025	226.05	259,235.89
Sell	GLB Equity Fund	03/04/2025	03/04/2025	519.76	549,311.20

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Quinte West - Target Date 5 to 10 Year Outcome
Account Number: 570050500

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	37.01	35,230.47
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	547.73	628,139.52
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	1,157.59	1,223,388.96
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,154.47	1,098,721.94
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,158.07	1,098,042.37
Sell	GLB Bond Fund	03/04/2025	03/04/2025	6,222.70	5,489,459.76
Sell	CAN Equity Fund	03/04/2025	03/04/2025	2,317.90	2,658,171.33
Sell	GLB Equity Fund	03/04/2025	03/04/2025	5,256.77	5,555,570.11

INVESTMENT

Quinte West Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Quinte West - Target Date 10 Year Plus Outcome
Account Number: 570050518

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	6.45	6,145.29
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	271.98	311,906.62
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	590.04	623,579.97
Sell	CAN Bond Fund	03/04/2025	03/04/2025	201.37	191,651.24
Sell	Corp Bond Fund	03/04/2025	03/04/2025	208.00	197,219.43
Sell	GLB Bond Fund	03/04/2025	03/04/2025	1,055.13	930,806.30
Sell	CAN Equity Fund	03/04/2025	03/04/2025	1,150.97	1,319,931.93
Sell	GLB Equity Fund	03/04/2025	03/04/2025	2,679.46	2,831,758.36

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the "ONE JIB Agreement") ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

YEAR-END TRANSACTION REPORT

For The Period Ended March 4, 2025

Quinte West Prudent Investor Portfolio
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ONE INVESTMENT

Quinte West Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	8,409,847.90		8,752,908.40	280,661.58		62,398.92		
CAN Equity Fund	4,498,265.51		5,143,239.30	1,215,373.79		(570,400.00)		
Corp Bond Fund	2,275,650.22		2,281,812.19			6,161.97		
GLB Bond Fund	11,864,860.00		11,131,139.08			(733,720.92)		
GLB Equity Fund	9,406,773.07		10,862,379.30	2,391,998.31		(936,392.08)		
Total	**36,455,396.70**	**0.00**	**38,171,478.27**	**3,888,033.68**	**0.00**	**(2,171,952.11)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	8,669,007.91		8,752,908.40	280,661.58		(196,761.09)	
CAN Equity Fund	5,094,339.41		5,143,239.30	1,215,373.79		(1,166,473.90)	
Corp Bond Fund	2,245,905.93		2,281,812.19			35,906.26	
GLB Bond Fund	10,952,586.13		11,131,139.08			178,552.95	
GLB Equity Fund	10,821,265.67		10,862,379.30	2,391,998.31		(2,350,884.68)	
Total	**37,783,105.05**	**0.00**	**38,171,478.27**	**3,888,033.68**	**0.00**	**(3,499,660.46)**	**0.00**

Quinte West Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIBQUICASH	4,866,925.33		5,104,822.54	163,685.88		74,211.33		
JIB1QUICONT	4,341,610.09		4,637,836.63	646,451.89		(350,225.35)		
JIB2QUITD35	7,109,764.87		7,057,486.33	249,505.08		(301,783.62)		
JIB3QUITD510	15,157,132.32		15,899,965.51	1,886,758.95		(1,143,925.76)		
JIB4QUITD10P	4,979,964.09		5,471,367.26	941,631.88		(450,228.71)		
Total	**36,455,396.70**	**0.00**	**38,171,478.27**	**3,888,033.68**	**0.00**	**(2,171,952.11)**	**0.00**	**0.00**

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIBQUICASH	5,055,890.26		5,104,822.54	163,685.88		(114,753.60)	
JIB1QUICONT	4,594,717.68		4,637,836.63	646,451.89		(603,332.94)	
JIB2QUITD35	6,966,468.93		7,057,486.33	249,505.08		(158,487.68)	
JIB3QUITD510	15,737,799.53		15,899,965.51	1,886,758.95		(1,724,592.97)	
JIB4QUITD10P	5,428,228.65		5,471,367.26	941,631.88		(898,493.27)	
Total	**37,783,105.05**	**0.00**	**38,171,478.27**	**3,888,033.68**	**0.00**	**(3,499,660.46)**	**0.00**

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1QUICONT	254,719.70		259,384.94	8,317.17		(3,651.93)		
JIB2QUITD35	2,021,049.40		2,098,327.74	67,282.77		9,995.57		
JIB3QUITD510	1,078,949.63		1,098,721.94	35,230.47		(15,458.16)		
JIB4QUITD10P	188,203.84		191,651.24	6,145.29		(2,697.89)		
JIBQUICASH	4,866,925.33		5,104,822.54	163,685.88		74,211.33		
Total	**8,409,847.90**	**0.00**	**8,752,908.40**	**280,661.58**	**0.00**	**62,398.92**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1QUICONT	256,898.81		259,384.94	8,317.17		(5,831.04)	
JIB2QUITD35	2,078,214.21		2,098,327.74	67,282.77		(47,169.24)	
JIB3QUITD510	1,088,190.34		1,098,721.94	35,230.47		(24,698.87)	
JIB4QUITD10P	189,814.29		191,651.24	6,145.29		(4,308.34)	
JIBQUICASH	5,055,890.26		5,104,822.54	163,685.88		(114,753.60)	
Total	**8,669,007.91**	**0.00**	**8,752,908.40**	**280,661.58**	**0.00**	**(196,761.09)**	**0.00**

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1QUICONT	792,298.54		905,900.15	214,068.78		(100,467.17)		
JIB2QUITD35	226,728.44		259,235.89	61,258.87		(28,751.42)		
JIB3QUITD510	2,324,829.39		2,658,171.33	628,139.52		(294,797.58)		
JIB4QUITD10P	1,154,409.14		1,319,931.93	311,906.62		(146,383.83)		
Total	**4,498,265.51**	**0.00**	**5,143,239.30**	**1,215,373.79**	**0.00**	**(570,400.00)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1QUICONT	897,286.93		905,900.15	214,068.78		(205,455.56)	
JIB2QUITD35	256,771.62		259,235.89	61,258.87		(58,794.60)	
JIB3QUITD510	2,632,898.57		2,658,171.33	628,139.52		(602,866.76)	
JIB4QUITD10P	1,307,382.29		1,319,931.93	311,906.62		(299,356.98)	
Total	**5,094,339.41**	**0.00**	**5,143,239.30**	**1,215,373.79**	**0.00**	**(1,166,473.90)**	**0.00**

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1QUICONT	266,805.12		268,060.69			1,255.57		
JIB2QUITD35	716,987.13		718,489.70			1,502.57		
JIB3QUITD510	1,095,746.13		1,098,042.37			2,296.24		
JIB4QUITD10P	196,111.84		197,219.43			1,107.59		
Total	**2,275,650.22**	**0.00**	**2,281,812.19**	**0.00**	**0.00**	**6,161.97**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1QUICONT	263,842.53		268,060.69			4,218.16	
JIB2QUITD35	707,183.65		718,489.70			11,306.05	
JIB3QUITD510	1,080,763.73		1,098,042.37			17,278.64	
JIB4QUITD10P	194,116.02		197,219.43			3,103.41	
Total	**2,245,905.93**	**0.00**	**2,281,812.19**	**0.00**	**0.00**	**35,906.26**	**0.00**

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1QUICONT	1,360,104.52		1,278,751.22			(81,353.30)		
JIB2QUITD35	3,669,298.58		3,432,121.80			(237,176.78)		
JIB3QUITD510	5,846,508.81		5,489,459.76			(357,049.05)		
JIB4QUITD10P	988,948.09		930,806.30			(58,141.79)		
Total	**11,864,860.00**	**0.00**	**11,131,139.08**	**0.00**	**0.00**	**(733,720.92)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1QUICONT	1,258,238.96		1,278,751.22			20,512.26	
JIB2QUITD35	3,377,067.64		3,432,121.80			55,054.16	
JIB3QUITD510	5,401,404.15		5,489,459.76			88,055.61	
JIB4QUITD10P	915,875.38		930,806.30			14,930.92	
Total	**10,952,586.13**	**0.00**	**11,131,139.08**	**0.00**	**0.00**	**178,552.95**	**0.00**

ONE INVESTMENT

Quinte West Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1QUICONT	1,667,682.21		1,925,739.63	424,065.94		(166,008.52)		
JIB2QUITD35	475,701.32		549,311.20	120,963.44		(47,353.56)		
JIB3QUITD510	4,811,098.36		5,555,570.11	1,223,388.96		(478,917.21)		
JIB4QUITD10P	2,452,291.18		2,831,758.36	623,579.97		(244,112.79)		
Total	**9,406,773.07**	**0.00**	**10,862,379.30**	**2,391,998.31**	**0.00**	**(936,392.08)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1QUICONT	1,918,450.45		1,925,739.63	424,065.94		(416,776.76)	
JIB2QUITD35	547,231.81		549,311.20	120,963.44		(118,884.05)	
JIB3QUITD510	5,534,542.74		5,555,570.11	1,223,388.96		(1,202,361.59)	
JIB4QUITD10P	2,821,040.67		2,831,758.36	623,579.97		(612,862.28)	
Total	**10,821,265.67**	**0.00**	**10,862,379.30**	**2,391,998.31**	**0.00**	**(2,350,884.68)**	**0.00**

APPENDIX

ONE INVESTMENT

ONE JIB - Outcome Framework - Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE INVESTMENT

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	Allocation Fixed Income	Allocation Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for “Canadian dollars”. Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment’s Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, ‘in-kind’ securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and ‘tier discounts’ that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies. This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody’s. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond’s yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist "on paper" until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Thunder Bay Prudent Investor Portfolio

500 Donald St. E., P.O. Box 80
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P7E 5K4

Keri Greaves
City Treasurer
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ONE Investment

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Relationship Manager

Marie Wong Takishita, Client Service Representative
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ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

Time-Weighted Rate of Return in CAD for Consolidated Holdings

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	1.0%	1.0%	-	-	-	-	5.6%	04/01/2022

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	19,804,539.09	-	19,996,215.03	(449,501.64)	641,177.58	-
CAN Equity Fund	18,954,488.72	-	19,136,425.77	(4,340,099.46)	4,522,036.51	-
Corp Bond Fund	8,839,000.53	-	8,980,313.43	141,312.90	-	-
GLB Bond Fund	41,299,581.58	14,236.57	41,987,176.12	673,357.97	-	-
GLB Equity Fund	41,241,444.64	-	41,398,136.30	(8,959,567.84)	9,116,259.50	-
Total	**130,139,054.56**	**14,236.57**	**131,498,266.65**	**(12,934,498.07)**	**14,279,473.59**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	-	-	-	10.3	04/01/2022
ONE Global Equity Fund	0.3	0.3	4.3	11.0	-	-	-	8.4	04/01/2022
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	-	-	-	3.1	04/01/2022
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	-	-	-	2.5	04/01/2022
ONE Global Bond Fund	1.6	1.6	5.2	4.7	-	-	-	2.4	04/01/2022

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB1THUCONT	0.9	0.9	6.4	9.6	-	-	-	6.5	04/01/2022
JIB2THUTD35	1.3	1.3	5.5	5.7	-	-	-	3.7	04/01/2022
JIB3THUTD510	1.0	1.0	6.2	8.7	-	-	-	5.9	04/01/2022
JIB4THUTD10P	0.7	0.7	6.6	10.8	-	-	-	7.5	04/01/2022
JIBTHUCASH	0.9	0.9	5.0	5.8	-	-	-	4.8	04/04/2022

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Thunder Bay - Contingency Outcome
Account Number: 570050567

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Buy	GLB Bond Fund	02/06/2025	02/06/2025	16.22	14,236.57
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	52.90	50,347.06
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	1,211.63	1,389,504.27
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	2,612.98	2,761,507.30
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,649.84	1,570,158.83
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,698.01	1,610,003.54
Sell	GLB Bond Fund	03/04/2025	03/04/2025	8,833.92	7,792,994.46
Sell	CAN Equity Fund	03/04/2025	03/04/2025	5,127.43	5,880,126.71
Sell	GLB Equity Fund	03/04/2025	03/04/2025	11,865.91	12,540,368.34

Thunder Bay Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Thunder Bay - Target Date 3 to 5 Year Outcome
Account Number: 570050575

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	361.82	344,351.24
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	260.94	299,248.19
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	579.81	612,765.45
Sell	CAN Bond Fund	03/04/2025	03/04/2025	11,284.16	10,739,179.68
Sell	Corp Bond Fund	03/04/2025	03/04/2025	3,807.48	3,610,125.16
Sell	GLB Bond Fund	03/04/2025	03/04/2025	18,791.43	16,577,167.16
Sell	CAN Equity Fund	03/04/2025	03/04/2025	1,104.26	1,266,362.72
Sell	GLB Equity Fund	03/04/2025	03/04/2025	2,632.99	2,782,649.16

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Thunder Bay - Target Date 5 to 10 Year Outcome
Account Number: 570050583

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	98.23	93,494.28
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	1,500.00	1,720,202.48
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	3,195.58	3,377,218.12
Sell	CAN Bond Fund	03/04/2025	03/04/2025	3,063.74	2,915,778.40
Sell	Corp Bond Fund	03/04/2025	03/04/2025	3,185.95	3,020,816.42
Sell	GLB Bond Fund	03/04/2025	03/04/2025	16,026.23	14,137,800.90
Sell	CAN Equity Fund	03/04/2025	03/04/2025	6,347.74	7,279,579.88
Sell	GLB Equity Fund	03/04/2025	03/04/2025	14,511.56	15,336,392.86

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Thunder Bay - Target Date 10 Year Plus Outcome
Account Number: 570050591

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	24.68	23,493.60
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	970.60	1,113,081.57
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	2,237.58	2,364,768.63
Sell	CAN Bond Fund	03/04/2025	03/04/2025	769.87	732,688.13
Sell	Corp Bond Fund	03/04/2025	03/04/2025	779.78	739,368.31
Sell	GLB Bond Fund	03/04/2025	03/04/2025	3,943.94	3,479,213.60
Sell	CAN Equity Fund	03/04/2025	03/04/2025	4,107.40	4,710,356.46
Sell	GLB Equity Fund	03/04/2025	03/04/2025	10,161.17	10,738,725.94

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Thunder Bay - Cash Outcome
Account Number: 570050799

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	136.06	129,491.40
Sell	CAN Bond Fund	03/04/2025	03/04/2025	4,243.34	4,038,409.99

Thunder Bay Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the "ONE JIB Agreement") ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

ONE INVESTMENT

YEAR-END TRANSACTION REPORT

For The Period Ended March 4, 2025

Thunder Bay Prudent Investor Portfolio
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Marie Wong Takishita, Client Service Representative
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Thunder Bay Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	19,110,528.13		19,996,215.03	641,177.58		244,509.32		
CAN Equity Fund	16,530,446.55		19,136,425.77	4,522,036.51		(1,916,057.29)		
Corp Bond Fund	8,607,210.87		8,980,313.43			373,102.56		
GLB Bond Fund	43,513,310.83	14,236.57	41,987,176.12			(1,540,371.28)		
GLB Equity Fund	34,164,233.63		41,398,136.30	9,116,259.50		(1,882,356.83)		
Total	**121,925,730.01**	**14,236.57**	**131,498,266.65**	**14,279,473.59**	**0.00**	**(4,721,173.52)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	19,804,539.09		19,996,215.03	641,177.58		(449,501.64)	
CAN Equity Fund	18,954,488.72		19,136,425.77	4,522,036.51		(4,340,099.46)	
Corp Bond Fund	8,839,000.53		8,980,313.43			141,312.90	
GLB Bond Fund	41,299,581.58	14,236.57	41,987,176.12			673,357.97	
GLB Equity Fund	41,241,444.64		41,398,136.30	9,116,259.50		(8,959,567.84)	
Total	**130,139,054.56**	**14,236.57**	**131,498,266.65**	**14,279,473.59**	**0.00**	**(12,934,498.07)**	**0.00**

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIBTHUCASH	3,850,042.23		4,038,409.99	129,491.40		58,876.36		
JIB1THUCONT	26,518,988.90	14,236.57	29,393,651.88	4,201,358.63		(1,340,932.22)		
JIB2THUTD35	34,328,325.90		34,975,483.88	1,256,364.88		(609,206.90)		
JIB3THUTD510	39,275,055.43		42,690,368.46	5,190,914.88		(1,775,601.85)		
JIB4THUTD10P	17,953,317.55		20,400,352.44	3,501,343.80		(1,054,308.91)		
Total	**121,925,730.01**	**14,236.57**	**131,498,266.65**	**14,279,473.59**	**0.00**	**(4,721,173.52)**	**0.00**	**0.00**

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIBTHUCASH	3,999,699.19		4,038,409.99	129,491.40		(90,780.60)	
JIB1THUCONT	29,110,805.68	14,236.57	29,393,651.88	4,201,358.63		(3,932,749.00)	
JIB2THUTD35	34,527,250.27		34,975,483.88	1,256,364.88		(808,131.27)	
JIB3THUTD510	42,260,843.70		42,690,368.46	5,190,914.88		(4,761,390.12)	
JIB4THUTD10P	20,240,455.72		20,400,352.44	3,501,343.80		(3,341,447.08)	
Total	**130,139,054.56**	**14,236.57**	**131,498,266.65**	**14,279,473.59**	**0.00**	**(12,934,498.07)**	**0.00**

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1THUCONT	1,504,730.29		1,570,158.83	50,347.06		15,081.48		
JIB2THUTD35	10,255,921.76		10,739,179.68	344,351.24		138,906.68		
JIB3THUTD510	2,794,277.94		2,915,778.40	93,494.28		28,006.18		
JIB4THUTD10P	705,555.91		732,688.13	23,493.60		3,638.62		
JIBTHUCASH	3,850,042.23		4,038,409.99	129,491.40		58,876.36		
Total	**19,110,528.13**	**0.00**	**19,996,215.03**	**641,177.58**	**0.00**	**244,509.32**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1THUCONT	1,555,107.97		1,570,158.83	50,347.06		(35,296.20)	
JIB2THUTD35	10,636,238.40		10,739,179.68	344,351.24		(241,409.96)	
JIB3THUTD510	2,887,828.81		2,915,778.40	93,494.28		(65,544.69)	
JIB4THUTD10P	725,664.72		732,688.13	23,493.60		(16,470.19)	
JIBTHUCASH	3,999,699.19		4,038,409.99	129,491.40		(90,780.60)	
Total	**19,804,539.09**	**0.00**	**19,996,215.03**	**641,177.58**	**0.00**	**(449,501.64)**	**0.00**

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1THUCONT	5,080,069.28		5,880,126.71	1,389,504.27		(589,446.84)		
JIB2THUTD35	1,094,061.45		1,266,362.72	299,248.19		(126,946.92)		
JIB3THUTD510	6,289,111.87		7,279,579.88	1,720,202.48		(729,734.47)		
JIB4THUTD10P	4,067,203.95		4,710,356.46	1,113,081.57		(469,929.06)		
Total	**16,530,446.55**	**0.00**	**19,136,425.77**	**4,522,036.51**	**0.00**	**(1,916,057.29)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1THUCONT	5,824,221.68		5,880,126.71	1,389,504.27		(1,333,599.24)	
JIB2THUTD35	1,254,323.45		1,266,362.72	299,248.19		(287,208.92)	
JIB3THUTD510	7,210,370.47		7,279,579.88	1,720,202.48		(1,650,993.07)	
JIB4THUTD10P	4,665,573.12		4,710,356.46	1,113,081.57		(1,068,298.23)	
Total	**18,954,488.72**	**0.00**	**19,136,425.77**	**4,522,036.51**	**0.00**	**(4,340,099.46)**	**0.00**

Thunder Bay Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1THUCONT	1,542,887.07		1,610,003.54			67,116.47		
JIB2THUTD35	3,459,732.59		3,610,125.16			150,392.57		
JIB3THUTD510	2,893,576.27		3,020,816.42			127,240.15		
JIB4THUTD10P	711,014.94		739,368.31			28,353.37		
Total	**8,607,210.87**	**0.00**	**8,980,313.43**	**0.00**	**0.00**	**373,102.56**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1THUCONT	1,584,668.76		1,610,003.54			25,334.78	
JIB2THUTD35	3,553,316.76		3,610,125.16			56,808.40	
JIB3THUTD510	2,973,281.29		3,020,816.42			47,535.13	
JIB4THUTD10P	727,733.72		739,368.31			11,634.59	
Total	**8,839,000.53**	**0.00**	**8,980,313.43**	**0.00**	**0.00**	**141,312.90**	**0.00**

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1THUCONT	8,047,195.51	14,236.57	7,792,994.46			(268,437.62)		
JIB2THUTD35	17,222,835.34		16,577,167.16			(645,668.18)		
JIB3THUTD510	14,645,067.06		14,137,800.90			(507,266.16)		
JIB4THUTD10P	3,598,212.92		3,479,213.60			(118,999.32)		
Total	**43,513,310.83**	**14,236.57**	**41,987,176.12**	**0.00**	**0.00**	**(1,540,371.28)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1THUCONT	7,653,903.76	14,236.57	7,792,994.46			124,854.13	
JIB2THUTD35	16,311,255.25		16,577,167.16			265,911.91	
JIB3THUTD510	13,911,018.52		14,137,800.90			226,782.38	
JIB4THUTD10P	3,423,404.05		3,479,213.60			55,809.55	
Total	**41,299,581.58**	**14,236.57**	**41,987,176.12**	**0.00**	**0.00**	**673,357.97**	**0.00**

ONE INVESTMENT

Thunder Bay Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1THUCONT	10,344,106.75		12,540,368.34	2,761,507.30		(565,245.71)		
JIB2THUTD35	2,295,774.76		2,782,649.16	612,765.45		(125,891.05)		
JIB3THUTD510	12,653,022.29		15,336,392.86	3,377,218.12		(693,847.55)		
JIB4THUTD10P	8,871,329.83		10,738,725.94	2,364,768.63		(497,372.52)		
Total	**34,164,233.63**	**0.00**	**41,398,136.30**	**9,116,259.50**	**0.00**	**(1,882,356.83)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1THUCONT	12,492,903.51		12,540,368.34	2,761,507.30		(2,714,042.47)	
JIB2THUTD35	2,772,116.41		2,782,649.16	612,765.45		(602,232.70)	
JIB3THUTD510	15,278,344.61		15,336,392.86	3,377,218.12		(3,319,169.87)	
JIB4THUTD10P	10,698,080.11		10,738,725.94	2,364,768.63		(2,324,122.80)	
Total	**41,241,444.64**	**0.00**	**41,398,136.30**	**9,116,259.50**	**0.00**	**(8,959,567.84)**	**0.00**

APPENDIX

ONE INVESTMENT

ONE JIB - Outcome Framework - Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation			
							Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE INVESTMENT

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	Allocation Fixed Income	Allocation Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for “Canadian dollars”. Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment’s Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, ‘in-kind’ securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and ‘tier discounts’ that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies.   This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist “on paper” until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.

QUARTERLY INVESTMENT REPORT

For The Period Ended March 4, 2025

Whitby Prudent Investor Portfolio
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ONE INVESTMENT

Whitby Prudent Investor Portfolio
Executive Summary for the Quarter Ended March 4, 2025

Time-Weighted Rate of Return in CAD for Consolidated Holdings

	Quarter	Year to date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Consolidated Portfolio Returns	1.0%	1.0%	-	-	-	-	5.2%	07/02/2020

Overall Asset Allocation

Consolidated Portfolio Activity for Quarter

Portfolio	Starting Balance	Contribution	Withdrawals	Change in Market Value	Income	Ending Balance
CAN Bond Fund	38,632,398.35	-	39,006,297.54	(876,835.68)	1,250,734.87	-
CAN Equity Fund	27,010,336.66	-	27,269,599.22	(6,184,684.86)	6,443,947.42	-
Corp Bond Fund	13,298,360.63	-	13,510,967.26	212,606.63	-	-
GLB Bond Fund	61,586,690.29	48,980.87	62,639,945.42	1,004,274.26	-	-
GLB Equity Fund	56,646,231.37	-	56,861,452.39	(12,306,206.15)	12,521,427.17	-
Total	**197,174,017.30**	**48,980.87**	**199,288,261.83**	**(18,150,845.80)**	**20,216,109.46**	**0.00**

All returns presented in this report are net of applicable fees. Only Returns covering periods greater than 1 year have been annualized in this reporting package.

ONE INVESTMENT

Whitby Prudent Investor Portfolio
Performance History At
March 4, 2025

Performance by Fund

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
ONE Canadian Equity Fund	0.2	0.2	12.3	16.6	10.2	9.7	-	14.1	07/02/2020
ONE Global Equity Fund	0.3	0.3	4.3	11.0	8.4	8.8	-	9.4	07/02/2020
ONE Canadian Corporate Bond Fund	1.5	1.5	6.8	5.1	3.0	1.1	-	0.5	07/02/2020
ONE Canadian Government Bond Fund	0.9	0.9	5.0	3.5	2.5	1.0	-	0.8	07/02/2020
ONE Global Bond Fund	1.6	1.6	5.2	4.7	2.4	1.1	-	1.6	07/02/2020

Performance by Outcome

% Annualized Returns

	Quarter	Year to Date	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
JIB1WHICONT	0.9	0.9	6.4	9.6	6.5	6.0	-	7.1	07/02/2020
JIB2WHITD35	1.3	1.3	5.5	5.6	3.6	2.5	-	2.7	07/02/2020
JIB3WHITD510	1.0	1.0	6.2	8.7	5.8	5.2	-	6.2	07/02/2020
JIB4WHIAMR	0.6	0.6	6.8	12.0	8.4	8.4	-	10.0	07/02/2020
JIB5WHITD10P	0.7	0.7	6.6	10.8	7.4	7.2	-	8.5	07/02/2020
JIBWHICASH	0.9	0.9	5.0	5.8	-	-	-	5.0	06/13/2022

ONE INVESTMENT

Whitby Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Whitby - Contingency Outcome
Account Number: 570050112

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	25.26	24,048.04
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	569.30	652,874.08
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	1,199.85	1,268,049.42
Sell	CAN Bond Fund	03/04/2025	03/04/2025	788.03	749,978.68
Sell	Corp Bond Fund	03/04/2025	03/04/2025	812.07	769,977.00
Sell	GLB Bond Fund	03/04/2025	03/04/2025	4,023.47	3,549,370.53
Sell	CAN Equity Fund	03/04/2025	03/04/2025	2,409.18	2,762,842.99
Sell	GLB Equity Fund	03/04/2025	03/04/2025	5,448.68	5,758,379.67

ONE INVESTMENT

Whitby Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Whitby - Target Date 3 to 5 Year Outcome
Account Number: 570050120

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	741.59	705,782.81
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	547.37	627,722.93
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	1,155.18	1,220,843.21
Sell	CAN Bond Fund	03/04/2025	03/04/2025	23,128.03	22,011,038.39
Sell	Corp Bond Fund	03/04/2025	03/04/2025	8,225.97	7,799,585.32
Sell	GLB Bond Fund	03/04/2025	03/04/2025	40,928.15	36,105,436.42
Sell	CAN Equity Fund	03/04/2025	03/04/2025	2,316.37	2,656,407.56
Sell	GLB Equity Fund	03/04/2025	03/04/2025	5,245.84	5,544,010.41

ONE INVESTMENT

Whitby Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Whitby - Target Date 5 to 10 Year Outcome
Account Number: 570050138

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	116.22	110,606.54
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	1,743.10	1,998,993.79
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	3,676.62	3,885,604.52
Sell	CAN Bond Fund	03/04/2025	03/04/2025	3,624.50	3,449,453.87
Sell	Corp Bond Fund	03/04/2025	03/04/2025	3,750.05	3,555,674.85
Sell	GLB Bond Fund	03/04/2025	03/04/2025	18,524.34	16,341,550.24
Sell	CAN Equity Fund	03/04/2025	03/04/2025	7,376.51	8,459,373.14
Sell	GLB Equity Fund	03/04/2025	03/04/2025	16,696.05	17,645,042.24

ONE INVESTMENT

Whitby Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Whitby - Asset Management Reserve Outcome
Account Number: 570050146

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	7.97	7,591.38
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	1,075.64	1,233,550.08
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	2,268.42	2,397,355.73
Sell	CAN Bond Fund	03/04/2025	03/04/2025	248.76	236,750.57
Sell	Corp Bond Fund	03/04/2025	03/04/2025	256.79	243,482.34
Sell	GLB Bond Fund	03/04/2025	03/04/2025	1,271.12	1,121,345.40
Sell	CAN Equity Fund	03/04/2025	03/04/2025	4,551.94	5,220,157.31
Sell	GLB Equity Fund	03/04/2025	03/04/2025	10,301.19	10,886,708.80

ONE INVESTMENT

Whitby Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Whitby - Target Date 10 Year Plus Outcome
Account Number: 570050153

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Buy	GLB Bond Fund	02/06/2025	02/06/2025	55.82	48,980.87
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	39.00	37,120.94
Reinvested Distributions	CAN Equity Fund	03/04/2025	03/04/2025	1,683.65	1,930,806.54
Reinvested Distributions	GLB Equity Fund	03/04/2025	03/04/2025	3,547.91	3,749,574.29
Sell	CAN Bond Fund	03/04/2025	03/04/2025	1,216.42	1,157,679.98
Sell	Corp Bond Fund	03/04/2025	03/04/2025	1,204.69	1,142,247.75
Sell	GLB Bond Fund	03/04/2025	03/04/2025	6,259.86	5,522,242.83
Sell	CAN Equity Fund	03/04/2025	03/04/2025	7,124.90	8,170,818.22
Sell	GLB Equity Fund	03/04/2025	03/04/2025	16,111.54	17,027,311.27

ONE INVESTMENT

Whitby Prudent Investor Portfolio
Transaction Summary for the Quarter Ended March 4, 2025

TRANSACTION SUMMARY

Account Name: Whitby - Cash Outcome
Account Number: 570050765

TRANSACTION TYPE	SECURITY	TRADE DATE	SETTLEMENT DATE	QUANTITY	TRADE AMOUNT (CAD)
Reinvested Distributions	CAN Bond Fund	03/04/2025	03/04/2025	384.13	365,585.16
Sell	CAN Bond Fund	03/04/2025	03/04/2025	11,979.98	11,401,396.05

Whitby Prudent Investor Portfolio
COMPLIANCE CERTIFICATE
March 4, 2025

In accordance with the terms of section 8.02 of the ONEJIB Agreement dated as of July 2, 2020 (the "ONE JIB Agreement") ONE Investment confirms as follows:

With respect to the quarter ended March 4, 2025 to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipality under the management and control of ONE JIB pursuant to the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the IPS and the Investment Plan of the Participating Municipality.

Keith Taylor

Keith Taylor, Chief Investment Officer, ONE Investment
On the behalf of the ONE Joint Investment Board

YEAR-END TRANSACTION REPORT

For The Period Ended March 4, 2025

Whitby Prudent Investor Portfolio
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Marie Wong Takishita, Client Service Representative
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Whitby Prudent Investor Portfolio
For the Period March 4, 2025
(Consolidated Holdings)

Book Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
CAN Bond Fund	37,678,755.48		39,006,297.54	1,250,734.87		76,807.19		
CAN Equity Fund	20,982,051.06		27,269,599.22	6,443,947.42		(156,399.26)		
Corp Bond Fund	13,774,660.43		13,510,967.26			(263,693.17)		
GLB Bond Fund	68,033,781.65	48,980.87	62,639,945.42			(5,442,817.10)		
GLB Equity Fund	44,533,076.24		56,861,452.39	12,521,427.17		(193,051.02)		
Total	**185,002,324.86**	**48,980.87**	**199,288,261.83**	**20,216,109.46**	**0.00**	**(5,979,153.36)**	**0.00**	**0.00**

Market Value Summary by Security

Security	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
CAN Bond Fund	38,632,398.35		39,006,297.54	1,250,734.87		(876,835.68)	
CAN Equity Fund	27,010,336.66		27,269,599.22	6,443,947.42		(6,184,684.86)	
Corp Bond Fund	13,298,360.63		13,510,967.26			212,606.63	
GLB Bond Fund	61,586,690.29	48,980.87	62,639,945.42			1,004,274.26	
GLB Equity Fund	56,646,231.37		56,861,452.39	12,521,427.17		(12,306,206.15)	
Total	**197,174,017.30**	**48,980.87**	**199,288,261.83**	**20,216,109.46**	**0.00**	**(18,150,845.80)**	**0.00**

ONE INVESTMENT

Whitby Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Book Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIBWHICASH	10,869,588.16		11,401,396.05	365,585.16		166,222.73		
JIB1WHICONT	11,555,840.19		13,590,548.87	1,944,971.54		89,737.14		
JIB2WHITD35	74,240,103.78		74,116,478.10	2,554,348.95		(2,677,974.63)		
JIB3WHITD510	44,668,784.56		49,451,094.34	5,995,204.85		(1,212,895.07)		
JIB4WHIAMR	14,676,875.15		17,708,444.42	3,638,497.19		(606,927.92)		
JIB5WHITD10P	28,991,133.02	48,980.87	33,020,300.05	5,717,501.77		(1,737,315.61)		
Total	**185,002,324.86**	**48,980.87**	**199,288,261.83**	**20,216,109.46**	**0.00**	**(5,979,153.36)**	**0.00**	**0.00**

ONE INVESTMENT

Whitby Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account

Market Value Summary by Account

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIBWHICASH	11,292,106.54		11,401,396.05	365,585.16		(256,295.65)	
JIB1WHICONT	13,466,246.08		13,590,548.87	1,944,971.54		(1,820,668.75)	
JIB2WHITD35	73,157,354.78		74,116,478.10	2,554,348.95		(1,595,225.63)	
JIB3WHITD510	48,952,732.70		49,451,094.34	5,995,204.85		(5,496,843.21)	
JIB4WHIAMR	17,593,518.96		17,708,444.42	3,638,497.19		(3,523,571.73)	
JIB5WHITD10P	32,712,058.24	48,980.87	33,020,300.05	5,717,501.77		(5,458,240.83)	
Total	**197,174,017.30**	**48,980.87**	**199,288,261.83**	**20,216,109.46**	**0.00**	**(18,150,845.80)**	**0.00**

ONE INVESTMENT

Whitby Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Bond Fund

Book Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1WHICONT	727,148.46		749,978.68	24,048.04		(1,217.82)		
JIB2WHITD35	21,249,172.02		22,011,038.39	705,782.81		56,083.56		
JIB3WHITD510	3,450,521.61		3,449,453.87	110,606.54		(111,674.28)		
JIB4WHIAMR	229,446.33		236,750.57	7,591.38		(287.14)		
JIB5WHITD10P	1,152,878.90		1,157,679.98	37,120.94		(32,319.86)		
JIBWHICASH	10,869,588.16		11,401,396.05	365,585.16		166,222.73		
Total	**37,678,755.48**	**0.00**	**39,006,297.54**	**1,250,734.87**	**0.00**	**76,807.19**	**0.00**	**0.00**

Market Value Summary by Account for CAN Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1WHICONT	742,790.08		749,978.68	24,048.04		(16,859.44)	
JIB2WHITD35	21,800,049.88		22,011,038.39	705,782.81		(494,794.30)	
JIB3WHITD510	3,416,388.36		3,449,453.87	110,606.54		(77,541.03)	
JIB4WHIAMR	234,480.82		236,750.57	7,591.38		(5,321.63)	
JIB5WHITD10P	1,146,582.67		1,157,679.98	37,120.94		(26,023.63)	
JIBWHICASH	11,292,106.54		11,401,396.05	365,585.16		(256,295.65)	
Total	**38,632,398.35**	**0.00**	**39,006,297.54**	**1,250,734.87**	**0.00**	**(876,835.68)**	**0.00**

ONE INVESTMENT

Whitby Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for CAN Equity Fund

Book Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1WHICONT	2,075,810.78		2,762,842.99	652,874.08		34,158.13		
JIB2WHITD35	1,956,877.11		2,656,407.56	627,722.93		71,807.52		
JIB3WHITD510	6,047,488.45		8,459,373.14	1,998,993.79		412,890.90		
JIB4WHIAMR	4,300,136.52		5,220,157.31	1,233,550.08		(313,529.29)		
JIB5WHITD10P	6,601,738.20		8,170,818.22	1,930,806.54		(361,726.52)		
Total	**20,982,051.06**	**0.00**	**27,269,599.22**	**6,443,947.42**	**0.00**	**(156,399.26)**	**0.00**	**0.00**

Market Value Summary by Account for CAN Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1WHICONT	2,736,575.49		2,762,842.99	652,874.08		(626,606.58)	
JIB2WHITD35	2,631,152.40		2,656,407.56	627,722.93		(602,467.77)	
JIB3WHITD510	8,378,947.21		8,459,373.14	1,998,993.79		(1,918,567.86)	
JIB4WHIAMR	5,170,526.81		5,220,157.31	1,233,550.08		(1,183,919.58)	
JIB5WHITD10P	8,093,134.75		8,170,818.22	1,930,806.54		(1,853,123.07)	
Total	**27,010,336.66**	**0.00**	**27,269,599.22**	**6,443,947.42**	**0.00**	**(6,184,684.86)**	**0.00**

ONE INVESTMENT

Whitby Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for Corp Bond Fund

Book Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1WHICONT	749,804.50		769,977.00			20,172.50		
JIB2WHITD35	7,904,724.67		7,799,585.32			(105,139.35)		
JIB3WHITD510	3,705,656.36		3,555,674.85			(149,981.51)		
JIB4WHIAMR	236,286.67		243,482.34			7,195.67		
JIB5WHITD10P	1,178,188.23		1,142,247.75			(35,940.48)		
Total	**13,774,660.43**	**0.00**	**13,510,967.26**	**0.00**	**0.00**	**(263,693.17)**	**0.00**	**0.00**

Market Value Summary by Account for Corp Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1WHICONT	757,860.75		769,977.00			12,116.25	
JIB2WHITD35	7,676,852.17		7,799,585.32			122,733.15	
JIB3WHITD510	3,499,723.26		3,555,674.85			55,951.59	
JIB4WHIAMR	239,650.94		243,482.34			3,831.40	
JIB5WHITD10P	1,124,273.51		1,142,247.75			17,974.24	
Total	**13,298,360.63**	**0.00**	**13,510,967.26**	**0.00**	**0.00**	**212,606.63**	**0.00**

INVESTMENT

Whitby Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Bond Fund

Book Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1WHICONT	3,681,673.68		3,549,370.53			(132,303.15)		
JIB2WHITD35	38,861,224.19		36,105,436.42			(2,755,787.77)		
JIB3WHITD510	18,225,489.57		16,341,550.24			(1,883,939.33)		
JIB4WHIAMR	1,174,957.34		1,121,345.40			(53,611.94)		
JIB5WHITD10P	6,090,436.87	48,980.87	5,522,242.83			(617,174.91)		
Total	**68,033,781.65**	**48,980.87**	**62,639,945.42**	**0.00**	**0.00**	**(5,442,817.10)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Bond Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1WHICONT	3,492,435.59		3,549,370.53			56,934.94	
JIB2WHITD35	35,526,274.42		36,105,436.42			579,162.00	
JIB3WHITD510	16,079,417.84		16,341,550.24			262,132.40	
JIB4WHIAMR	1,103,358.07		1,121,345.40			17,987.33	
JIB5WHITD10P	5,385,204.37	48,980.87	5,522,242.83			88,057.59	
Total	**61,586,690.29**	**48,980.87**	**62,639,945.42**	**0.00**	**0.00**	**1,004,274.26**	**0.00**

Whitby Prudent Investor Portfolio
For the Period March 4, 2025
Summary By Account for GLB Equity Fund

Book Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Realized Gains/(Loss)	Cost Basis Adjustment	Closing Balance
JIB1WHICONT	4,321,402.77		5,758,379.67	1,268,049.42		168,927.48		
JIB2WHITD35	4,268,105.79		5,544,010.41	1,220,843.21		55,061.41		
JIB3WHITD510	13,239,628.57		17,645,042.24	3,885,604.52		519,809.15		
JIB4WHIAMR	8,736,048.29		10,886,708.80	2,397,355.73		(246,695.22)		
JIB5WHITD10P	13,967,890.82		17,027,311.27	3,749,574.29		(690,153.84)		
Total	**44,533,076.24**	**0.00**	**56,861,452.39**	**12,521,427.17**	**0.00**	**(193,051.02)**	**0.00**	**0.00**

Market Value Summary by Account for GLB Equity Fund

Account	Opening Balance	Contribution	Withdrawals	Reinvested Income	Reinvested Capital Gains	Change in Market Value	Closing Balance
JIB1WHICONT	5,736,584.17		5,758,379.67	1,268,049.42		(1,246,253.92)	
JIB2WHITD35	5,523,025.91		5,544,010.41	1,220,843.21		(1,199,858.71)	
JIB3WHITD510	17,578,256.03		17,645,042.24	3,885,604.52		(3,818,818.31)	
JIB4WHIAMR	10,845,502.32		10,886,708.80	2,397,355.73		(2,356,149.25)	
JIB5WHITD10P	16,962,862.94		17,027,311.27	3,749,574.29		(3,685,125.96)	
Total	**56,646,231.37**	**0.00**	**56,861,452.39**	**12,521,427.17**	**0.00**	**(12,306,206.15)**	**0.00**

APPENDIX

ONE JIB - Outcome Framework - Target Allocations

Outcome	HISA	Canadian Equity Fund	Global Equity Fund	Canadian Government Bond Fund	Canadian Corporate Bond Fund	Global Bond Fund	Allocation Equity	Fixed Income	Cash	Total
Cash	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			100.0%	100%
Stable Return	10.0%	9.0%	21.0%	9.0%	9.0%	42.0%	30.0%	60.0%	10.0%	100%
Contingency	0.0%	18.0%	42.0%	6.0%	6.0%	28.0%	60.0%	40.0%		100%
Asset Management	0.0%	27.0%	63.0%	1.5%	1.5%	7.0%	90.0%	10.0%		100%
Target Date 3-5	20.0%	3.0%	7.0%	10.5%	10.5%	49.0%	10.0%	70.0%	20.0%	100%
Target Date 5-10	0.0%	15.0%	35.0%	7.5%	7.5%	35.0%	50.0%	50.0%		100%
Target Date 10+	0.0%	22.5%	52.5%	3.75%	3.75%	17.5%	75.0%	25.0%		100%

ONE INVESTMENT

ONE JIB - Outcome Framework - Defined

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon	Allocation Equity	 Fixed Income	 Cash
Cash	Cash	Preservation of Capital	Low risk; high liquidity	< 3 years			100%
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)	30%	60%	10%
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)	60%	40%	
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)	90%	10%	
Target Date	Target Date 3-5 yrs.	Preservation of capital	Low risk; high liquidity	3 - 5 years	10%	70%	20%
	Target Date 5-10 yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years	50%	50%	
	Target Date 10+ yrs.	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years	75%	25%	

ONE INVESTMENT

Glossary and Definitions for Quarterly Reports

Account

ONE Investment clients have one or more custodial accounts. All Prudent Investor Funds will be administered with ONE Investment's custodian, CIBC Mellon. Unlike Legal List accounts, MNRI invested in the ONE Investment Prudent Investor Funds will be under the control of the ONE Joint Investment Board. In most cases, the Prudent Investor clients will have multiple accounts with the custodian, with the account structure based on the investment outcomes assigned to each client. This will allow reporting to the municipal client based on the investment outcome framework.

Annual and Annualized Returns: please see Returns below.

Asset Allocation

Asset allocation is the single biggest driver of fund returns and should be set taking into account municipal risk tolerance. Also known as asset mix, it is the combination of asset classes in a fund and is normally shown as the percentage weights in each. Example asset classes are money market, Canadian bonds, global bonds, Canadian stocks and global stocks. Each of the ONE JIB Outcomes has an associated asset allocation that is designed to be appropriate for the intended investment Outcome.

Asset Mix: See Asset allocation.

Benchmark

The Benchmark is the standard against which investors compare their portfolio returns to understand its performance. Benchmark can be set either at the asset class level or for the overall portfolio. At the asset class level, benchmarks are usually chosen to represent the entire market; active managers seek to outperform their benchmarks by at least the amount of fees they charge.

For example, a typical benchmark for Canadian stocks is the S&P/TSX Composite Index which is calculated by Standard and Poor's (S&P) and for Canadian money market, the typical benchmark is the FTSE 182-Day Treasury Bill Index from the Financial Times Stock Exchange Group (FTSE). For a portfolio that aims to have risk halfway between these two asset classes, the total portfolio benchmark might be 50% S&P/TSX Composite Index and 50% FTSE 182-Day Treasury Bill Index.

Benchmark returns are always time weighted. (See Returns below for more detail on time weighted returns)

ONE INVESTMENT

Blended Benchmark

A blended benchmark is a benchmark that is constructed from two or more underlying benchmarks. The weights of each underlying benchmark used in a blended benchmark remain constant over time.

Canadian Corporate Bond Fund

The ONE Investment Canadian Corporate Bond Fund holds short and mid-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range is 3.67 to 6.67. MFS aims to outperform the benchmark, which is:

- 48% FTSE Canada Universe All Government Bond Index +
- 40% FTSE Canada Short-Term Corporate A Index +
- 10% FTSE Canada Universe Corporate AAA/AA Index +
- 2% FTSE Canada 91-Day Treasury Bill Index.

Canadian Equity Fund

The ONE Canadian Equity Fund holds Canadian stocks managed by Guardian Capital. Guardian aims for below-market risk, achieved with a ONE-imposed constraint on the weight of Material and Energy sectors because of the expected above-market volatility of these sectors.

Canadian Government Bond Fund

This ONE Government Canadian Bond Fund holds short-term Canadian bonds managed by MFS. Based on the benchmark duration at December 31, 2023, the permitted duration range for the Fund is 1.12 to 2.12. MFS aims to outperform the benchmark, which is:

- 60% FTSE Canada Short-Term Government Bond Index +
- 40% FTSE Canada 91-Day Treasury Bill Index.

Book Value

Book value is the Unit Cost of each holding multiplied by the number of units. It represents the amount originally paid to invest in the holding and takes into account all contributions and withdrawals.

CAD

This is a short form for "Canadian dollars". Although the outcomes have exposure to foreign securities, all returns in the report reflect Canadian dollar-based returns. Foreign holdings will be impacted by movements in foreign currencies which may impact investment returns. This impact can be reduced by currency hedging strategies. The global equity exposure does not hedge currency exposure, but the global bond exposure may use hedging. The degree to which global bond exposure is hedged back to the Canadian dollar may vary and will reflect the currency hedging strategy of the external manager.

Consolidated Holdings

Consolidated holdings are the aggregate value of all investments with ONE Investment. Consolidated holdings detailed in this report only reflect MNRI balances invested in ONE Investment's Prudent Investor Funds and HISA balances under the control of the ONE JIB. In certain cases, clients may hold ONE Investment Legal List portfolios or HISA which will not be reflected in consolidated holdings in this report. Additionally, 'in-kind' securities pledged to the ONE JIB will not be reflected in this report.

Discounts

Certain fee discounts apply for investors in the ONE Investment Prudent Investor offering. These discounts include a 4bps discount that applies to AUM of Founding Members, and 'tier discounts' that apply for any investors with balances in excess of certain thresholds. These discounts would not apply to HISA balances but would apply to balances in Legal List portfolios (if applicable). Discounts will be rebated to the municipalities on a quarterly basis. These discounts are not taken into consideration in the performance details in this investment report.

Distribution: a cash payment of interest or dividends made by ONE Investment from a fund.

Duration

This statistic applies to bonds and is similar in concept to term to maturity. The difference is that duration also takes into account the size and timing of interest payments. A bond with higher coupon payments will have a shorter duration than one with the same term to maturity and lower coupon payments: the reason is that the higher-coupon bond receives more of its return earlier. The higher the duration of a bond, the higher its sensitivity to interest rate movements.

Fees

Fees include all expenses involved in managing the fund: external investment manager fees, custody costs, ONE Investment's costs and administrative costs.

Global Bond Fund

The ONE Global Bond Fund is an unconstrained global bond mandate managed by Manulife Asset Management. The unconstrained nature of the mandate means that the fund will contain a mix of global government, corporate and securitized debt, including emerging markets and high-yield securities. The mandate is not constrained by sector or currency. Manulife aims to outperform the benchmark, which is Bloomberg Barclays Multiverse Index Unhedged.

Global Equity Fund

The ONE Global Equity Fund holds Global stocks managed by Mawer Investment Management. Mawer aims to outperform the benchmark, which is MSCI All Country World Index (ACWI). This mandate invests in both emerging and developed markets. Manager will allocate capital to the best global opportunities, which may include both large and small capitalization companies.   This mandate is intended to be a broadly diversified portfolio of wealth-creating companies bought at discounts to their intrinsic values that typically employ a long-term holding period.

High Interest Savings Account (HISA)

This bank account is provided by CIBC. Its very short-term nature precludes it from being considered an investment. Interest income from HISA will be reflected only in the executive summary page as will a list of HISA transitions. As the HISA product is a demand deposit, its value of his does not fluctuate daily. In this way it differs from the ONE Investment fund whose price change in response to changes in the value of underlying investments. Returns for individual accounts holding HISA will not be presented in the report beyond what is disclosed in the executive summary. HISA balances held in the Prudent Investor Offering reflect MNRI and will be under the control of the ONE JIB.

Holdings: the ONE Investment funds or HISA Balances held in client accounts.

Inception Date

The inception is the first date that an investment was made. For each account, this will be the first time funds were transferred in; for funds offered by ONE Investment, it is the date the funds started. For ONE JIB Founders, the Inception date is July 2, 2020.

Income

Income is a cash flow generated by an investment and normally includes interest on bonds and dividends on stocks. It is differentiated from capital gains, which also contribute to returns, but which are not considered income.

Investment Manager

Investment managers are external firms hired by ONE Investment to create funds to our specifications. These are MFS Investment Management Canada for Canadian fixed income, Manulife Asset Management for global fixed income, Guardian Capital Group Ltd for Canadian equity, and Mawer Investment Management Ltd for global equity.

Market Value

The value of an investment at current market prices, calculated by multiplying the Price (defined below) by the number of units held.

ONE Joint Investment Board (ONE JIB)

The joint board established by founding municipalities as a municipal services board under section 202 of the Act as required under Part II of the Regulation, and is the duly appointed Joint Investment Board for the municipality, as constituted from time to time and acting pursuant to the Terms of Reference set out in the ONE JIB Agreement.

Outcome

Outcome means, in the context of the Investment Plan, the same thing as 'solution'. Investment Outcomes are a set of investment allocations with varying risk/return characteristics. The Outcomes assigned to each municipal investor are intended to reflect the needs and circumstances of the municipality. ONE JIB has five pre-defined basic outcomes:

Cash:

The Cash Outcome is designed for investments with a time horizon of less than 3 years. Preservation of capital and liquidity are the highest priorities. Investments allocated to this outcome are expected to be transferred back to the care and control of the municipal treasurer when the funds are reclassified as MRI.

Contingency:

The Contingency outcome is designed for investing contingency reserves. The funds in this outcome may be drawn upon to meet unexpected needs and infrequent events. The investment horizon for this outcome is typically greater than 5 years, with an emphasis placed on long-term growth and preservation of purchasing power is a key consideration.

Asset Management Reserves:

The Asset Management Reserve Outcome is specifically designed for very long investment horizons with a well-defined purpose. Allocations to this Outcome are intended to generate returns to help fund asset management objectives. The long-term nature of asset management reserves allows this Outcome to emphasize long-term growth.

Stable Return:

The Stable Return Outcome is designed to provide an annual income while preserving the value of the principal investment. The principal amount is often invested in perpetuity with no intent to withdraw for the foreseeable future. This outcome is frequently used by municipalities looking to replace the income stream of a utility that has been sold, with some or all proceeds of the sale acting as the principal.

Target Date:

The Target Date Outcomes are designed for contributions toward planned capital projects. There are three target date designs for different time horizons: 3 to 5 years; 5 to 10 years; and greater than 10 years. For capital projects in the 3-to-5-year range, preservation of capital is prioritized. For projects in the 5-to-10-year range, emphasis is placed on inflation mitigation and meeting target funding requirements. For projects in the greater-than-10-year range, emphasis is placed on longer-term inflation adjusted growth.

Price

The price of ONE funds is the unit price at a point in time, also known as the net asset value, which is calculated daily by CIBC Mellon. This price takes into account the last traded prices of all securities held by the manager, the bid/ask spread where no recent trade is available and a daily accrual for all fees including investment management and administration.

Prudent Investor Standard

The standard requiring ONE JIB, when investing money under section 418.1 of the Act, to exercise the care, skill, diligence and judgement that a prudent investor would exercise in making such an investment but does not restrict the securities in which a municipality can invest. The Prudent Investor standard applies to the entire portfolio of Long-Term Funds under control of ONE JIB rather than to individual securities.

Quality

This statistic refers to the creditworthiness of bonds based on ratings provided by bond rating agencies such as S&P, DBRS, Fitch and Moody's. The highest quality bonds are rated AAA and range down from there to AA, A and BBB, all of which are investment grade ratings. Ratings below BBB are considered high yield. The lower a credit rating, the higher a bond's yield to maturity and commensurate risk of default on interest payments or principal. The credit rating on an entire fund is calculated as a weighted average.

Realized and Unrealized Gains

Capital gains reflect the movement in the Price of investments as they rise over time relative to their average Unit Cost. Negative gains are losses, meaning that the Price of the units in the account is lower than the average Price paid for them (Unit Cost). Because gains / losses are calculated based on net asset values, they are diminished by the amount of fees. (Please see Fees, Price and Unit Cost.)

- **Unrealized gains** exist “on paper” until the investment is sold in return for cash, at which point they become realized.
- **Realized gains** are generated by withdrawals from accounts during the time period in question based on the unit Price compared to the Unit Cost.

Returns

Returns measure the percentage increment in value generated by investments over a period of time. Unless otherwise noted, time-weighted total returns are reported here, which include all forms of income and capital gains. There are different aspects to return calculations explained below.

- Calendar Year Return: reflects the total return generated by investments in the specified year any between January 1 to December 31.
- Annualized Returns: the total return generated by investments in each year for holding periods greater than one year. Annualized returns are the geometric average over a multi-year period, meaning they represent the compound return. For periods of one year or less, the actual return is shown without the effect of compounding.
- Returns in this report are calculated net of fees based on the Prices of the ONE Investment funds. These are calculated daily by CIBC Mellon and take into account all fees and costs associated with managing the fund.
- Return details in this report do not account for fee discounts that may apply for some Prudent Investor clients.
- Time-weighted returns: returns in this report are time-weighted in order for them to be compared to the benchmarks. Time-weighted returns are calculated in a way that excludes the effect of the timing of contributions and withdrawals (cash flows) from the fund. (To capture the effect of cash flows and measure their impact on returns, investors would instead need use dollar-weighted return calculations.)

Unit Cost

Unit Cost is the weighted average Price paid for all the Fund units held in the account and reflects the impact of units bought and sold over time.

Unrealized Gains: Please see Realized and Unrealized Gains

Value Added: The return generated by an investment manager above (or below, if negative) the benchmark.

Year to Date: The time period beginning January 1 and ending at the most recent quarter end.