

RBC Global Asset Management
PH&N Institutional

Investment grade corporate credit research

ESG analysis and integration



Contents

ESG within the fixed income context	3
▪ What is ESG analysis?	4
Philosophy and approach in corporate credit analysis	6
▪ Disciplined investment process	7
▪ Engagement	10
Conclusion	11
Appendix I: Resources	12
Appendix II: Green bonds	13

Environmental, Social, and Governance (ESG) factors represent important sources of risk and opportunity for investors. The implications of ESG factors should therefore be evaluated in the same manner as other credit factors within the applicable context of fixed income investing and the idiosyncrasies of each issuer. This overview outlines the significance of analyzing companies' ESG practices, and details how we integrate ESG into Investment Grade Corporate Credit research, investment decision-making, and monitoring.

In response to a growing body of evidence that correlates positive Environmental, Social, and Governance (ESG) performance with enhanced credit quality, the systematic integration of ESG factors into investment analysis has been broadly adopted across the financial services industry over the last decade. Concurrently, we have witnessed a rapid proliferation in both depth and scope of investment strategies that incorporate ESG considerations.

Institutional asset managers are major participants and leaders in this field. Accordingly, we are receiving an increasing number of inquiries from clients and consultants regarding our view and methodology on ESG analysis, particularly from the standpoint of fixed income investing.

Consistent with this mandate, the PH&N Investment Grade Corporate Credit Team incorporates ESG factors directly into its rigorous and disciplined approach to comprehensive corporate credit research. Rather than applying a top-down ESG investment screen, the team assesses the risks and opportunities associated with issuers' ESG practices throughout the due diligence process. The team's main goal is to understand the impact of such practices on the company's overall sustainability and credit quality. The team employs a wide range of resources to expand their insight of pertinent ESG information, including management and rating agency engagement, as well as third-party research.

In this paper the PH&N Investment Grade Corporate Credit Team shares their perspectives regarding the relevance of ESG for fixed income investors, as well as their philosophy to ESG integration and a step-by-step explanation of how they put that approach into practice.

The team's fiduciary responsibility as active managers is to maximize investment returns for their clients without undue risk of loss. The team believes that by serving as an active, engaged, and responsible asset manager, they are better able to enhance the long-term, sustainable performance of their clients' portfolios.

ESG within the fixed income context

As fixed income investors, the PH&N Investment Grade Corporate Credit Team's approach to ESG is inherently different from that of equity investors. ESG risks can impact the valuation of both equity and debt; however, the options of a bondholder for expressing ESG concerns may be more limited. For instance, the team cannot vote proxies. Instead, they rely heavily on management discussions and engagement in order to clarify uncertainties and provide feedback.

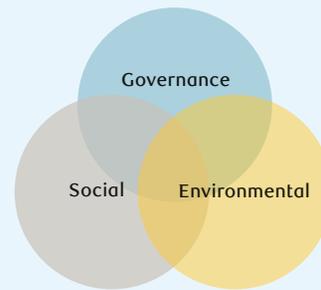
While the impact of ESG practices on an issuer's credit standing can vary, governance factors often carry strong implications for bondholders. Governance tends to reflect the executive team's capacity to balance the interests of shareholders and debtholders without putting either at a disadvantage. Specifically, management that exhibits poor communication and transparency challenges the ability of investors to interpret the intent behind policies governing the balance sheet, cash flow management, and corporate structure, which in turn can reflect on an issuer's ability to maintain credit quality.

Conversely, companies with strong governance may stand to benefit from a range of potential competitive advantages, including capital cost efficiencies, productivity gains, and new business opportunities.

Ultimately, the angle through which the team approaches and evaluates ESG factors is centred on credit risk mitigation as opposed to share price appreciation.

For instance, equity investors' view of good governance can encompass actions that would enhance stock returns and shareholder rewards, such as dividend increases, share buybacks, and/or leveraged buyout transactions. From the perspective of a bondholder, the team would prefer not to see such actions funded with debt. Increasing leverage can make sense if the entity is attempting to improve its operations and competitiveness, while providing clear guidance on how the balance sheet will be managed. The team favours activities that serve a strategic purpose without compromising the long-term stability of the company's liquidity and operating performance. Therefore, good corporate governance is a fundamental characteristic the team requires of the issuers in which they invest.

What is ESG analysis?



ESG analysis is the study of Environmental, Social, and Governance (ESG) practices of an organization in the belief that they may impact the company's financial performance and operational success. The degree to which ESG factors are material to security analysis depends on the issuing entity, the industry in which it operates, and the nature of the portfolio for which the security is purchased. Insights gleaned from ESG analysis augment the depth of research and risk discovery process of conventional security and financial analysis. The goal is to mitigate downside risks and, in turn, enhance the potential of outperformance.

Key differences exist between ESG analysis, socially responsible investing (SRI), and thematic investing, although the terms are oftentimes used interchangeably.

SRI infers the application of positive or negative screens in portfolio construction according to explicit responsible investing guidelines. For instance, a negative screen may exclude all companies that produce tobacco products; and a positive one may include only environmentally friendly issuers.

Thematic investing focuses on gaining exposure to businesses or specific projects involved in the sustainable development of resources and operations. Examples include energy efficiency, green infrastructure, and low-carbon transportation.

Through their analysis, the team has identified two comparable issuers in the Canadian energy sector, as illustrated below, one of which exhibits strong corporate governance and stakeholder management, the other the opposite.

	Issuer 1	Issuer 2
Corporate Structure	<ul style="list-style-type: none"> ✓ Simple organizational structure ✓ Avoidance of reorganizations that would subordinate bondholders 	<ul style="list-style-type: none"> X Complex and layered corporate structure X Extensive use of structural subordination
Credit Ratings & Leverage	<ul style="list-style-type: none"> ✓ Public commitment to strong credit ratings ✓ Well-defined leverage targets 	<ul style="list-style-type: none"> X Unfavourable de-levering track record X No evidence of leverage target commitment
Stakeholder Engagement	<ul style="list-style-type: none"> ✓ Straightforward communication with no negative surprises from management ✓ Engagement with rating agencies pre-transactions to confirm implications 	<ul style="list-style-type: none"> X Conflicting communication with fixed income investors, followed by detrimental actions toward bondholders
Accounting Policies	<ul style="list-style-type: none"> ✓ History of taking steps to protect balance sheet and credit rating when engaging in M&A 	<ul style="list-style-type: none"> X History of accounting restatements and special charges
Management Focus	<ul style="list-style-type: none"> ✓ Willingness to sell assets and maintain conservative dividend payment to support financial flexibility 	<ul style="list-style-type: none"> X Willingness to drive shareholder value at the expense of bondholders

Finally, in some cases, sound governance can help mitigate environmental and social issues when they are under the influence of decisions from senior management and the board of directors. Environmental and social factors are important inputs to the team's research as they can impact the overall sustainability of a business to which both equity and debt owners are sensitive. Labour relations, for instance, can be a tremendous strength or be very costly in terms of reputation and dollars, potentially impacting value for all investors.

Philosophy and approach in corporate credit analysis

ESG should not be considered as a standalone factor independent from other risks and opportunities.

The PH&N Investment Grade Corporate Credit Team analyzes material ESG risks to ensure that their review of an issuer is comprehensive. The team does not force themselves to look for ESG factors in order to fulfill an arbitrary requirement, but instead, believe it is prudent and vital to look at a corporate bond in its entirety. This research naturally includes ESG considerations to the extent that they reflect the quality and value proposition of an investment. The same approach applies to green bonds. For a detailed description of green bonds and the team's involvement, please refer to Appendix II.

The diagram below illustrates some of the ESG factors the team may consider in the course of their due diligence process.

To emphasize, the purpose of this exercise is not to capture all business practices that relate to ESG, only those that

would pose a material risk to credit quality. Any given issuer may exhibit a multitude of ESG risks and opportunities, but many of them will not have a substantive influence on operating or financial performance. The team prioritizes factors based on relevance, regardless of whether they have an ESG tilt, and their primary goal is comprehensiveness of research. Subsequently, the team does not allocate more or less weight to individual factors by default, nor do they assign ESG scores. Instead, the team focuses on what they believe are the most relevant and unmitigated risks associated with a credit. As described in the example below, the team decided to invest in Grand Renewable Solar's new bond issue due to a combination of the project's positive ESG attributes and other credit enhancements.



Grand Renewable Solar (Internal rating: BBB-)

Overview:

The Grand Renewable Solar (GRS) project is the second largest operating solar facility in Canada with 100 megawatts of capacity. It is located on 1,000 acres of long-term leased land in Haldimand County, Ontario¹. The project reached commercial operations in March 2015. GRS issued over \$600 million in senior secured bonds that mature in 2035. The issuer has proven solar technology with useful lives that extend beyond the maturity of the bonds.

The power generated by GRS is 100% contracted under a Power Purchase Agreement with Ontario's Independent Electricity System Operator (IESO)¹. IESO is a not-for-profit entity created by the Electricity Act, 1998 (Ontario) to oversee the Ontario electricity market. It is rated A(high) and Aa2 by DBRS and Moody's, respectively.

Decision:

The team likes the project's robust fundamentals, resilient debt service coverage metrics, and strong support from the Ontario government. The team also views the positive ESG feature of GRS as a renewable energy supplier as a credit enhancement. High creditworthiness of IESO as the payment counterparty is an important risk mitigant. This combination of factors led the team to invest in the GRS bond issue.

Consistent with the key objective of the team's overall approach to fixed income investing – to add value while controlling risk – the main purpose of analyzing ESG as well as other risk factors is for the team to fulfill their fiduciary responsibility to clients. This analysis includes the consideration and, to the extent possible, mitigation of downside risks that may erode capital and limit growth.

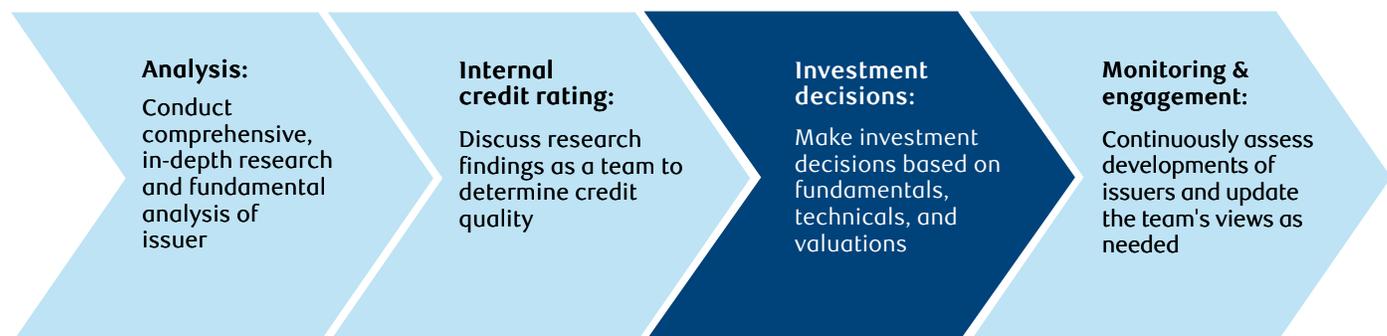
Furthermore, considering ESG factors within the appropriate context is important. As an example, it would be imprudent

to analyze an oil and gas issuer without examining in detail its history and efficacy in managing the environmental impact of its operations. Analysis of the same factors would not be as relevant to a financial services company, which in turn, contains its own set of ESG concerns that need to be addressed. In essence, because there are no blanket ESG criteria that can be applied to all industries and environments, the team's approach to ESG integration is sensitive to the operating framework and business nature germane to an issuer.

Disciplined investment process

The team's credit analysis process generally involves steps dedicated to research, team discussions that lead to an investment decision, as well as continuous monitoring and engagement.

Step-by-step comprehensive issuer review process



¹ GRS Offering Memorandum (2016)

Analysis

The team begins by examining the company's operating environment and gathering high-level information pertinent to its business model, such as industry characteristics, historical trends, competitive nature, and regulatory landscape. Relevant ESG themes are an important component of this research. The goal is to identify key risks and challenges that could result in material credit implications for the company and the sector in which it operates. The team's analysis of Alimentation Couche-Tard is a core example of how this process works and where ESG factors bear relevance.

Case study: Alimentation Couche-Tard

Alimentation Couche-Tard Inc. (ATD) is a large multinational operator of convenience stores and gas stations. ATD owns and licenses more than 14,000 stores under a variety of brands across North America, Europe and the Asia Pacific. The company employs more than 100,000 people worldwide².

ATD operates in a highly competitive segment of the consumer staples sector, where customer loyalty tends to be low and comparable substitutes are readily available. It has managed to achieve impressive market share through a series of successful acquisitions and a consistent ability to integrate new businesses. ATD's main competitor in North America is 7-Eleven.

At the industry level, ATD's operating environment is susceptible to a number of ESG-related tail risks due to shifting consumer trends and evolving regulations. This includes a weakening tobacco industry, the expanding market share of fuel-efficient vehicles, and more stringent environmental regulations on carbon emissions.

Following the team's research framework, an in-depth analysis of the issuer is conducted by investigating its fundamental profile. Broadly speaking, this can include undertaking all or any combination of the following actions:

- identify operating strengths and weaknesses of the organization and its units;
- analyze financial statements;
- measure quality of management;
- assess history of stakeholder management;
- assess organizational structure;
- evaluate characteristics and covenants of debt instruments;
- stress test key assumptions when appropriate;
- assess credit ratings risk

The above list is not exhaustive. For example, additional research may need to be undertaken for project finance or structured credit.

The team evaluates ESG issues throughout the course of this work and within the context of other risk factors. Typically,

the team's emphasis is on how ESG factors may impact the company's operating performance and future cash flows. To complement the team's internal analysis and deepen their insight, they often incorporate relevant findings from third-party ESG research, rankings, and publications, such as MSCI and Sustainalytics. Engagement with management is at the core of this process as well. A detailed outline of the full spectrum of resources the team leverages is provided in Appendix I.

The concluding step of the team's analysis is to compile all of their research in a credit report, which is customized to focus on the areas germane to each sector and issuer. ESG issues can affect different aspects of the business on multiple levels, and therefore, the team does not isolate those factors from their natural fit in the report. Certain third-party findings however, are separated into an independent ESG section as supplementary information. Ultimately, only factors expected to materially impact investment fundamentals or an issuer's debt servicing capabilities will influence the team's final internal credit rating and investment decision.

² ATD Annual Information Form (2018)

Case study: Alimentation Couche-Tard

A portion of the team's analysis of ATD focused on the traditional aspects of credit research, including mergers and acquisitions history, operating profitability, free cash flow generation, capital spending, liquidity, use of leverage, and debt covenant strength. In consequence, the team discovered that ATD exhibited a pattern of relying on debt capital markets to fund acquisitions with de-levering after the transaction closes. Through discussions, the team learned management was not willing to publicly commit to a target leverage range in which the company should be expected to operate over the long term. However, management was clear about their ongoing intentions to grow the business through acquisitions. The team identified a number of risks that may impact the business' long-term profitability and sustainability, some of which can be classified as ESG factors, as outlined below.

1. Secular decline of tobacco industry

A large proportion of gas station and c-store revenues is generated by tobacco sales, a sector the team believes faces secular decline in the long run. For ATD, 38% of its merchandise and service revenues come from tobacco sales, which exposes the company to the general consumer shift towards healthier living and away from smoking products. This is particularly true in North America and other developed markets. ATD also sells its own brand of cigarettes, which adds to earnings volatility risk and potential litigation concerns. Finally, an increasing number of investors such as foundations, endowments, and/or pension plans are prohibiting exposure to tobacco producers. As such, ATD's public securities may face selling pressure and an increased cost of capital. The combination of these poses both earnings and ESG risks for the company.

2. Electric vehicles

The adoption of electric vehicles, in the team's view, could be a meaningful disrupter to the automobile industry and any business servicing this sector. Gas stations are especially vulnerable if drivers switch from refuelling to recharging their cars. This creates significant risks for ATD's core business model given 72% of its total revenues come from road transportation fuel.³ ATD will need to adapt and potentially reinvent its business, which would be costly and difficult to execute. If the issuer decides to engage in large-scale expansions to, for example, install charging stations, they will need to secure significant capital investment. The team believes that management has not developed sufficient contingency plans to address the disruptive potential of drivers going electric.

3. Environmental regulations

Fuel efficiency standards have become increasingly stringent over the years as countries strive to meet their international commitment to reduce greenhouse gas emissions. As a result, demand for hybrid and electric cars is on the rise, which presents a fundamental challenge to ATD and the entire supply chain it depends on.

4. Shareholder-friendly behaviour

Management compensation at ATD is closely tied to share performance and designed to "establish a direct relation between interests of the executives and those of the shareholders of the corporation⁴." Specifically, 65% of executives' long-term incentive plan targets are derived from stock returns. The company's founders have also attempted to alter ATD's corporate structure to serve their own interests. They proposed the removal of a sunset clause that will limit the voting rights of the founding partners upon retirement⁵. When the investor community opposed the proposal, senior management hinted at a sale of the company. These types of events would present meaningful downside risk for a bondholder.

In consideration of the above, the team recommended an internal credit rating of BBB- for ATD. This rating is lower than S&P's BBB and Moody's Baa2 ratings.

³ ATD Annual Report (2018)

⁴ ATD Proxy Circular (2016)

⁵ ATD Management Proxy Circular, Notice of Annual General and Special Meeting of Shareholders (2015)

Internal credit rating

Once all of the risks have been thoroughly assessed and summarized, the team meets to discuss and debate the recommended credit rating. This occurs on a weekly basis and more frequently if necessary.

During such meetings, team members challenge each other on what is presented in the credit report and draw attention to any factors that may have been overlooked. Based on extensive discussion of research findings and an open exchange of ideas, the team arrives at a final credit rating.

Investment decision

An investment decision cannot be made on the basis of fundamentals alone and requires the team to consider valuations and technical analyses. The team must also

examine a security's relative value versus other investment options, whether in the same sector or another. Combining all of the information from the team's comprehensive research and analysis, the final step is to make an investment decision.

Monitoring

The team monitors issuers within their defined investment universe on an ongoing basis and continuously assesses risk factors as they evolve. This naturally includes ESG concerns. Over time and as developments unfold, the team may revisit their credit rating and/or investment decision to review their original assumptions and determine whether they over- or underestimated certain risks versus what actually occurred. This could result in the team revising their original conclusions.

Case study: Alimentation Couche-Tard

Based on the conclusions of the team's fundamental, valuation, and technical assessment, they are not invested in ATD. The team did not participate in their primary issuance nor did they make subsequent purchases in the secondary market.

Engagement

Engagement is an essential tool for deepening the team's relationship with issuers and gaining further insight into corporate decisions. As such, the team meets with senior management on a regular basis to enhance the breadth and depth of their research on the company and their ESG practices. Given the PH&N Fixed Income Team's size and industry position, the team has direct and timely access to relevant management teams to make inquiries and voice their opinions.

As is the case with how the team defines effective governance, the scope and manner in which debt investors engage with issuers also differs from the approach of equity investors. Unlike the stock market where participation is open to the broad public, in the bond market issuers require the support of key lenders to refinance existing debt or seek new funding. As fixed income instruments approach maturity, the need to refinance leads to engagement with bondholders on a regular basis. Further, borrowers must obtain bondholder approval in order to modify bond covenants, presenting yet another chance for engagement. This dynamic offers a unique opportunity for fixed income investors to provide feedback on leadership behaviour.

Poor management of the lender-borrower relationship can lead to higher cost of debt or limited new issue/refinancing participation.

To that end, the team plays an active role in working with issuers to:

- Recommend changes to capital allocation, leverage, and debt structuring
- Suggest betterment of corporate policies to mitigate ESG and other fundamental risks
- Encourage public disclosure of balance sheet management policies
- Support improvements to transparency
- Urge issuers to pursue additional credit ratings
- Question dividend and capital allocation policies

The team uses Cominar REIT as an example of our engagement efforts.

Cominar Real Estate Investment Trust (Internal rating: BBB-)

Overview:

Cominar is a diversified REIT with exposure across the Office, Retail, and Industrial segments. The portfolio is concentrated in Quebec and Ontario, and the issuer is the largest commercial property owner and manager in Quebec. Large equityholders include the Caisse de Depot and the founding Dallaire family, each with an approximate 5% interest⁶.

In 2014, the company acquired a large portfolio of properties from Ivanhoe Cambridge. This acquisition was generally viewed as neutral for Cominar. It benefited the portfolio in the form of enhanced scale and geographical diversification, but the company increased its leverage to finance the acquisition⁷. Although management did work towards reducing that leverage by issuing equity and selling properties, they faced a number of headwinds that exerted pressure on operations, including the Target Canada bankruptcy and weakness in certain office/retail segments. Management eventually returned the debt/total capital ratio back to approximately 52%⁷. However, DBRS's approach to rating REITs changed around the same time such that its financial assessment incorporated debt/EBITDA to a greater extent. The methodology change was meaningful and made it difficult for Cominar to achieve revised thresholds in order to protect its BBB (low) rating.

The team liked many fundamental aspects about Cominar. The team believed management had the ability to maintain the BBB (low) rating they had previously publicly committed to, but only if they took significant steps to improve credit quality. Therefore, the team actively engaged management as well as DBRS. Through the team's dialogue with management, they recommended a number of actions, including a dividend cut, maintenance of the dividend reinvestment plan (DRIP), non-core asset recycling, and refinancing of secured debt with unsecured issuance to improve structural subordination.

Outcome:

Management considered its options and ultimately decided to cut the dividend by 22%. However, it cancelled the DRIP program. This was not enough to maintain the BBB (low) rating, and DBRS downgraded Cominar to BB (high). In its press release, the agency stated it would have preferred a 67% dividend cut. Following the rating downgrade, Cominar management announced a renewed focus on its core geographies, which included non-core asset sales. Some of the proceeds will be directed towards reducing debt to levels in line with its new lower leverage target.

Conclusion

The PH&N Investment Grade Corporate Credit Team is committed to maintaining the highest standards of credit research and active ownership in order to fulfill their fiduciary duty to clients. They strive to identify, understand, and analyze material risks and opportunities to inform their investment decisions. The integration of ESG factors is integral to this approach.

The growing attention given to ESG reporting is a positive step forward for the investment industry, as it encourages companies to be more transparent and communicative with the investing public. The team welcomes the additional disclosure and resources that are becoming available as a result, and will continue to stay at the forefront of major developments in this area to buttress their knowledge for the benefit of their clients.

⁶ Bloomberg

⁷ Cominar quarterly and annual reports (2016-2017)

Appendix I: Resources

The PH&N Investment Grade Corporate Credit Team has a wide variety of resources at their disposal to facilitate thorough, comprehensive, and robust credit research.

Public statements include financial reports, press releases, marketing materials, and other readily available data. They are helpful starting points for gathering rudimentary information, but are often limited to content created for general public consumption.

Discussions with management & ratings agencies are invaluable opportunities for the team to expand their understanding of management decisions, present their views, and provide feedback. Given the PH&N Fixed Income Team's size, they have direct access to senior leadership.

PH&N Canadian Equity Team also has direct access to senior leadership and may form a different view on entities under the team's coverage. When appropriate, the team is able to compare and contrast the message senior leadership communicates to equityholders versus bondholders, forming a more comprehensive opinion of the issuer.

Sell-side research at the issuer and sector level are readily accessible for the team's use.

ESG third parties such as MSCI and Sustainalytics are consulted for supplementary ESG information. An example can be MSCI's Accounting Governance & Risk (AGR) report for a specific entity, which the team uses to help them identify additional governance red flags.

The RBC Global Asset Management CGRI (Corporate Governance & Responsible Investment) Group provides ongoing articles and relevant ESG information to the team.

Bloomberg ESG tracks the involvement and ownership stake of activist shareholders over time, and provides topical ESG research.

In general, the team prefers to probe beyond standard publications designed to highlight socially responsible activities. Although some of these disclosures are undoubtedly important, in most cases, they do little to assist us in gauging the true ESG impact of an issuer. As such, the team chooses to peruse a diverse array of tools to form a comprehensive view.

Appendix II: Green bonds

Green bonds are designated bonds used to finance new and existing projects that generate climate and environmental benefits. Common beneficiaries of green bonds include sustainability initiatives within the energy, agriculture, forestry, transportation, and water management sectors. The type and scope of green bonds vary, but most issuances are earmarked for green projects and backed by the issuer's balance sheet.

Green bonds were first introduced in 2007 and, simultaneous with the progression of responsible investing and ESG integration, saw exponential growth over the last 10 years. By 2017, global labelled green bond issuance reached \$156 billion (USD)⁸, compared to about \$11 billion (USD) four years prior. For a finance community that is increasingly focused on sustainable expansion, green bonds provide a vehicle to mobilize capital market resources to meet that commitment and fulfill public pledges.

To date, the largest players in this domain are the U.S., China, and France, which altogether account for about 50% of global green bond issuances. The Canadian market, in comparison, remains nascent, having issued its first green bond in 2014 with limited growth thereafter. There are currently 12 green bond issuers with around \$10 billion (CAD)⁹ of labelled green bonds outstanding, most of which are from provincial governments. Corporate green bonds represent a small fraction of the market.

An important caveat of green bonds is the lack of universal agreement and standardization on what constitutes a green bond, given that they are self-labelled by the issuing entity.

Ratings agencies such as S&P and Moody's have differing definitions, as do the variety of governing bodies. Considerable ambiguity exists surrounding the specific allocation of proceeds, even when bonds are labelled, as there is no legal obligation in the prospectus to use the funds for their stated "green" purpose. Industry initiatives such as the Green Bond Principles¹⁰ and the Climate Bond Standards¹¹, as well as third party verifications, are helping to alleviate the issue, but inconsistencies are still substantial.

In aggregate, the team believes green bonds can represent a suitable investment for clients with specific mandates and restrictions, or qualifying criteria related to sustainability. However, green bond allocations must be carefully assessed on a case-by-case basis given the lack of liquidity and consistency in the Canadian market, and should not supersede the portfolio's overall performance objectives.

⁸ Green Bond Highlights 2017 (2018), Climate Bonds Initiative

⁹ As of September 2018

¹⁰ Established by the International Capital Market Association

¹¹ Established and overseen by the Climate Bonds Initiative

This document has been provided by PH&N Institutional for information purposes only and may not be reproduced, distributed or published without the written consent of PH&N Institutional. It is not intended to provide professional advice and should not be relied upon in that regard.

PH&N Institutional takes reasonable steps to provide up-to-date, accurate and reliable information, and believes the information to be so when printed. The views and opinions expressed herein are those of PH&N Institutional as of the publication date and are subject to change without notice. This information is not intended to be an offer or solicitation to buy or sell securities or to participate in or subscribe for any service.

Information obtained from third parties is believed to be reliable, but no representation or warranty, express or implied, is made by PH&N Institutional, its affiliates or any other person as to its accuracy, completeness or correctness. We assume no responsibility for any errors or omissions.

PH&N Institutional is the institutional business division of RBC Global Asset Management Inc. Phillips, Hager & North Investment Management is a division of RBC Global Asset Management Inc. RBC Global Asset Management Inc. is an indirect, wholly-owned subsidiary of Royal Bank of Canada.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence.
© RBC Global Asset Management Inc. 2020