Independent practitioner’s limited assurance report on RBC Global Asset Management (U.S.) Inc. (RBC)’s impact management processes as described in RBC’s Operating Principles for Impact Management Disclosure Statement alignment with the Operating Principles for Impact Management

To the Board of Directors of RBC Global Asset Management (U.S.) Inc.

We have undertaken a limited assurance engagement on RBC’s impact management processes (the subject matter), as described in RBC’s Operating Principles for Impact Management Disclosure Statement (the Disclosure Statement) for year-ended December 31, 2022, alignment with the Operating Principles for Impact Management dated February 2019 (the applicable criteria) established in Exhibit 1.

Management’s responsibility
Management is responsible for the preparation of the Disclosure Statement in accordance with the applicable criteria. Management is also responsible for such internal control as management determines necessary to enable the preparation of the Disclosure Statement that is free from material misstatement, whether due to fraud or error.

Our responsibility
Our responsibility is to express a limited assurance conclusion on the Disclosure Statement based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3000, Attestation Engagements Other than Audits or Reviews of Historical Financial Information and the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Disclosure Statement is free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement, whether due to fraud or error, in preparing the Disclosure Statement in accordance with the applicable criteria are likely to arise.

The scope of our procedures does not include an assessment of the suitability of design of RBC’s impact management processes to achieve alignment with the applicable criteria nor their operating effectiveness and therefore our procedures provide no assurance over the design and operating effectiveness of the impact management processes, nor of the resulting impacts achieved.

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“PwC” refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.
Our engagement included, among others, the following procedures:

- Assessment of the alignment of the Disclosure Statement with the applicable criteria;
- Interviews with management to understand the impact management strategy, processes, systems, measurement and reporting framework;
- Interviews with the portfolio managers and inspecting impact management documentation on a sample basis to assess the application of the subject matter;
- Consider the appropriateness of the presentation of the Disclosure Statement;
- Read the Disclosure Statement to evaluate whether key assumptions and judgments have been clearly disclosed and the presentation is consistent with our understanding of RBC’s impact management processes;
- With regards to the total AUM, obtain a breakdown of the investments within the funds as at December 31, 2022, and assess whether the investments included are those identified by management as ones to which the processes in the Disclosure Statement had been applied, which does not include assessing the accuracy of the amounts of the investment;
- Where there are no investments applicable for certain processes as at December 31, 2022, confirm through inquiry how management would monitor and report on activities should they occur, or obtain limited samples from the prior period, where applicable, to assess the application of the processes described; and
- Due to the nature of the investments that RBC holds, there could be limitations with the application of the subject matter; for such instances, assess whether the limitations have been clearly disclosed.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

**Our independence and quality management**
We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Inherent limitations**
The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities over time.
The Operating Principles for Impact Management are principles-based, allowing for the possibility that different organizations will implement a variety of policies and processes to demonstrate their alignment. How management determines that they should respond to those recommendations remains to some extent a matter for their judgment. For that reason, our conclusion does not extend to the adequacy of the company’s policies, processes or activities to achieve alignment with the Operating Principles for Impact Management.

The Disclosure Statement is prepared to meet the common needs of a broad range of users and may not, therefore, include every aspect of RBC’s impact management system and process that each individual user may consider important. Further, the projection of the current alignment systematic to the future states of the impact management processes in alignment with the Operating Principles for Impact Management is subject to the risk that the impact management processes may change.

Other information
There is certain information presented by management to provide additional context to the description of the processes, which comprises the Introductory Statement, the Case Studies and Figures in the Disclosure Statement. Our conclusion on the description of the processes does not cover such information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the information and, in doing so, consider whether the information is materially inconsistent with our knowledge obtained in the course of our work. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Conclusion
Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that RBC’s impact management processes, as described in the Disclosure Statement for year-ended December 31, 2022, are not, in all material respects, aligned with the applicable criteria.

Purpose of statement and restriction on use of our report
The Disclosure Statement has been prepared in accordance with the applicable criteria by management of RBC to report to the Board of Directors of RBC Global Asset Management (U.S.) Inc. As a result, the Disclosure Statement may not be suitable for another purpose. Our report is intended solely for RBC.

We acknowledge the disclosure of our report, in full only, by RBC at its discretion, without assuming or accepting any responsibility or liability to any other third party in respect of this report.

Chartered Professional Accountants

Toronto, Ontario
August 24, 2023
Exhibit 1
Disclosure statement and criteria

Applicable Criteria - Operating principles for impact management

**Principle 1:** Define strategic impact objective(s), consistent with the investment strategy.

**Principle 2:** Manage strategic impact on a portfolio basis.

**Principle 3:** Establish the Manager’s contribution to the achievement of impact.

**Principle 4:** Assess the expected impact of each investment, based on a systematic approach.

**Principle 5:** Assess, address, monitor, and manage potential negative impacts of each investment.

**Principle 6:** Monitor the progress of each investment in achieving impact against expectations and respond appropriately.

**Principle 7:** Conduct exits considering the effect on sustained impact.

**Principle 8:** Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.

**Principle 9:** Publicly disclose alignment with the Impact Principles and provide regular independent verification of the alignment.