

BlueBay US Intermediate Municipal Fixed Income

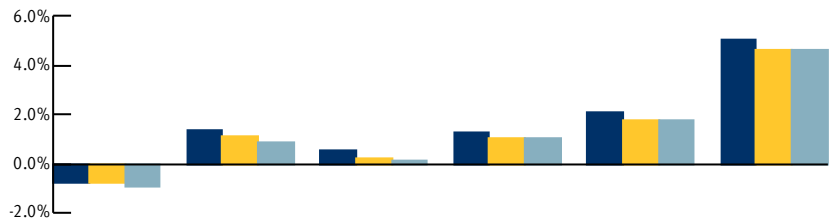
Quarterly Commentary

During the fourth quarter yields on tax-exempt bonds generally rose, and prices declined. The yield on very high-quality municipal bonds maturing in 10 years began the quarter at 2.62% and ended at 3.09%. The 10yr Muni/Treasury ratio ended the quarter at 68.41%. The greatest yield increases were for bonds across all maturities. Since the beginning of the year, 10-year maturity yields have risen 0.84% resulting in price decreases.

The movements in the bond market this quarter were dominated by the ongoing Fed easing cycle and the general elections and its possible tax policy implications. The Fed cut rate twice during the quarter, totaling 0.50% cut of short-term interest rates. The economy continued its resilient performance, while inflation moderates. The volume of new issue tax-exempt bonds hit a record high for the year, at \$463 billion. But demand for tax-exempt bonds has also been strong, easily absorbing the large supply of new bonds. Credit fundamentals again proved resilient in 2024

The municipal market outlook for 2025 is favorable. Tax-exempt yields remains attractive and we believe current yield levels provide a reasonable investment return.

Investment Performance



	QTR (%)	1YR (%)	3YR (%)	5YR (%)	10YR (%)	SI (%)
Composite (Gross)	-0.72	1.41	0.54	1.33	2.09	5.06
Composite (Net)	-0.79	1.11	0.24	1.03	1.78	4.66
Benchmark	-0.95	0.91	0.15	1.03	1.81	4.64

Past performance is not indicative of future results.

Source: RBC Global Asset Management

Inception of the performance record is 1.1.88.

Returns are presented in gross and net of fees and include the reinvestment of all income. All returns for periods greater than one year are shown on an annualized basis. Performance and composite information presented is supplemental to the "GIPS® Composite Report" which contains additional information regarding calculation of performance data.

Strategy Overview

- AUM: \$83.8 million
- Inception: January 1988
- Benchmark: Bloomberg Municipal Bond 1-10 Year Blend
- Vehicles: Separate Account

Investment Philosophy & Style

- Objectives of principal preservation, liquidity and consistent excess returns over the long term
- Aim to deliver consistent income with low volatility
- After-tax return awareness
- A fundamental investment process to construct diversified, customizable portfolios of attractively priced fixed income securities
- Robust, top-down risk management overlay

Risk Management

- Mandate and policy controls
- Full, multidisciplinary vetting of client policies and objectives
- Multiple levels of review
- Clear accountabilities and cross checks
- Valuation focus reduces potential credit risk and portfolio volatility

Portfolio Construction

- Investment universe: tax-exempt municipal fixed income not subject to alternative minimum tax ("AMT")
- Individual bond maturity range at purchase: 3-15 years
- Maximum issuer portfolio exposure at purchase: 10%
- Customizable across: credit rating, maturity, sector and state exposure

Investment Team

Valinie Dayaljee, Portfolio Manager, U.S. Fixed Income

Industry Experience: 10 years

Brian Svendahl, CFA, Managing Director & Senior Portfolio Manager, BlueBay Fixed Income

Industry Experience: 32 years

About RBC Global Asset Management

- Over \$484 billion Assets Under Management*
- Offices in North America, Europe and Asia
- 390+ investment professionals globally

*AUM includes US \$5.2B+ in portfolio assets managed by unaffiliated investment advisors based on models provided by RBC Global Asset Management entities.

BlueBay Fixed Income Platform

- 125 Investment professionals
- \$129 billion fixed income AUM**
- \$42 billion in US fixed income AUM**

As of November 30, 2024.

**BlueBay Fixed Income AUM is a component of the broader RBC GAM AUM.

Portfolio Characteristics ¹

	Strategy	Benchmark
Effective duration	2.3 years	3.9 years
Average credit quality	AA	AA-
Market yield	3.6%	3.3%

Distribution ¹

Sector



Revenue	53.7%
General Obligations	46.3%

Credit



AAA	17.9%
AA	51.0%
A	28.5%
BBB	2.7%

Past performance is not indicative of future results.

Source: RBC Global Asset Management

¹Supplemental information complements the “GIPS® Composite Report” as provided. The information presented are those of the representative account in the strategy. There is no guarantee that every account will be identical to the information presented here.

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GIPS® Composite Report, as at December 31, 2024

RBC GAM U.S. Fixed Income - Intermediate Municipal

Inception Date: January 1, 1988

Benchmark: Bloomberg Municipal Bond 1-10 Year Blend Index

Currency: USD

Annual returns

Year end	Composite gross return (%)	Composite net return (%)	Benchmark return (%)	Composite 3 yr std dev (%)	Benchmark 3 yr std dev (%)	Number of portfolios	Internal dispersion (%)	Composite assets (millions)	Firm assets (millions)
2024	1.41	1.11	0.91	4.49	5.14	4	0.32	26.4	479,853.0
2023	4.31	3.99	4.61	4.36	4.96	4	0.49	26.6	427,022.8
2022	-3.93	-4.22	-4.84	3.74	4.38	4	0.41	28.8	385,022.7
2021	0.59	0.29	0.54	2.25	2.75	7	0.17	51.8	481,049.3
2020	4.51	4.20	4.23	2.25	2.76	7	0.24	51.5	424,813.8
2019	5.46	5.14	5.63	1.61	1.88	6	0.45	46.5	361,400.0
2018	1.63	1.32	1.64	2.06	2.50	7	0.10	45.4	305,983.2
2017	3.26	2.95	3.49	2.09	2.50	7	0.39	44.7	331,885.2
2016	0.73	0.43	-0.10	2.05	2.41	7	0.24	39.7	289,538.6
2015	3.23	2.92	2.45	1.96	2.11	8	0.27	42.7	276,979.3

The GIPS® Composite Report is incomplete without the full disclosures. n/a = not applicable, std dev = standard deviation

Description of the Firm: For the purposes of Global Investment Performance Standards (GIPS®), RBC Global Asset Management (RBC GAM) is the asset management division of Royal Bank of Canada (RBC) that has responsibility for managing discretionary assets, and includes the following separate but affiliated subsidiaries: RBC Global Asset Management Inc. (including PH&N Institutional), RBC Global Asset Management (U.S.) Inc., RBC Indigo Asset Management Inc., RBC Global Asset Management (UK) Limited, and RBC Global Asset Management (Asia) Limited (outside of North America, RBC GAM conducts business under the brand RBC BlueBay Asset Management). RBC purchased Phillips, Hager & North Investment Management Ltd., including the assets of BonaVista Asset Management Ltd., on May 1, 2008, BlueBay Asset Management LLP on December 17, 2010, and HSBC Global Asset Management (Canada) Limited on March 28, 2024. RBC GAM's lists of composite descriptions, limited distribution pooled fund descriptions and broad distribution pooled funds are available upon request. As of December 31, 2023, the RBC GAM group of companies manages more than C\$566 billion (US\$427 billion) in a full spectrum of asset classes and strategies.

Compliance Statement: RBC GAM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. RBC GAM has been independently verified for the periods January 1, 2002 through December 31, 2023. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS® standards must establish policies and procedures for complying with all the applicable requirements of the GIPS® standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS® standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. The U.S. Fixed Income - Intermediate Municipal composite has been examined for the periods January 1, 2012 - December 31, 2023. The verification and performance examination reports are available upon request.

Composite Description: The Intermediate Municipal Composite consists of accounts that invest primarily in tax-exempt municipal securities with maturities generally between 1-15 yrs, although longer maturities may occasionally be employed. This composite includes portfolios that may invest in state-specific municipals.

Benchmark: The benchmark for this composite is the Bloomberg Municipal Bond 1-10 Year Blend Index. The index measures the performance of securities rated at least Baa3 and with maturities of 1-12 years. The index is not state-specific and includes only those securities with an original deal size of \$75 million and outstanding issue size of at least \$7 million. On July 1, 2006 we changed the benchmark from a blend of 60% Bloomberg 5 Yr. Muni/40% Bloomberg 10 Yr. Muni to the Bloomberg Municipal Bond 1-10 Year Blend Index to more accurately reflect the portfolio strategy. Index returns link the Bloomberg Municipal Bond 1-10 Year Blend Index returns after July 1, 2006 to the previous benchmark prior to that date. Index returns are provided for comparison purposes to represent the investment environment existing during the time periods shown. An index is fully invested, includes the reinvestment of dividends and capital gains, but does not include any transaction costs, management fees, or other costs. Holdings of each separately managed account in a composite will differ from the index. An investor may not invest directly in an index.

Gross of Fees: Gross of fees performance returns are presented before management fees, but all trading expenses. Returns are presented net of withholding taxes on dividends, interest income and capital gains where applicable.

Net of Fees: Net of fee performance is calculated using the maximum stated annual fee of 0.30% applied monthly. Prior to January 1, 2013 net of fee performance was calculated using actual fees.

Performance Calculations: Results are based on all fully discretionary accounts meeting the composite definition, including those accounts no longer with the firm. Returns are shown in U.S. Dollars and include the reinvestment of all income. Additional information regarding policies for valuing investments, calculating performance, and creating GIPS® Reports is available upon request. Past performance is not indicative of future results.

Composite Dispersion: The composite dispersion of annual returns is indicated by the performance of individual accounts representing the equal weighted standard deviation of returns. Dispersion of returns is calculated for portfolios included in the composite for the full year. Calculations are based on gross portfolio returns if gross composite returns are presented. If only net composite returns are presented, then net portfolio returns are used in the composite dispersion calculation.

3-Year Standard Deviation: Periods with less than 3 years of data will show "n/a". Calculations are based on gross composite returns, if gross composite returns are presented. If only net composite returns are presented, then net composite returns are used in the calculation.

Derivatives, Leverage and Short Positions: None of these strategies are employed by any accounts in this composite.

Cash Flow Policy: As of April 1, 2015 the significant cash flow policy was removed from the composite. Prior to that date, composite policy required the temporary removal of any portfolio incurring a client-initiated significant cash inflow or outflow of at least 10% of portfolio assets. The temporary removal of such an account occurred at the beginning of the month in which the significant cash flow occurred and the account re-entered the composite the first full month of being fully invested.

Fee Schedule: 0.30% on first \$25 million; 0.25% on next \$25 million; 0.20% on next \$50 million; 0.15% on assets exceeding \$100 million. Advisory fees are described on this page and in Form ADV Part 2A. RBC GAM reserves the right to negotiate all advisory fees.

Minimum Account Size: There is currently no minimum account size for inclusion in this composite. Prior to January 1, 2005 the minimum size for inclusion was \$200 thousand. Prior to January 1, 2002 there was no minimum.

Creation Date: This composite was created on January 1, 1996 and has an inception date of January 1, 1988.

Composite History: Prior to July 1, 2006, this composite was called the Extended Inter Term Muni Composite. From 1998-2003, this composite includes both wrap and non-wrap fee accounts. For this period, non-wrap fee assets represent \$37.1 million, \$49 million, \$45 million, \$56.7 million, \$52 million and \$48 million, respectively.

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