RGP Alternative Income Portfolio

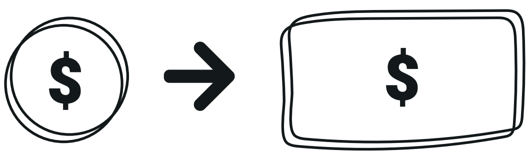
Guide to Alternative Investing

RGP INVESTMENTS[MC]

Traditional Investing

As an investor, you probably have two types of assets in your portfolio: **bonds** and **stocks.**

Two types of investments



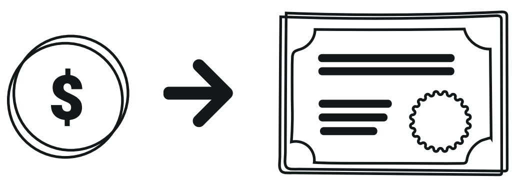
Loans   Interest

Bonds

Companies and different levels of government can issue bonds to meet the need to borrow money to finance their activities or projects. If you hold bonds in your portfolio, then you have lent money to these issuers. In return, you receive interest.

Stocks

Public companies issue shares on the stock market. By holding share of a company in your portfolio, you are a shareholder of this compan and you participate in its growth.

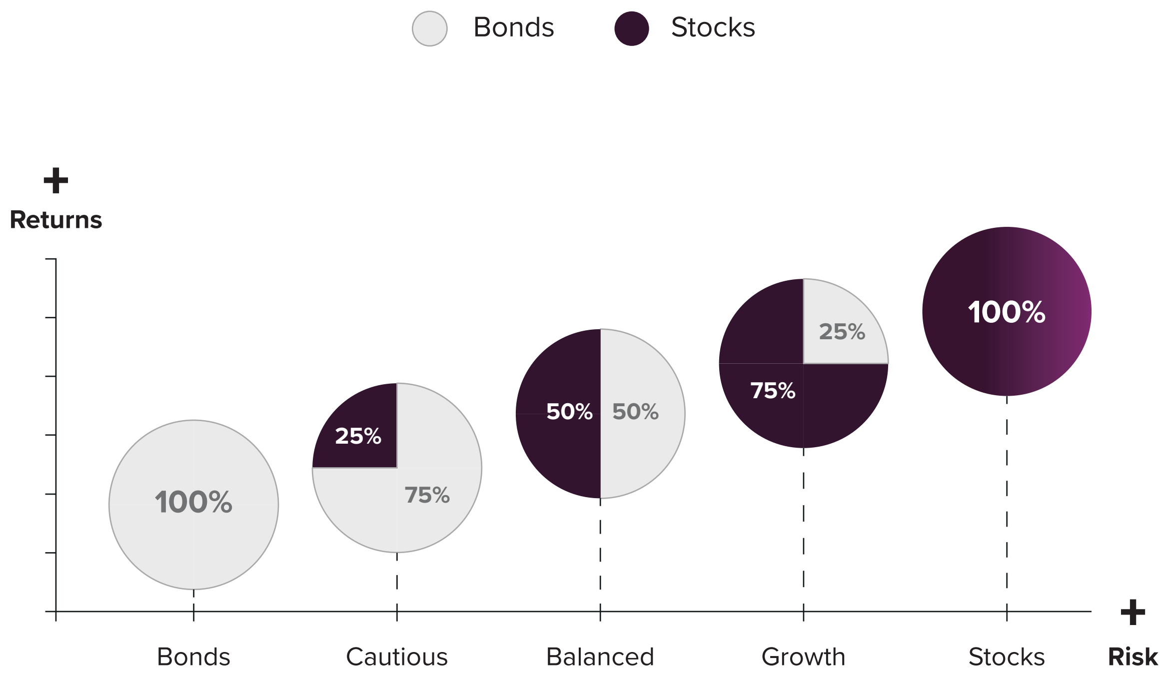


Investments   Ownership

Different risk profiles

Traditionally, bonds have been known to offer lower long-term **returns** than stocks, but also lower risk. The allocation of equities versus bonds in your portfolio is adjusted taking into account several factors, including your level of risk tolerance. Generally, the higher your tolerance to **risk**, the higher the proportion of **equities** in your portfolio. Conversely, the lower your tolerance, the more important **bonds** will be.

*Portfolio Breakdown:



The information presented is provided for illustrative purposes only and should not be construed as a recommendation to buy or sell any securities. It is not a substitute for a client's needs analysis process or any other regulatory requirements. Please consult an advisor about your personal financial situation.

Meanwhile, in institutional portfolios...

If, like a traditional investor, your portfolio consists almost entirely of stocks and bonds, you may be missing out on other opportunities currently capitalized by pension funds.

These investors, known as institutional investors, hold an average of 37% of their investments in **alternative investments**.

In other words, while most traditional investors invest 100% of their portfolio in stocks and bonds, institutional investors only invest 63% of their holdings in stocks and bonds, allocating the remainder to alternatives for better total risk-adjusted returns.

37%

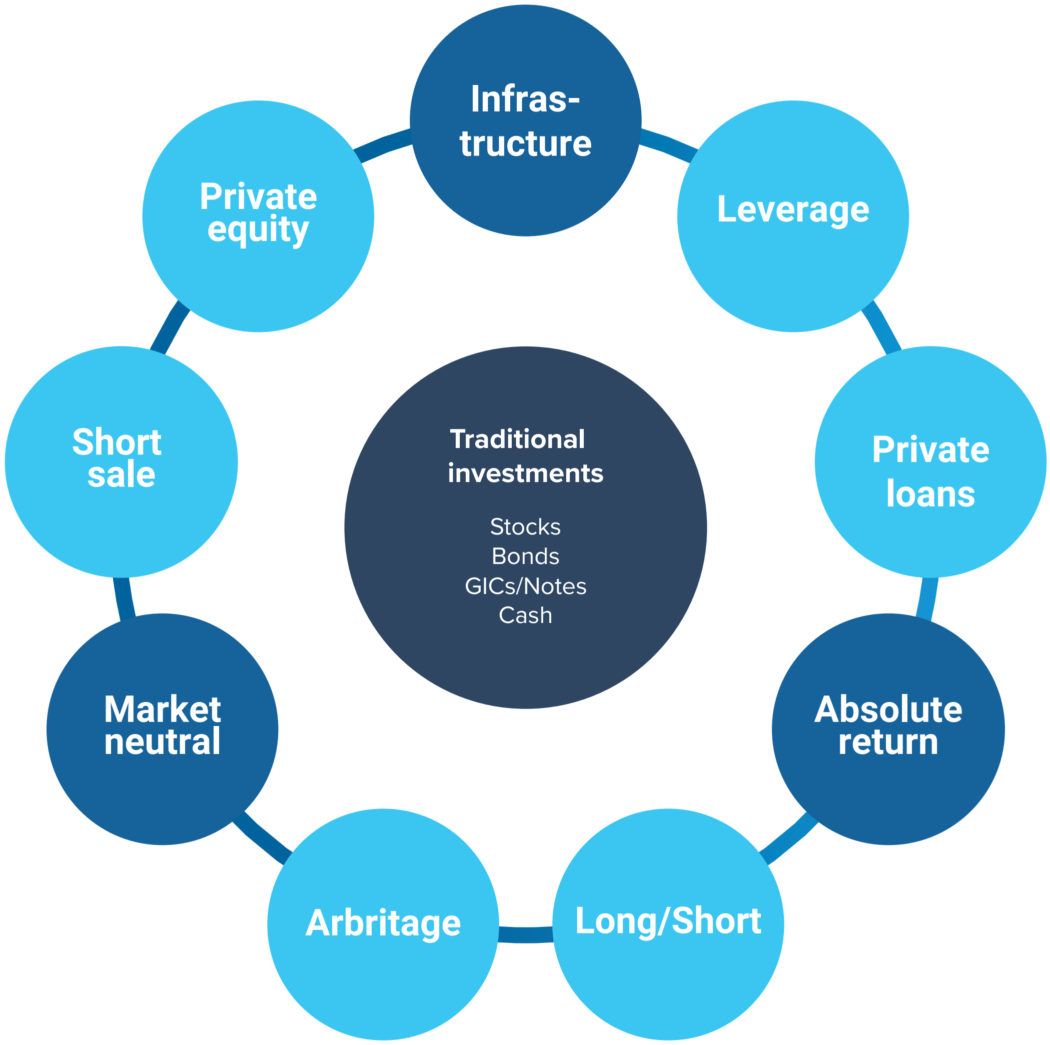
In alternative investments

Data as of December 31, 2020. Source: Financial Services Regulatory Authority of Ontario: Alternative Assets and Risk Management: Insights into Practices Observed from FSRA's Review of Six Large Public Sector Pension Plans in Ontario, November 12, 2021, https://www.fsrao.ca/media/4946/download

Alternative Investments

We can define alternative investments as other investment opportunites that are not traditional investments. In other words, these are investments that are not traditional stocks and bonds like the ones you probably hold in your portfolio today.

Institutional investors and pension funds often use alternative investments to improve the risk/return ratio of the portfolio.



Better risk-reward tradeoff[1]

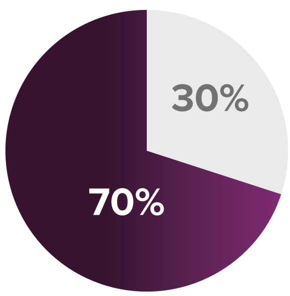
What is the minimum volatility required to generate a return of 7.5%?

The following hypothetical comparison demonstrates the improvements obtained by integrating 40% allocation of alternative investments into a traditional portfolio.

For the same 11-year period, the portfolio with alternative investments obtains the same average return of 7.5%, while reducing the risk by nearly 26%.

7.5%
Returns
Over 11 years as of 31 Dec.2022

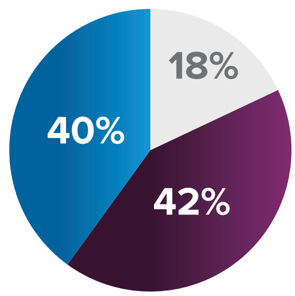
Without ALT Inv.



STANDARD DEVIATION

9.3%

With ALT Inv.



STANDARD DEVIATION

6.9%

Portfolio breakdown : Bonds Stocks Alternative Inv.

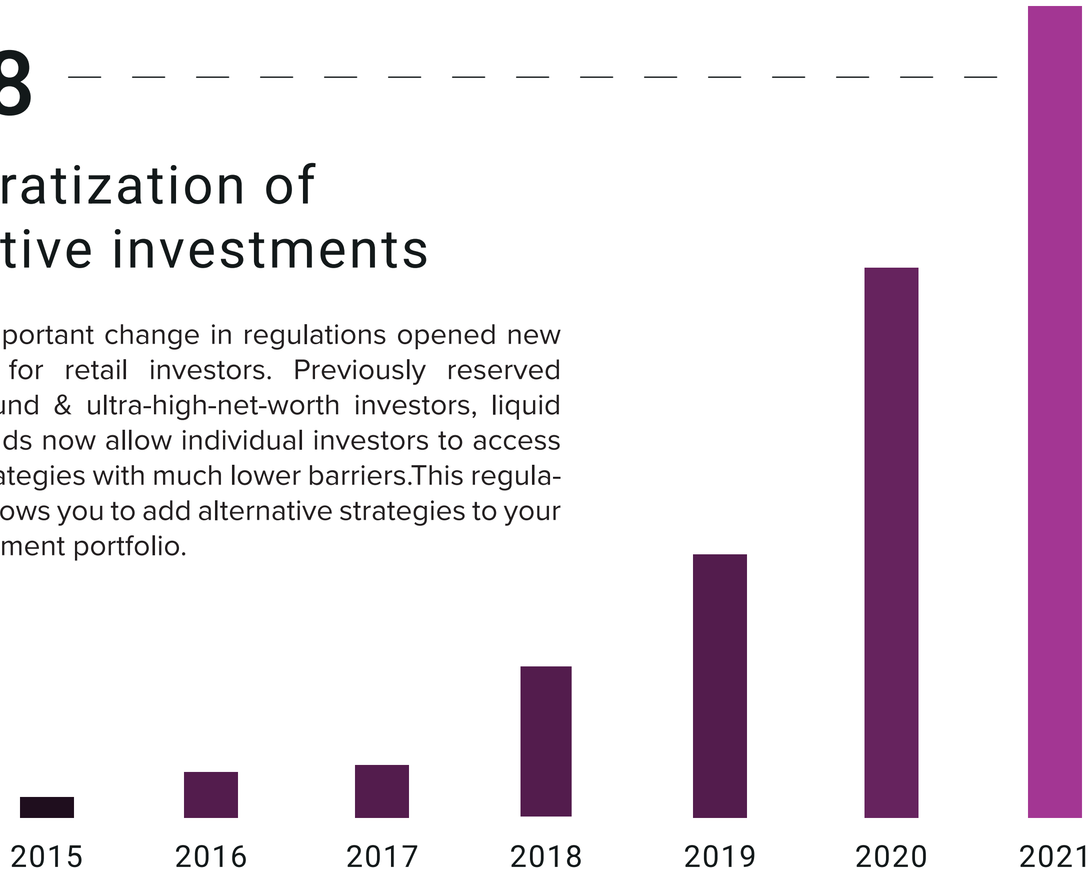
26%[2]
less volatility

This hypothetical example is provided for illustrative purposes only. These are not actual returns and should not be attributed to the RGP Alternative Income Portfolio. You should not place undue reliance on this data as a number of important factors could cause actual results to differ materially from those expressed or implied. The data and methodology used to prepare this hypothetical example are presented in the Legal Notes section of this document. Please refer to it.

2018

Democratization of alternative investments

In 2018, an important change in regulations opened new opportunities for retail investors. Previously reserved for pension fund & ultra-high-net-worth investors, liquid alternative funds now allow individual investors to access alternative strategies with much lower barriers.This regulatory update allows you to add alternative strategies to your existing investment portfolio.



Alternative investments are not for all types of investors. These statements should not be considered as a recommendation. Please consult your advisor for more information on this type of product.

RGP Alternative Income Portfolio

Convenient, multi-manager solution that combines the best alternative strategies in the industry

Fully-independent investment manager selection

Built to be an optimal complement to traditional bonds

Over 150 mandates	Alternative investment funds available and other complementary products
± 85 mandates	Experience of the manager Credibility of the firm in alternative investments
± 25 mandates	High-level of expertise of the manager Superior risk/return ratio Potential for synergies between mandates
± 10 mandates	Optimal alternative income portfolio strategy resulting from our final optimization process

For information purposes only. The investment objective and strategies of the RGP Alternative Income Portfolio fund are described in detail in the fund's prospectus. Please read a fund's prospectus before investing.

An all-star team !

For our portfolio, we have chosen leaders in the field of alternative investments. They were chosen for their strong expertise, their track record of success, and the complementarity of their strategies.

Legal Notes

The information presented in this document is provided for illustrative purposes only and should not be construed as a recommendation to buy or sell any securities. Please consult an advisor regarding your personal financial situation. The opinions and thoughts expressed in the foregoing are those of RGP Investments and are subject to change at its discretion based on market dynamics or other considerations. Reasonable steps are taken to provide current, accurate and reliable information, and we believe it to be accurate at the time of production. All information contained herein has been obtained by RGP Investments from several sources. This information is believed to be reliable, but neither RGP Investments, its affiliates, nor any other person makes any warranty, express or implied, as to its accuracy, completeness, or adequacy. RGP Investments and its affiliates assume no responsibility for errors or omissions.

Forward-looking statements :

This document may contain forward-looking statements about future performance, strategies or prospects, and possible future actions. The words “may”, “could”, “should”, “would”, “suspect”, “outlook”, “believe”, “plan”, “anticipate”, “estimate”, “expect”, “intend”, “forecast”, “objective” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risk and uncertainties with respect to general economic factors, 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. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events. The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully.

Better Risk-Rewards tradeoff :

The Better Risk-Rewards tradeoff section presents a hypothetical comparison of a portfolio without alternative investments ("Without ALT Inv.") and a portfolio with alternative investments ("With ALT Inv. "). The hypothetical results have certain limitations and are neither indicative nor indicative of future performance. In addition, since no trades are actually executed, the hypothetical results cannot account for the impact of certain economic and market risks, such as a lack of liquidity that may have influenced the decisionmaking process. Many other factors related to the market in general or to the implementation of a particular investment strategy cannot be fully considered in the calculation of the hypothetical results and could have the effect of overstating the performance of the With ALT Inv. portfolio relative to the Without ALT Inv. Portfolio. All of these factors could have a negative impact on actual results. The hypothetical results assume that the asset allocations would not have changed over time or in response to market conditions that might have arisen if a true strategy had been implemented during the period. The hypothetical results do not take into account management fees, transaction costs, expenses or taxes. Actual performance could differ materially.

(1) The data used to calculate the hypothetical comparison of the Without ALT. Inv. Portfolio and the With ALT. Inv. Portfolio are derived from the monthly returns from December 31, 2011 through December 31, 2022 (the "Period") for the following:

Without ALT. Inv. Portfolio: 5% MSCI EM (Emerging Markets) Index ($CAD), 25% Russell 2000 Index ($CAD), 40% S&P/TSX Canada Composite Index ($CAD) and 30% S&P Canada Aggregate Bond Index ($CAD).

With ALT Inv. Portfolio: 3% MSCI EM (Emerging Markets) Index ($CAD), 15% Russell 2000 Index ($CAD), 24% S&P/TSX Canada Composite Index ($CAD) and 18% S&P Canada Aggregate Bond Index ($CAD) and 40% in alternative investments. The alternative investments portion is composed equally (10% each) of the average monthly returns of all Series F funds (fee-based accounts) available from Morningstar in the following fund categories: Mainly Credit Alternative Class, Private Debt Alternative Class, Mainly Equity Alternative Class and Market Neutral Alternative Class.

(2) Difference between the standard deviation of the With ALT Inv. Portfolio and the Without ALT. Inv. Portfolio. We use the standard deviation to demonstrate how portfolio returns vary on an annual basis. The lower the volatility, the easier it is to hold an investment (less variation up or down).

RGP Alternative Income Portfolio is managed by RGP Investments. Please read a fund’s prospectus and consult your financial advisor before investing. Mutual funds are not guaranteed. Their values change frequently and past performance may not be repeated. Investors will pay management fees and expenses, may pay commissions or trailing commission. Investors may experience a gain or loss.

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