



Global Asset
Management

RBC CORPORATE CLASS FUNDS

2018 Annual Report

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FIXED-INCOME FUND

RBC SHORT TERM INCOME CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide current income and liquidity consistent with short-term money market rates, and to preserve the value of an investment.

To achieve its investment objective, the Fund invests most of its assets in the RBC Canadian Money Market Fund (the “underlying fund”), which holds primarily high-quality short-term government and corporate-debt securities with a maximum term of 365 days. The underlying fund’s corporate-debt holdings are deemed by major debt-rating agencies to be suitable for conservative investors. The underlying fund also includes short-term debt issued by Canadian chartered banks and promissory notes issued or guaranteed by Canadian governments or their agencies.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value fell to \$10 million as of March 31, 2018, from \$12 million as of March 31, 2017. The decrease was due to net redemptions.

Over the past year, the Fund’s Series A shares gained 0.6%, which underperformed the 0.8% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Canadian money-market yields increased substantially, as a steadily recovering domestic economy led the Bank of Canada (the “BOC”) to raise its benchmark interest rate three times during the period. In Canada, a rebound in energy prices was accompanied by strong housing and labour markets. Meanwhile, the simultaneous expansion of the world’s developed economies shifted the focus of most other major central banks to an unwinding of the loose monetary policies that have supported the economic recovery in the 10 years since the financial crisis. Inflationary pressures, however, remained calm through this period. Yields retreated somewhat later in the fiscal period given the potentially negative impact on growth of talks to renegotiate the North American Free Trade Agreement (“NAFTA”), rising household-debt levels and new rules making it harder to qualify for a mortgage.

The portfolio manager kept the Fund’s average term to maturity relatively short following the BOC’s initial rate hike, the first increase in seven years, after it became clear that there were more to come. As a result, the portfolio manager built up holdings of maturities around fixed announcement dates in order to capture the effect of rate hikes more quickly. Asset allocation continued to favour higher yielding asset-backed commercial paper. Regulatory liquidity requirements were satisfied through active maturity management and a core position in provincial paper.

Recent Developments

The BOC has said that additional rate hikes might be appropriate given steady improvement in the Canadian economy. However, there are many issues staying the hand of the central bank, including uncertainty created by U.S. President Trump’s efforts to renegotiate NAFTA. The threat of a trade war between the U.S. and China adds to the uncertainty.

Another uncertainty complicating the BOC’s desire to tighten monetary policy is an increase in Canadian debt levels to new highs, as rising rates would make it more difficult for consumers to service their liabilities. This concern applies especially in the housing market, a key component of the economic recovery: higher mortgage rates and new rules are making conventional mortgages more difficult to obtain. Accordingly, the portfolio manager expects rate hikes to proceed, but very gradually.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
Series A													
Mar. 31, 2018	10.26	0.12	(0.06)	—	—	0.06	—	—	—	—	—	10.32	
Mar. 31, 2017	10.22	0.09	(0.06)	—	—	0.03	—	—	—	—	—	10.26	
Mar. 31, 2016	10.19	0.09	(0.06)	—	—	0.03	—	—	—	—	—	10.22	
Mar. 31, 2015	10.13	0.12	(0.06)	—	—	0.06	—	—	—	—	—	10.19	
Mar. 31, 2014	10.07	0.12	(0.06)	—	—	0.06	—	—	—	—	—	10.13	
Advisor Series													
Mar. 31, 2018	10.23	0.12	(0.07)	—	—	0.05	—	—	—	—	—	10.29	
Mar. 31, 2017	10.20	0.10	(0.07)	—	—	0.03	—	—	—	—	—	10.23	
Mar. 31, 2016	10.18	0.09	(0.07)	—	—	0.02	—	—	—	—	—	10.20	
Mar. 31, 2015	10.12	0.12	(0.07)	—	—	0.05	—	—	—	—	—	10.18	
Mar. 31, 2014	10.06	0.12	(0.07)	—	—	0.05	—	—	—	—	—	10.12	
Series D													
Mar. 31, 2018	10.26	0.12	(0.06)	—	—	0.06	—	—	—	—	—	10.32	
Mar. 31, 2017	10.22	0.10	(0.06)	—	—	0.04	—	—	—	—	—	10.26	
Mar. 31, 2016	10.19	0.09	(0.06)	—	—	0.03	—	—	—	—	—	10.22	
Mar. 31, 2015	10.13	0.12	(0.06)	—	—	0.06	—	—	—	—	—	10.19	
Mar. 31, 2014	10.07	0.13	(0.06)	—	—	0.07	—	—	—	—	—	10.13	
Series F													
Mar. 31, 2018	10.28	0.12	(0.06)	—	—	0.06	—	—	—	—	—	10.35	
Mar. 31, 2017	10.24	0.10	(0.06)	—	—	0.04	—	—	—	—	—	10.28	
Mar. 31, 2016	10.21	0.09	(0.06)	—	—	0.03	—	—	—	—	—	10.24	
Mar. 31, 2015	10.14	0.12	(0.06)	—	—	0.06	—	—	—	—	—	10.21	
Mar. 31, 2014	10.07	0.12	(0.06)	—	—	0.06	—	—	—	—	—	10.14	
Series O													
Mar. 31, 2018	10.56	0.12	—	—	—	0.12	—	—	—	—	—	10.68	
Mar. 31, 2017	10.46	0.09	—	—	—	0.09	—	—	—	—	—	10.56	
Mar. 31, 2016	10.38	0.10	—	—	—	0.10	—	—	—	—	—	10.46	
Mar. 31, 2015	10.26	0.12	—	—	—	0.12	—	—	—	—	—	10.38	
Mar. 31, 2014	10.14	0.12	—	—	—	0.12	—	—	—	—	—	10.26	

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	10.32	4 622	448	0.60	0.63	42.42	—
Mar. 31, 2017	10.26	5 796	565	0.61	0.63	27.60	—
Mar. 31, 2016	10.22	10 973	1 074	0.61	0.62	85.31	—
Mar. 31, 2015	10.19	10 813	1 061	0.61	0.62	81.96	—
Mar. 31, 2014	10.13	19 155	1 891	0.62	0.63	44.34	—
Advisor Series							
Mar. 31, 2018	10.29	237	23	0.68	0.71	42.42	—
Mar. 31, 2017	10.23	518	51	0.67	0.69	27.60	—
Mar. 31, 2016	10.20	936	92	0.67	0.68	85.31	—
Mar. 31, 2015	10.18	1 791	176	0.67	0.68	81.96	—
Mar. 31, 2014	10.12	1 012	100	0.67	0.68	44.34	—
Series D							
Mar. 31, 2018	10.32	2 502	242	0.60	0.63	42.42	—
Mar. 31, 2017	10.26	2 064	201	0.61	0.63	27.60	—
Mar. 31, 2016	10.22	2 100	205	0.61	0.62	85.31	—
Mar. 31, 2015	10.19	1 963	193	0.61	0.62	81.96	—
Mar. 31, 2014	10.13	638	63	0.62	0.63	44.34	—
Series F							
Mar. 31, 2018	10.35	1 639	158	0.55	0.58	42.42	—
Mar. 31, 2017	10.28	2 826	275	0.56	0.58	27.60	—
Mar. 31, 2016	10.24	2 683	262	0.56	0.57	85.31	—
Mar. 31, 2015	10.21	1 499	147	0.57	0.58	81.96	—
Mar. 31, 2014	10.14	887	87	0.57	0.58	44.34	—
Series O							
Mar. 31, 2018	10.68	750	70	0.05	0.08	42.42	—
Mar. 31, 2017	10.56	577	55	0.06	0.08	27.60	—
Mar. 31, 2016	10.46	3 165	302	0.05	0.06	85.31	—
Mar. 31, 2015	10.38	8 655	834	0.06	0.07	81.96	—
Mar. 31, 2014	10.26	3 333	325	0.05	0.06	44.34	—

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund.

Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	0.75%	33%	67%
Advisor Series	0.75%	33%	67%
Series D	0.60%	20%	80%
Series F	0.50%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



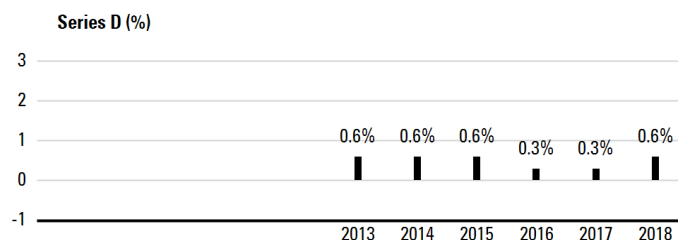
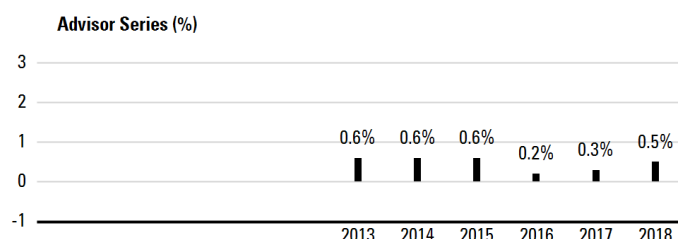
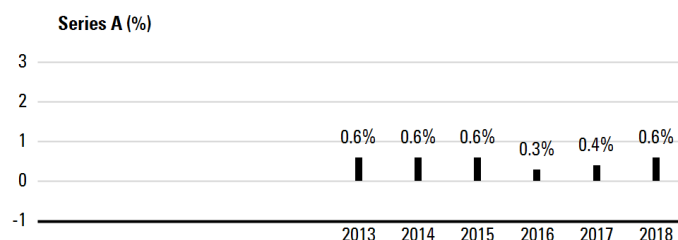
March 31, 2018

PAST PERFORMANCE

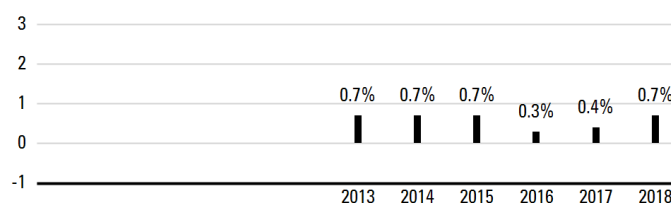
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

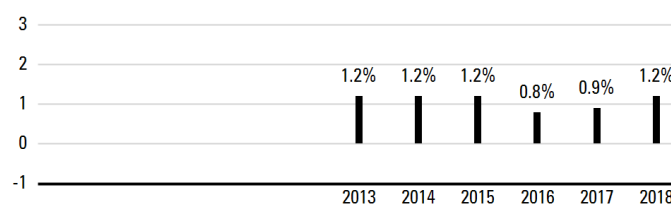
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Series O (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

FTSE TMX Canada 91 Day TBill Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	0.6	0.4	0.5	—	0.5
Benchmark	0.8	0.6	0.7	—	0.8
Advisor Series	0.5	0.4	0.4	—	0.5
Benchmark	0.8	0.6	0.7	—	0.8
Series D	0.6	0.4	0.5	—	0.5
Benchmark	0.8	0.6	0.7	—	0.8
Series F	0.7	0.5	0.5	—	0.6
Benchmark	0.8	0.6	0.7	—	0.8
Series O	1.2	1.0	1.1	—	1.1
Benchmark	0.8	0.6	0.7	—	0.8

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

FTSE TMX Canada 91 Day TBill Index This index is a measure of the performance of Canadian short-term cash investments.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Commercial Paper	63.2
Bankers Acceptances and Bank Obligations	30.5
Provincial Obligations	6.2
Cash/Other	0.1

Top 25 Holdings*

	% of Net Asset Value
Bank of Montreal 1.485% Apr 2 2018	4.1
Merit Trust - Senior Notes 1.631% Apr 18 2018	3.1
Enbridge Pipelines Inc. 1.661% Apr 11 2018	2.7
HSBC Bank Canada 1.599% May 25 2018	2.7
Clarity Trust 1.627% Apr 27 2018	2.5
Toronto-Dominion Bank 2.001% Feb 11 2019	2.3
Zeus Receivables Trust - Senior Notes 1.631% Apr 18 2018	2.2
Prime Trust - Senior Notes 1.631% Apr 18 2018	2.0
Bank of Nova Scotia 1.830% Sep 20 2018	1.9
Province of Ontario 1.380% May 2 2018	1.8
Canadian Imperial Bank of Commerce 2.001% Feb 8 2019	1.8
Toronto-Dominion Bank 1.727% Apr 30 2018	1.7
Bank of Nova Scotia 1.040% Apr 27 2018	1.7
Bay Street Funding Trust - Class A 1.659% Jun 8 2018	1.6
Ridge Trust 1.569% Apr 30 2018	1.6
Banner Trust 1.619% Apr 26 2018	1.6
Prime Trust - Senior Notes 1.819% Jul 20 2018	1.5
National Bank of Canada 1.750% Jul 23 2018	1.4
Toronto-Dominion Bank 1.100% Apr 25 2018	1.4
Canadian Imperial Bank of Commerce 1.550% Jun 8 2018	1.4
Bank of Nova Scotia 1.850% Sep 25 2018	1.4
King Street Funding Trust 1.669% Jun 15 2018	1.3
Fusion Trust 1.659% Jun 18 2018	1.2
BNP Paribas Capital Trust 1.659% Jun 11 2018	1.2
Inter Pipeline Ltd. 1.670% Apr 18 2018	1.2
Top 25 Holdings	47.3

* The Fund invests substantially all of its assets directly in the RBC Canadian Money Market Fund.
The above are the Top 25 holdings of the RBC Canadian Money Market Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



FIXED-INCOME FUND

RBC \$U.S. SHORT TERM INCOME CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide current income and liquidity consistent with short-term U.S. money market rates, to preserve the value of an investment, and to generate U.S. dollar returns, thereby providing investors with potential for currency diversification.

To achieve its investment objective, the Fund invests most of its assets in the RBC \$U.S. Money Market Fund (the “underlying fund”), which holds primarily high-quality, short-term (one year or less) debt securities denominated in U.S. dollars, including treasury bills issued or guaranteed by Canadian or foreign governments or their agencies, bankers acceptances, asset-backed commercial paper and commercial paper issued by Canadian or foreign corporations and supranational agencies such as the World Bank.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value rose to \$865,000 as of March 31, 2018, from \$281,000 as of March 31, 2017. The increase was due to net inflows.

Over the past year, the Fund’s Series A shares gained 1.2%, which outperformed the 1.1% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

U.S. money-market yields increased substantially during the period, as the recovering U.S. economy underscored the need for the monetary tightening initiated in late 2015. The U.S. Federal Reserve (the “Fed”), in reaction to the steadily growing economy fuelled further by tax cuts and pro-growth policies, raised interest rates three times during the period. Globally, the world’s developed economies turned the corner, ushering in a phase in which major central banks began to focus on unwinding the loose monetary policies that have supported economic recovery since the financial crisis. The Fed was the first major central bank to start this process and continued with hikes over the period as other central banks started tightening or signalled that ultra-easy policy was approaching its end. Inflationary pressures remained unexpectedly calm through this period of growth, although the Fed stated many times its expectation that inflation would return, particularly as U.S. labour markets were approaching a point of saturation.

The portfolio manager varied the Fund’s average term to maturity, at times building significant holdings in shorter-term securities, and at other times investing in longer-term paper as higher yields became available. The portfolio manager increased holdings of maturities around fixed announcement dates in order to capture the effect of rate hikes. Asset allocation favoured higher-yielding asset-backed commercial paper. Regulatory liquidity requirements were satisfied through active maturity management and a core position in government paper.

Recent Developments

The Fed has based its string of interest-rate increases on rising economic growth rather than the appearance of inflation. Lately, though, inflationary pressures have begun to stir, and the next round of hikes could be directly connected to the return of inflation to the Fed’s target. Underscoring expectations of further rate hikes is the Trump administration’s tax-cutting fiscal policy, as it is unusual for governments to promote growth-enhancing policies when economic growth is relatively fast. The U.S. tax-cut law and pursuit of pro-growth policies will fuel additional growth at the cost of massive deficits. Accordingly, the portfolio manager anticipates that continued strong U.S. economic growth will nudge inflation higher, resulting in higher U.S. interest rates to prevent inflation from rising to levels that would threaten economic stability.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS (in USD)

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
Series A													
Mar. 31, 2018	10.08	0.18	(0.05)	—	—	0.13	—	—	—	—	—	—	10.20
Mar. 31, 2017	10.01	0.14	(0.06)	—	—	0.08	—	—	—	—	—	—	10.08
Mar. 31, 2016 ³	10.00 [†]	0.01	—	—	—	0.01	—	—	—	—	—	—	10.01
Series D													
Mar. 31, 2018	10.08	0.19	(0.05)	—	—	0.14	—	—	—	—	—	—	10.20
Mar. 31, 2017	10.01	0.14	(0.07)	—	—	0.07	—	—	—	—	—	—	10.08
Mar. 31, 2016 ³	10.00 [†]	0.01	—	—	—	0.01	—	—	—	—	—	—	10.01
Series F													
Mar. 31, 2018	10.08	0.16	(0.03)	—	—	0.13	—	—	—	—	—	—	10.21
Mar. 31, 2017	10.01	0.14	(0.06)	—	—	0.08	—	—	—	—	—	—	10.08
Mar. 31, 2016 ³	10.00 [†]	0.01	—	—	—	0.01	—	—	—	—	—	—	10.01
Series O													
Mar. 31, 2018	10.09	0.17	(0.04)	—	—	0.13	—	—	—	—	—	—	10.24
Mar. 31, 2017	10.01	0.13	(0.05)	—	—	0.08	—	—	—	—	—	—	10.09
Mar. 31, 2016 ³	10.00 [†]	0.01	—	—	—	0.01	—	—	—	—	—	—	10.01

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2015.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	10.20	148	15	0.28	0.59	508.20	—
Mar. 31, 2017	10.08	72	7	0.28	1.26	44.86	—
Mar. 31, 2016 ⁴	10.01	1	—	0.22	0.22	n/a	—
Series D							
Mar. 31, 2018	10.20	10	1	0.28	0.59	508.20	—
Mar. 31, 2017	10.08	2	—	0.29	1.27	44.86	—
Mar. 31, 2016 ⁴	10.01	1	—	0.22	0.22	n/a	—
Series F							
Mar. 31, 2018	10.21	706	69	0.22	0.53	508.20	—
Mar. 31, 2017	10.08	59	6	0.23	1.21	44.86	—
Mar. 31, 2016 ⁴	10.01	1	—	0.17	0.17	n/a	—
Series O							
Mar. 31, 2018	10.24	1	—	0.05	0.36	508.20	—
Mar. 31, 2017	10.09	148	15	0.05	1.03	44.86	—
Mar. 31, 2016 ⁴	10.01	147	15	0.05	0.05	n/a	—

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ From October 16, 2015.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	0.85%	29%	71%
Series D	0.60%	17%	83%
Series F	0.50%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



March 31, 2018

PAST PERFORMANCE (in USD)

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series 0 (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

Citigroup 3-Month TBill Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	1.2	—	—	—	0.9
Benchmark	1.1	—	—	—	0.3
Series D	1.2	—	—	—	0.9
Benchmark	1.1	—	—	—	0.3
Series F	1.2	—	—	—	0.9
Benchmark	1.1	—	—	—	0.3
Series 0	1.5	—	—	—	1.1
Benchmark	1.1	—	—	—	0.3

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Series D, Series F and Series 0 mutual fund shares have been available for sale to shareholders since January 25, 2016.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

Citigroup 3-Month TBill Index The index tracks the performance of short-term U.S. government debt instruments.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Commercial Paper	75.9
Provincial Obligations	14.8
Bankers Acceptances and Bank Obligations	8.8
Federal Obligations	0.4
Cash/Other	0.1

Top 25 Holdings*

	% of Net Asset Value
Province of Alberta 1.972% May 22 2018	6.5
Hydro-Quebec 1.836% May 11 2018	5.9
OMERS Realty Corp. 2.002% Jun 6 2018	5.6
SAFE Trust - Series 1996-1 1.900% Apr 10 2018	5.3
Enbridge Pipelines Inc. 1.983% Apr 5 2018	3.8
SURE Trust 1.948% Apr 25 2018	3.7
TMX Group Ltd. 1.927% Apr 25 2018	3.0
SOUND Trust 1.861% May 8 2018	2.5
Prime Trust - Senior Notes 2.112% May 22 2018	2.4
Ridge Trust 2.311% Jun 25 2018	2.2
Merit Trust - Senior Notes 2.299% Jun 14 2018	2.1
OMERS Realty Corp. 2.271% Jun 26 2018	2.1
Prime Trust - Senior Notes 2.291% Jun 25 2018	2.1
Zeus Receivables Trust - Senior Notes 2.258% Jun 14 2018	2.1
Canadian Imperial Bank of Commerce 1.501% Apr 27 2018	1.9
SURE Trust 1.940% Apr 23 2018	1.7
Zeus Receivables Trust - Senior Notes 2.449% Sep 27 2018	1.7
Fusion Trust 2.228% Jun 26 2018	1.6
Clarity Trust 2.290% Jun 22 2018	1.6
Bank of Montreal 1.900% Jul 18 2019	1.5
Ridge Trust 1.968% May 14 2018	1.5
Canadian Master Trust - Series A 2.311% Jun 25 2018	1.5
Province of Ontario 1.735% Apr 3 2018	1.4
Zeus Receivables Trust - Senior Notes 1.940% Apr 23 2018	1.4
Banner Trust 2.219% Jun 28 2018	1.4
Top 25 Holdings	66.5

* The Fund invests substantially all of its assets directly in the RBC \$U.S. Money Market Fund. The above are the Top 25 holdings of the RBC \$U.S. Money Market Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



FIXED-INCOME FUND

BLUEBAY GLOBAL CONVERTIBLE BOND CLASS (CANADA)

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide total returns consisting of interest income and modest capital appreciation through exposure to global convertible bonds.

To achieve the Fund's objectives, the Fund invests most of its assets in the BlueBay Global Convertible Bond Fund (Canada) (the "underlying fund"), which holds mainly global convertible bonds issued by entities domiciled or carrying out business activities anywhere in the world. The portfolio manager of the underlying fund conducts detailed credit and equity analysis to identify investment opportunities offering high probabilities of superior rates of return while minimizing the prospect of default.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund's overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the "new risk classification methodology") in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds' risk ratings were changed. RBC GAM reviews each fund's risk rating on an annual basis or if there has been a material change to a fund's investment objectives or investment strategies. Any changes to a fund's risk rating are the result of RBC GAM's annual review and the adoption of the new risk classification methodology.

Effective October 25, 2017, the Fund's risk rating changed from medium to low-to-medium.

Results of Operations

The Fund's net asset value fell to \$95 million as of March 31, 2018, from \$101 million as of March 31, 2017. The decrease was due to net redemptions.

Over the past year, the Fund's Series A shares were unchanged, which underperformed the 3.1% rise in the benchmark. The Fund's return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Global markets climbed in 2017, reaching all-time highs in December, buoyed by strong corporate results in the U.S. and Europe. Economic growth proved robust, with consumer and corporate confidence remaining high. The long-awaited tax-reform bill was passed by the U.S. House of Representatives in December and signed into law by President Trump before Christmas. In contrast, major equity indexes fell sharply and volatility increased in the first quarter of 2018 amid concerns about higher interest rates and the consequences of a potential trade war between the U.S. and China.

Among the securities that aided the Fund's performance were two companies in the semiconductor industry. ON Semiconductor benefited from robust demand in a number of areas including self-driving cars and smartphones. Another company in the industry, Microchip Technology, beat analysts' estimates as it boosted capacity. The Fund's returns were also bolstered by holdings in ServiceNow, whose stock almost doubled during the period as the company's results beat analysts' expectations. ServiceNow, which operates a cloud-computing platform, continues to attract large-sized business customers and has increased the proportion of users with more than one service.

Holdings in Steinhoff International, the South Africa-based retailer of furniture and household goods, held back returns significantly. The company's stock lost most of its value in late December after the company disclosed accounting irregularities, and the Fund sold all of its Steinhoff convertible-bond holdings given the company's obvious signs of financial distress. Dish Network, a satellite broadcaster, reported disappointing results and faced increased competition. As a result, the company's credit rating was lowered by Standard & Poor's. Tesaro, which developed the ovarian-cancer treatment Zejula, faced increased competition from rival AstraZeneca.

Recent Developments

Financial markets have fallen from their all-time highs in January following reports of higher U.S. wages, triggering fears that the U.S. Federal Reserve (the "Fed") would be forced to raise interest rates at a faster rate than previously expected. The Fed, led by new Chairman Jerome Powell, played down the possibility it would quicken the pace of rate hikes, noting that wage pressures hadn't translated into faster inflation.

Financial markets were also buffeted by the Trump administration's plans to impose tariffs on as much as US\$60 billion of annual imports from China. China responded with a plan to introduce tariffs on 128 U.S. products worth some US\$3 billion. Geopolitical concerns eased somewhat after North Korean leader Kim Jong-un made a surprise state visit to China, where he met with Chinese president Xi Jinping. Kim said he will meet with Trump and officials in South Korea to discuss the potential de-nuclearization of the Korean peninsula.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Advisor T5 Series, Series T5, Series H and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
Series A													
Mar. 31, 2018	10.94	0.02	(0.21)	0.42	(0.19)	0.04	—	—	—	—	—	—	10.94
Mar. 31, 2017	10.29	0.02	(0.20)	0.27	0.56	0.65	—	—	—	—	—	—	10.94
Mar. 31, 2016	10.89	0.06	(0.20)	(0.01)	(0.55)	(0.70)	—	—	—	—	—	—	10.29
Mar. 31, 2015	10.16	0.09	(0.20)	0.15	0.77	0.81	—	—	—	—	—	—	10.89
Mar. 31, 2014 ³	10.00 [†]	0.05	(0.04)	—	0.05	0.06	—	—	—	—	—	—	10.16
Advisor Series													
Mar. 31, 2018	10.94	0.02	(0.21)	0.42	(0.18)	0.05	—	—	—	—	—	—	10.94
Mar. 31, 2017	10.29	0.02	(0.20)	0.27	0.54	0.63	—	—	—	—	—	—	10.94
Mar. 31, 2016	10.89	0.06	(0.21)	(0.01)	(0.55)	(0.71)	—	—	—	—	—	—	10.29
Mar. 31, 2015	10.16	0.10	(0.20)	0.16	0.79	0.85	—	—	—	—	—	—	10.89
Mar. 31, 2014 ³	10.00 [†]	0.06	(0.04)	—	0.05	0.07	—	—	—	—	—	—	10.16
Advisor T5 Series													
Mar. 31, 2018	9.42	0.01	(0.17)	0.35	(0.16)	0.03	—	—	—	(0.46)	(0.46)	8.96	
Mar. 31, 2017	9.33	0.02	(0.17)	0.24	0.47	0.56	—	—	—	(0.48)	(0.48)	9.42	
Mar. 31, 2016	10.37	0.06	(0.19)	(0.01)	(0.51)	(0.65)	—	—	—	(0.50)	(0.50)	9.33	
Mar. 31, 2015 ⁴	10.13 [†]	0.09	(0.18)	0.14	0.70	0.75	—	—	—	(0.50)	(0.50)	10.37	
Series T5													
Mar. 31, 2018	9.42	0.01	(0.17)	0.35	(0.17)	0.02	—	—	—	(0.46)	(0.46)	8.97	
Mar. 31, 2017	9.33	0.02	(0.17)	0.23	0.34	0.42	—	—	—	(0.48)	(0.48)	9.42	
Mar. 31, 2016	10.37	0.06	(0.19)	(0.01)	(0.50)	(0.64)	—	—	—	(0.50)	(0.50)	9.33	
Mar. 31, 2015 ⁴	10.13 [†]	0.08	(0.18)	0.13	0.68	0.71	—	—	—	(0.50)	(0.50)	10.37	
Series H													
Mar. 31, 2018	11.03	0.02	(0.18)	0.42	(0.25)	0.01	—	—	—	—	—	—	11.05
Mar. 31, 2017	10.35	0.02	(0.18)	0.27	0.53	0.64	—	—	—	—	—	—	11.03
Mar. 31, 2016	10.93	0.06	(0.18)	(0.01)	(0.55)	(0.68)	—	—	—	—	—	—	10.35
Mar. 31, 2015	10.17	0.10	(0.17)	0.16	0.80	0.89	—	—	—	—	—	—	10.93
Mar. 31, 2014 ³	10.00 [†]	0.05	(0.03)	—	0.04	0.06	—	—	—	—	—	—	10.17
Series D													
Mar. 31, 2018	11.19	0.02	(0.13)	0.43	(0.25)	0.07	—	—	—	—	—	—	11.27
Mar. 31, 2017	10.45	0.02	(0.12)	0.28	0.55	0.73	—	—	—	—	—	—	11.19
Mar. 31, 2016	10.98	0.06	(0.13)	(0.01)	(0.55)	(0.63)	—	—	—	—	—	—	10.45
Mar. 31, 2015	10.17	0.09	(0.13)	0.15	0.78	0.89	—	—	—	—	—	—	10.98
Mar. 31, 2014 ³	10.00 [†]	0.07	(0.03)	—	0.06	0.10	—	—	—	—	—	—	10.17



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Mutual Fund Share (\$) (cont.)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series F												
Mar. 31, 2018	11.24	0.02	(0.12)	0.43	(0.23)	0.10	—	—	—	—	—	11.33
Mar. 31, 2017	10.48	0.02	(0.11)	0.27	0.52	0.70	—	—	—	—	—	11.24
Mar. 31, 2016	11.00	0.06	(0.12)	(0.01)	(0.55)	(0.62)	—	—	—	—	—	10.48
Mar. 31, 2015	10.18	0.10	(0.12)	0.15	0.79	0.92	—	—	—	—	—	11.00
Mar. 31, 2014 ³	10.00 [†]	0.05	(0.02)	—	0.05	0.08	—	—	—	—	—	10.18
Series FT5												
Mar. 31, 2018	9.67	0.01	(0.10)	0.36	(0.29)	(0.02)	—	—	—	(0.47)	(0.47)	9.28
Mar. 31, 2017	9.50	0.02	(0.10)	0.24	0.47	0.63	—	—	—	(0.49)	(0.49)	9.67
Mar. 31, 2016	10.47	0.06	(0.11)	(0.01)	(0.51)	(0.57)	—	—	—	(0.50)	(0.50)	9.50
Mar. 31, 2015 ⁴	10.16 [†]	0.08	(0.10)	0.13	0.65	0.76	—	—	—	(0.50)	(0.50)	10.47
Series I												
Mar. 31, 2018	11.33	0.02	(0.09)	0.43	(0.21)	0.15	—	—	—	—	—	11.45
Mar. 31, 2017	10.55	0.02	(0.09)	0.27	0.58	0.78	—	—	—	—	—	11.33
Mar. 31, 2016	11.04	0.06	(0.09)	(0.01)	(0.56)	(0.60)	—	—	—	—	—	10.55
Mar. 31, 2015	10.19	0.10	(0.09)	0.16	0.79	0.96	—	—	—	—	—	11.04
Mar. 31, 2014 ³	10.00 [†]	0.06	(0.02)	—	0.05	0.09	—	—	—	—	—	10.19
Series O												
Mar. 31, 2018	11.62	0.02	—	0.45	(0.26)	0.21	—	—	—	—	—	11.83
Mar. 31, 2017	10.74	0.02	—	0.29	0.55	0.86	—	—	—	—	—	11.62
Mar. 31, 2016	11.15	0.06	—	(0.01)	(0.56)	(0.51)	—	—	—	—	—	10.74
Mar. 31, 2015	10.20	0.13	—	0.21	1.08	1.42	—	—	—	—	—	11.15
Mar. 31, 2014 ³	10.00 [†]	0.51	—	—	0.45	0.96	—	—	—	—	—	10.20

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From January 20, 2014.

⁴ From April 21, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	10.94	4 705	430	2.08	2.08	11.78	0.02
Mar. 31, 2017	10.94	6 521	596	2.09 ⁴	2.09	2.67	0.10
Mar. 31, 2016	10.29	11 757	1 142	2.13	2.13	15.89	0.09
Mar. 31, 2015	10.89	10 889	1 000	2.16	2.17	4.43	0.14
Mar. 31, 2014 ⁵	10.16	2 878	283	2.17	2.17	—	—
Advisor Series							
Mar. 31, 2018	10.94	14 107	1 290	2.08	2.08	11.78	0.02
Mar. 31, 2017	10.94	20 986	1 919	2.11 ⁴	2.11	2.67	0.10
Mar. 31, 2016	10.29	33 418	3 247	2.16	2.16	15.89	0.09
Mar. 31, 2015	10.89	34 614	3 178	2.16	2.17	4.43	0.14
Mar. 31, 2014 ⁵	10.16	12 360	1 216	2.17	2.17	—	—
Advisor T5 Series							
Mar. 31, 2018	8.96	1 142	128	2.07	2.07	11.78	0.02
Mar. 31, 2017	9.42	1 581	168	2.08 ⁴	2.08	2.67	0.10
Mar. 31, 2016	9.33	2 271	244	2.11	2.11	15.89	0.09
Mar. 31, 2015 ⁶	10.37	2 128	205	2.12	2.13	4.43	0.14
Series T5							
Mar. 31, 2018	8.97	454	51	2.01	2.01	11.78	0.02
Mar. 31, 2017	9.42	606	64	2.08 ⁴	2.08	2.67	0.10
Mar. 31, 2016	9.33	1 584	170	2.10	2.10	15.89	0.09
Mar. 31, 2015 ⁶	10.37	559	54	2.08	2.09	4.43	0.14
Series H							
Mar. 31, 2018	11.05	10 931	990	1.88	1.88	11.78	0.02
Mar. 31, 2017	11.03	11 953	1 084	1.89	1.89	2.67	0.10
Mar. 31, 2016	10.35	16 461	1 590	1.90	1.90	15.89	0.09
Mar. 31, 2015	10.93	18 325	1 677	1.89	1.90	4.43	0.14
Mar. 31, 2014 ⁵	10.17	5 474	538	1.90	1.90	—	—
Series D							
Mar. 31, 2018	11.27	2 496	221	1.36	1.36	11.78	0.02
Mar. 31, 2017	11.19	2 449	219	1.38 ⁴	1.38	2.67	0.10
Mar. 31, 2016	10.45	2 735	262	1.42	1.42	15.89	0.09
Mar. 31, 2015	10.98	1 928	176	1.47	1.48	4.43	0.14
Mar. 31, 2014 ⁵	10.17	567	56	1.50	1.50	—	—
Series F							
Mar. 31, 2018	11.33	35 927	3 172	1.25	1.25	11.78	0.02
Mar. 31, 2017	11.24	35 252	3 137	1.27 ⁴	1.27	2.67	0.10
Mar. 31, 2016	10.48	50 665	4 833	1.31	1.31	15.89	0.09
Mar. 31, 2015	11.00	39 169	3 560	1.32	1.33	4.43	0.14
Mar. 31, 2014 ⁵	10.18	11 255	1 106	1.32	1.32	—	—
Series FT5							
Mar. 31, 2018	9.28	15 834	1 706	1.25	1.25	11.78	0.02
Mar. 31, 2017	9.67	10 478	1 083	1.26 ⁴	1.26	2.67	0.10
Mar. 31, 2016	9.50	16 320	1 718	1.29	1.29	15.89	0.09
Mar. 31, 2015 ⁶	10.47	7 436	710	1.28	1.29	4.43	0.14



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series I							
Mar. 31, 2018	11.45	8 827	771	1.02	1.02	11.78	0.02
Mar. 31, 2017	11.33	10 824	955	1.03	1.03	2.67	0.10
Mar. 31, 2016	10.55	15 351	1 455	1.03	1.03	15.89	0.09
Mar. 31, 2015	11.04	16 443	1 490	1.04	1.05	4.43	0.14
Mar. 31, 2014 ⁵	10.19	5 837	573	1.03	1.03	—	—
Series O							
Mar. 31, 2018	11.83	266	23	0.26	0.26	11.78	0.02
Mar. 31, 2017	11.62	262	23	0.26	0.26	2.67	0.10
Mar. 31, 2016	10.74	274	26	0.26	0.26	15.89	0.09
Mar. 31, 2015	11.15	147	13	0.25	0.26	4.43	0.14
Mar. 31, 2014 ⁵	10.20	147	14	0.24	0.24	—	—

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Advisor T5 Series, Series T5, Series D, Series F and Series FT5 mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.07%, Advisor Series – 2.09%, Advisor T5 Series – 2.06%, Series T5 – 2.06%, Series D – 1.36%, Series F – 1.25% and Series FT5 – 1.24%.

⁵ From January 20, 2014.

⁶ From April 21, 2014.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.65%	44%	56%
Advisor Series	1.65%	44%	56%
Advisor T5 Series	1.65%	44%	56%
Series T5	1.65%	44%	56%
Series H	1.45%	52%	48%
Series D	1.05%	14%	86%
Series F	0.90%	—	100%
Series FT5	0.90%	—	100%
Series I	0.70%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



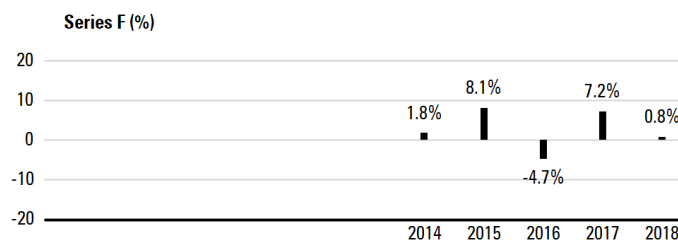
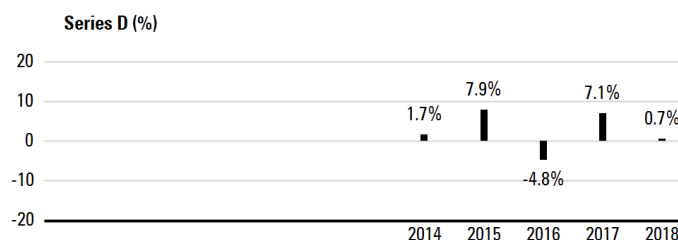
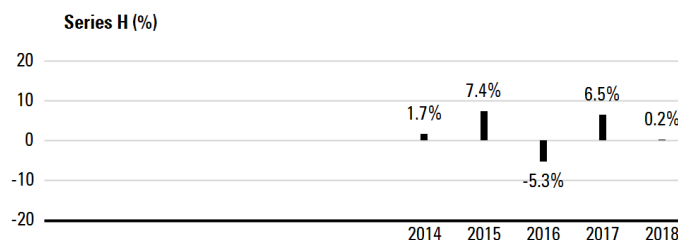
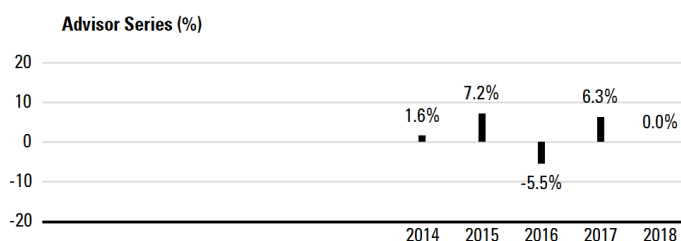
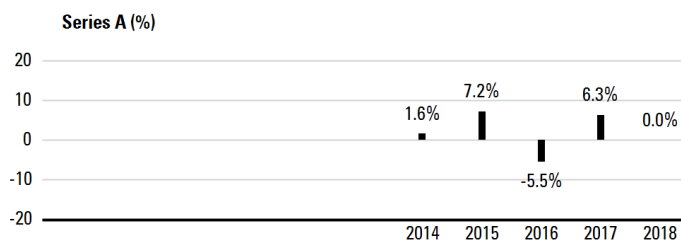
March 31, 2018

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

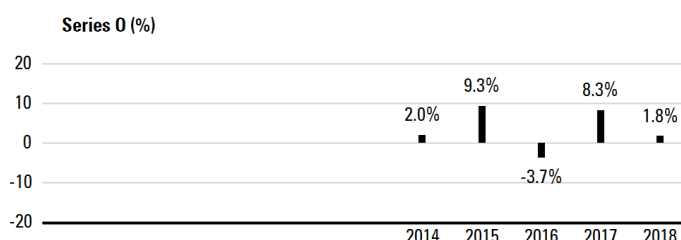
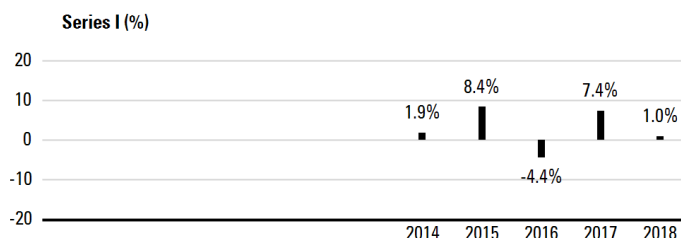
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.





March 31, 2018

PAST PERFORMANCE (cont.)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

Thomson Reuters Convertible Global Focus Index (hedged to CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	0.0	0.1	—	—	2.2
Benchmark	3.1	2.3	—	—	3.7
Advisor Series	0.0	0.1	—	—	2.2
Benchmark	3.1	2.3	—	—	3.7
Advisor T5 Series	0.0	0.2	—	—	2.0
Benchmark	3.1	2.3	—	—	3.7
Series T5	0.0	0.2	—	—	2.0
Benchmark	3.1	2.3	—	—	3.7
Series H	0.2	0.4	—	—	2.4
Benchmark	3.1	2.3	—	—	3.7
Series D	0.7	0.9	—	—	2.9
Benchmark	3.1	2.3	—	—	3.7
Series F	0.8	1.0	—	—	3.0
Benchmark	3.1	2.3	—	—	3.7
Series FT5	0.8	1.0	—	—	2.8
Benchmark	3.1	2.3	—	—	3.7
Series I	1.0	1.2	—	—	3.3
Benchmark	3.1	2.3	—	—	3.7
Series O	1.8	2.0	—	—	4.1
Benchmark	3.1	2.3	—	—	3.7

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Advisor T5 Series, Series T5 and Series FT5 mutual fund shares have been available for sale to shareholders since April 21, 2014, and Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O mutual fund shares since January 20, 2014. Series H and Series I mutual fund shares have been capped and are no longer available for purchase by new investors effective June 30, 2016.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

Thomson Reuters Convertible Global Focus Index (hedged to CAD) This index is designed to measure the performance of global convertible bonds and focuses on larger convertible securities, with the number of constituents being limited to ensure breadth and manageability.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
United States	28.3
Japan	17.3
China	14.1
Germany	5.5
United Kingdom	5.0
France	2.6
Hong Kong	2.6
Taiwan	2.2
Malaysia	2.1
Netherlands	2.1
Norway	2.1
United Arab Emirates	1.5
Singapore	1.4
South Africa	1.0
Other Countries	4.3
Cash/Other	7.9



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at March 31, 2018

Top 25 Holdings*

	% of Net Asset Value
Cash & Cash Equivalents	5.9
DISH Network Corp., Convertible 3.375% Aug 15 2026	2.4
Microchip Technology Inc., Convertible 1.625% Feb 15 2027	2.0
Tesla Inc., Convertible 1.250% Jan 3 2021	1.9
Citrix Systems Inc., Convertible 0.500% Apr 15 2019	1.7
Shanghai Port Group BVI Holding Co. Ltd., Convertible USD 0.000% Aug 9 2021	1.7
Ctrip.com International Ltd., Convertible USD 1.990% Jul 1 2025	1.6
Deutsche Wohnen SE, Convertible EUR 0.325% Jul 26 2024	1.5
China Evergrande Group, Convertible HKD 4.250% Feb 14 2023	1.5
Morgan Stanley Finance LLC, Convertible EUR 0.000% Dec 17 2021	1.5
Bagan Capital Ltd., Convertible USD 0.000% Sep 23 2021	1.4
Toray Industries Inc., Convertible JPY 0.000% Aug 31 2021	1.4
Kansai Paint Co. Ltd., Convertible JPY 0.000% Jun 17 2022	1.4
Yahoo! Inc., Convertible 0.000% Dec 1 2018	1.3
Terumo Corp., Convertible JPY 0.000% Dec 6 2021	1.3
Mitsubishi Chemical Holdings Corp., Convertible JPY 0.000% Mar 29 2024	1.3
China Railway Construction Corp. Ltd., Convertible CNY 1.500% Dec 21 2021	1.3
Harvest International Co., Convertible HKD 0.000% Nov 21 2022	1.3
Cahaya Capital Ltd., Convertible USD 0.000% Sep 18 2021	1.2
BP Capital Markets Plc., Convertible GBP 1.000% Apr 28 2023	1.2
CRRC Corp Ltd., Convertible USD 0.000% Feb 5 2021	1.1
J Sainsbury Plc., Convertible GBP 2.875% Dec 31 2099	1.1
China Lodging Group Ltd., Convertible USD 0.375% Nov 1 2022	1.1
Yamada Denki Co. Ltd., Convertible JPY 0.000% Jun 28 2019	1.1
Kawasaki Kisen Kaisha Ltd., Convertible JPY 0.000% Sep 26 2018	1.1
Top 25 Holdings	40.3

* The Fund invests substantially all of its assets directly in the BlueBay Global Convertible Bond Fund (Canada). The above are the Top 25 holdings of the BlueBay Global Convertible Bond Fund (Canada).

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



FIXED-INCOME FUND

BLUEBAY \$U.S. GLOBAL CONVERTIBLE BOND CLASS (CANADA)

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide U.S. dollar total returns comprised of interest income and modest capital appreciation through exposure to global convertible bonds.

To achieve the Fund's objectives, the Fund invests most of its assets in the BlueBay \$U.S. Global Convertible Bond Fund (Canada) (the "underlying fund"), which holds mainly global convertible bonds issued by entities domiciled or carrying out business activities anywhere in the world. The portfolio manager of the underlying fund conducts detailed credit and equity analysis to identify investment opportunities offering high probabilities of superior rates of return while minimizing the prospect of default.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund's overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the "new risk classification methodology") in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds' risk ratings were changed. RBC GAM reviews each fund's risk rating on an annual basis or if there has been a material change to a fund's investment objectives or investment strategies. Any changes to a fund's risk rating are the result of RBC GAM's annual review and the adoption of the new risk classification methodology.

Effective October 25, 2017, the Fund's risk rating changed from medium to low-to-medium.

Results of Operations

The Fund's net asset value rose to \$521,000 as of March 31, 2018, from \$213,000 as of March 31, 2017. The increase was due to net inflows.

Over the past year, the Fund's Series A shares gained 0.4%, which underperformed the 3.4% rise in the benchmark. The Fund's return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Global markets climbed in 2017, reaching all-time highs in December, buoyed by strong corporate results in the U.S. and Europe. Economic growth proved robust, with consumer and corporate confidence remaining high. The long-awaited tax-reform bill was passed by the U.S. House of Representatives in December and signed into law by President Trump before Christmas. In contrast, major equity indexes fell sharply and volatility increased in the first quarter of 2018 amid concerns about higher interest rates and the consequences of a potential trade war between the U.S. and China.

Among the securities that aided the Fund's performance were two companies in the semiconductor industry. ON Semiconductor benefited from robust demand in a number of areas including self-driving cars and smartphones. Another company in the industry, Microchip Technology, beat analysts' estimates as it boosted capacity. The Fund's returns were also bolstered by Ablynx, a European pharmaceutical company that received a US\$3.1 billion takeover bid from Novo Nordisk. In addition, the company previously reported positive results from late-stage clinical trials of Caplacizumab, a treatment for rare blood diseases.

Holdings in Steinhoff International, the South Africa-based retailer of furniture and household goods, held back returns significantly. The company's stock lost most of its value in late December after the company disclosed accounting irregularities, and the Fund sold all of its Steinhoff convertible-bond holdings given the company's obvious signs of financial distress. Dish Network, a satellite broadcaster, reported disappointing results and faced increased competition. As a result, the company's credit rating was lowered by Standard & Poor's. Tesaro, which developed the ovarian-cancer treatment Zejula, faced increased competition from rival AstraZeneca.

Recent Developments

Financial markets have fallen from their all-time highs in January following reports of higher U.S. wages, triggering fears that the U.S. Federal Reserve (the "Fed") would be forced to raise interest rates at a faster rate than previously expected. The Fed, led by new Chairman Jerome Powell, played down the possibility that it would quicken the pace of rate hikes, noting that wage pressures hadn't translated into faster inflation.

Financial markets were also buffeted by the Trump administration's plans to impose tariffs on as much as US\$60 billion of annual imports from China. China responded with a plan to introduce tariffs on 128 U.S. products worth some US\$3 billion. Geopolitical concerns eased somewhat after North Korean leader Kim Jong-un made a surprise state visit to China, where he met with Chinese president Xi Jinping. Kim said he will meet with Trump and officials in South Korea to discuss the potential de-nuclearization of the Korean peninsula.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS (in USD)

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Mar. 31, 2018	10.82	0.03	(0.22)	0.17	(0.17)	(0.19)	—	—	—	—	—	10.86
Mar. 31, 2017	10.26	—	(0.23)	0.17	0.63	0.57	—	—	—	—	—	10.82
Mar. 31, 2016 ³	10.00 [†]	—	(0.03)	—	0.32	0.29	—	—	—	—	—	10.26
Advisor Series												
Mar. 31, 2018	10.82	0.04	(0.21)	0.20	0.02	0.05	—	—	—	—	—	10.87
Mar. 31, 2017	10.26	—	(0.23)	0.17	0.63	0.57	—	—	—	—	—	10.82
Mar. 31, 2016 ³	10.00 [†]	—	(0.03)	—	0.32	0.29	—	—	—	—	—	10.26
Series D												
Mar. 31, 2018	10.91	0.04	(0.14)	0.20	0.02	0.12	—	—	—	—	—	11.04
Mar. 31, 2017	10.27	—	(0.15)	0.17	0.63	0.65	—	—	—	—	—	10.91
Mar. 31, 2016 ³	10.00 [†]	—	(0.02)	—	0.32	0.30	—	—	—	—	—	10.27
Series F												
Mar. 31, 2018	10.92	0.04	(0.14)	0.18	(0.06)	0.02	—	—	—	—	—	11.04
Mar. 31, 2017	10.27	—	(0.15)	0.17	0.60	0.62	—	—	—	—	—	10.92
Mar. 31, 2016 ³	10.00 [†]	—	(0.02)	—	0.28	0.26	—	—	—	—	—	10.27
Series O												
Mar. 31, 2018	11.05	0.05	(0.03)	0.23	0.34	0.59	—	—	—	—	—	11.29
Mar. 31, 2017	10.29	—	(0.04)	0.18	0.62	0.76	—	—	—	—	—	11.05
Mar. 31, 2016 ³	10.00 [†]	—	—	—	0.32	0.32	—	—	—	—	—	10.29

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2015.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	10.86	164	15	2.01	2.40	n/a	—
Mar. 31, 2017	10.82	1	—	2.07 ⁴	2.92	n/a	0.01
Mar. 31, 2016 ⁵	10.26	1	—	2.16	2.16	n/a	0.03
Advisor Series							
Mar. 31, 2018	10.87	1	—	1.98	2.37	n/a	—
Mar. 31, 2017	10.82	1	—	2.07 ⁴	2.92	n/a	0.01
Mar. 31, 2016 ⁵	10.26	1	—	2.16	2.16	n/a	0.03
Series D							
Mar. 31, 2018	11.04	1	—	1.35	1.74	n/a	—
Mar. 31, 2017	10.91	1	—	1.40 ⁴	2.25	n/a	0.01
Mar. 31, 2016 ⁵	10.27	1	—	1.48	1.48	n/a	0.03
Series F							
Mar. 31, 2018	11.04	354	32	1.24	1.63	n/a	—
Mar. 31, 2017	10.92	49	4	1.26 ⁴	2.11	n/a	0.01
Mar. 31, 2016 ⁵	10.27	97	9	1.31	1.31	n/a	0.03
Series O							
Mar. 31, 2018	11.29	1	—	0.25	0.64	n/a	—
Mar. 31, 2017	11.05	161	15	0.25	1.10	n/a	0.01
Mar. 31, 2016 ⁵	10.29	150	15	0.24	0.24	n/a	0.03

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.06%, Advisor Series – 2.06%, Series D – 1.38% and Series F – 1.25%.

⁵ From October 16, 2015.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund.

Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.65%	44%	56%
Advisor Series	1.65%	44%	56%
Series D	1.05%	14%	86%
Series F	0.90%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



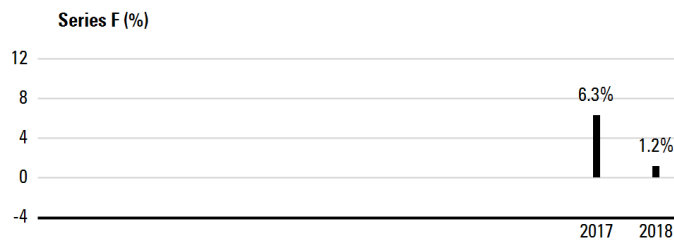
March 31, 2018

PAST PERFORMANCE (in USD)

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

Thomson Reuters Convertible Global Focus Index (hedged to USD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	0.4	—	—	—	3.9
Benchmark	3.4	—	—	—	3.6
Advisor Series	0.5	—	—	—	3.9
Benchmark	3.4	—	—	—	3.6
Series D	1.1	—	—	—	4.6
Benchmark	3.4	—	—	—	3.6
Series F	1.2	—	—	—	4.7
Benchmark	3.4	—	—	—	3.6
Series O	2.2	—	—	—	5.7
Benchmark	3.4	—	—	—	3.6

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 25, 2016.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

Thomson Reuters Convertible Global Focus Index (hedged to USD) This index is designed to measure the performance of global convertible bonds and focuses on larger convertible securities, with the number of constituents being limited to ensure breadth and manageability. The index is hedged to U.S. dollars.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
United States	26.2
Japan	18.9
China	11.8
Germany	5.7
United Kingdom	4.5
Hong Kong	3.1
France	2.7
Malaysia	2.3
Norway	2.2
Taiwan	2.1
United Arab Emirates	2.0
Singapore	1.9
Netherlands	1.3
Philippines	1.0
South Africa	1.0
Other Countries	4.5
Cash/Other	8.8

Top 25 Holdings*

	% of Net Asset Value
Cash & Cash Equivalents	8.4
DISH Network Corp., Convertible 3.375% Aug 15 2026	2.4
Microchip Technology Inc., Convertible 1.625% Feb 15 2025	2.2
Ctrip.com International Ltd., Convertible USD 1.990% Jul 1 2025	2.2
Tesla Inc., Convertible 1.250% Jan 3 2021	1.8
Citrix Systems Inc., Convertible 0.500% Apr 15 2019	1.8
Cahaya Capital Ltd., Convertible USD 0.000% Sep 18 2021	1.6
Deutsche Wohnen SE, Convertible EUR 0.325% Jul 26 2024	1.5
Morgan Stanley Finance LLC, Convertible EUR 0.000% Dec 17 2021	1.5
Yahoo! Inc., Convertible 0.000% Dec 1 2018	1.4
China Evergrande Group, Convertible HKD 4.250% Feb 14 2023	1.4
Bagan Capital Ltd., Convertible USD 0.000% Sep 23 2021	1.4
Toray Industries Inc., Convertible JPY 0.000% Aug 31 2021	1.4
Harvest International Co., Convertible HKD 0.000% Nov 21 2022	1.4
BP Capital Markets Plc., Convertible GBP 1.000% Apr 28 2023	1.4
Terumo Corp., Convertible JPY 0.000% Dec 6 2021	1.4
Mitsubishi Chemical Holdings Corp., Convertible JPY 0.000% Mar 29 2024	1.3
Aabar Investments PJSC, Convertible EUR 0.500% Mar 27 2020	1.3
Kansai Paint Co. Ltd., Convertible JPY 0.000% Jun 17 2022	1.3
CRRRC Corp Ltd., Convertible USD 0.000% Feb 5 2021	1.3
CapitaLand Ltd., Convertible SGD 2.800% Jun 8 2025	1.2
J Sainsbury Plc., Convertible GBP 2.875% Dec 31 2099	1.2
NXP Semiconductors N.V., Convertible USD 1.000% Dec 1 2019	1.1
United Microelectronics Corp., Convertible USD 0.000% May 18 2020	1.1
Sony Corp., Convertible JPY 0.000% Sep 30 2022	1.1
Top 25 Holdings	44.1

* The Fund invests substantially all of its assets directly in the BlueBay \$U.S. Global Convertible Bond Fund (Canada). The above are the Top 25 holdings of the BlueBay \$U.S. Global Convertible Bond Fund (Canada).

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



BALANCED FUND

PHILLIPS, HAGER & NORTH MONTHLY INCOME CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

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Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

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March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide monthly income that may consist of dividend income, interest income, realized capital gains and return of capital. The Fund will also have the potential to provide modest capital growth. The Fund primarily invests in a well diversified balanced portfolio of income-producing equity securities, including, but not limited to, common shares of dividend-paying Canadian companies and income trusts. The Fund may also invest in fixed-income securities such as preferred shares, government and corporate bonds, debentures and notes, asset-backed commercial paper, mortgage-backed securities and other income-generating securities.

The Fund's target weightings for each asset class are 50% for fixed income and 50% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

To achieve its investment objective, the Fund invests most of its assets in the Phillips, Hager & North Monthly Income Fund and/or a combination of other mutual funds managed by RBC GAM (underlying funds). The underlying funds invest in income-producing equity securities, fixed-income securities, and may also hold income-generating securities such as convertible bonds and convertible preferred shares.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund's overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the "new risk classification methodology") in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds' risk ratings were changed. RBC GAM reviews each fund's risk rating on an annual basis or if there has been a material change to a fund's investment objectives or investment strategies. Any changes to a fund's risk rating are the result of RBC GAM's annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund's risk rating during the reporting period.

Results of Operations

The Fund's net asset value fell to \$102 million as of March 31, 2018, from \$122 million as of March 31, 2017. The decrease was due to net redemptions.

Over the past year, the Fund's Series A shares lost 0.6%, which underperformed the 2.3% rise in the benchmark. The broad-based index 1 rose 1.4% and the broad-based index 2 rose 1.7%. The Fund's return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

The Canadian equity market experienced heightened volatility over the 12-month period. The benchmark index climbed significantly during the latter half of 2017 as rising oil prices, robust economic growth and a stronger Canadian dollar carried the index to an all-time high at the start of 2018. Canadian stocks then fell along with the global equity markets beginning in early February. In Canada, the market negatives related to concerns about rising yields, uncertainty surrounding renegotiation of the North American Free Trade Agreement and increased U.S. protectionism.

In the fixed-income portion of the Fund, returns were bolstered by the portfolio manager's success in actively managing assets around relative changes in short- and long-term interest rates. Exposure to real-return bonds, whose values are linked to the pace of inflation, and U.S. Treasury bonds also boosted relative performance. Provincial and corporate bonds continued to perform well during the period, and – in a sign of investor willingness to take risks in a low-interest-rate environment – the extra yield provided by these securities relative to benchmark federal bonds fell to the lowest since the financial crisis.

In equities, the Fund's overweight position in Dollarama was the biggest contributor to returns. The Utilities sector aided performance, with contributions from holdings in Brookfield Infrastructure and Fortis. In the Energy sector, positions in Crescent Point, Cenovus and Enbridge Inc. held back the Fund's returns. The Financials sector also weighed on the Fund's performance, with a position in Element Fleet Management having a large negative impact during the period.

Recent Developments

Earnings expectations and investor optimism are high as global synchronized growth continues in developed and emerging markets. Credit markets support economic growth as interest rates remain low internationally. More recently, protectionist trade moves by U.S. President Trump have shaken markets, and increasing international retaliation is likely if the administration continues to engage in more restrictive trade policy. An escalation of protectionist policy could accelerate inflation and likely stunt global growth.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Advisor T5 Series, Series T5, Series H and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series A												
Mar. 31, 2018	11.82	0.47	(0.22)	—	(0.28)	(0.03)	—	(0.07)	—	—	(0.07)	11.68
Mar. 31, 2017	10.87	0.38	(0.22)	(0.10)	1.13	1.19	—	(0.20)	—	—	(0.20)	11.82
Mar. 31, 2016	11.52	0.56	(0.21)	(0.41)	(0.47)	(0.53)	—	(0.27)	—	—	(0.27)	10.87
Mar. 31, 2015	11.15	0.57	(0.22)	0.59	(0.59)	0.35	—	(0.13)	—	—	(0.13)	11.52
Mar. 31, 2014	10.43	0.53	(0.07)	0.18	0.42	1.06	—	(0.12)	—	—	(0.12)	11.15
Advisor Series												
Mar. 31, 2018	11.79	0.47	(0.22)	—	(0.32)	(0.07)	—	(0.07)	—	—	(0.07)	11.65
Mar. 31, 2017	10.84	0.38	(0.22)	(0.10)	1.10	1.16	—	(0.20)	—	—	(0.20)	11.79
Mar. 31, 2016	11.50	0.56	(0.21)	(0.40)	(0.47)	(0.52)	—	(0.27)	—	—	(0.27)	10.84
Mar. 31, 2015	11.13	0.57	(0.22)	0.59	(0.59)	0.35	—	(0.13)	—	—	(0.13)	11.50
Mar. 31, 2014	10.43	0.53	(0.07)	0.18	0.42	1.06	—	(0.13)	—	—	(0.13)	11.13
Advisor T5 Series												
Mar. 31, 2018	10.14	0.39	(0.18)	—	(0.26)	(0.05)	—	(0.09)	—	(0.41)	(0.50)	9.58
Mar. 31, 2017	9.62	0.33	(0.18)	(0.09)	0.95	1.01	—	(0.18)	—	(0.30)	(0.48)	10.14
Mar. 31, 2016	10.48	0.50	(0.18)	(0.36)	(0.41)	(0.45)	—	(0.20)	—	(0.31)	(0.51)	9.62
Mar. 31, 2015	10.51	0.55	(0.20)	0.56	(0.57)	0.34	—	(0.17)	—	(0.34)	(0.51)	10.48
Mar. 31, 2014	10.26	0.53	(0.02)	0.18	0.42	1.11	—	(0.18)	—	(0.33)	(0.51)	10.51
Series T5												
Mar. 31, 2018	10.11	0.39	(0.19)	—	(0.26)	(0.06)	—	(0.09)	—	(0.41)	(0.50)	9.55
Mar. 31, 2017	9.61	0.33	(0.19)	(0.09)	0.97	1.02	—	(0.18)	—	(0.30)	(0.48)	10.11
Mar. 31, 2016	10.47	0.50	(0.19)	(0.36)	(0.42)	(0.47)	—	(0.20)	—	(0.31)	(0.51)	9.61
Mar. 31, 2015	10.51	0.54	(0.20)	0.56	(0.56)	0.34	—	(0.17)	—	(0.34)	(0.51)	10.47
Mar. 31, 2014	10.26	0.52	(0.03)	0.17	0.41	1.07	—	(0.18)	—	(0.33)	(0.51)	10.51
Series H												
Mar. 31, 2018	11.80	0.47	(0.20)	—	(0.30)	(0.03)	—	(0.09)	—	—	(0.09)	11.66
Mar. 31, 2017	10.90	0.38	(0.20)	(0.10)	1.11	1.19	—	(0.26)	—	—	(0.26)	11.80
Mar. 31, 2016	11.57	0.56	(0.19)	(0.40)	(0.46)	(0.49)	—	(0.30)	—	—	(0.30)	10.90
Mar. 31, 2015	11.17	0.57	(0.20)	0.59	(0.59)	0.37	—	(0.12)	—	—	(0.12)	11.57
Mar. 31, 2014	10.44	0.51	(0.04)	0.17	0.41	1.05	—	(0.12)	—	—	(0.12)	11.17



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Mutual Fund Share (\$) (cont.)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series D												
Mar. 31, 2018	12.11	0.48	(0.12)	—	(0.31)	0.05	—	(0.17)	—	—	(0.17)	11.96
Mar. 31, 2017	11.11	0.39	(0.12)	(0.11)	1.12	1.28	—	(0.27)	—	—	(0.27)	12.11
Mar. 31, 2016	11.76	0.58	(0.12)	(0.42)	(0.49)	(0.45)	—	(0.36)	—	—	(0.36)	11.11
Mar. 31, 2015	11.29	0.59	(0.12)	0.60	(0.61)	0.46	—	(0.13)	—	—	(0.13)	11.76
Mar. 31, 2014	10.47	0.53	(0.03)	0.18	0.42	1.10	—	(0.12)	—	—	(0.12)	11.29
Series F												
Mar. 31, 2018	12.16	0.49	(0.10)	—	(0.39)	—	—	(0.19)	—	—	(0.19)	12.02
Mar. 31, 2017	11.15	0.41	(0.09)	(0.11)	0.98	1.19	—	(0.30)	—	—	(0.30)	12.16
Mar. 31, 2016	11.82	0.58	(0.09)	(0.42)	(0.48)	(0.41)	—	(0.40)	—	—	(0.40)	11.15
Mar. 31, 2015	11.29	0.55	(0.09)	0.57	(0.57)	0.46	—	(0.11)	—	—	(0.11)	11.82
Mar. 31, 2014	10.48	0.54	(0.01)	0.18	0.43	1.14	—	(0.16)	—	—	(0.16)	11.29
Series FT5												
Mar. 31, 2018	10.64	0.41	(0.08)	—	(0.27)	0.06	—	(0.10)	—	(0.43)	(0.53)	10.17
Mar. 31, 2017	9.99	0.35	(0.08)	(0.10)	0.90	1.07	—	(0.19)	—	(0.31)	(0.50)	10.64
Mar. 31, 2016	10.76	0.52	(0.08)	(0.37)	(0.43)	(0.36)	—	(0.19)	—	(0.33)	(0.52)	9.99
Mar. 31, 2015	10.67	0.52	(0.09)	0.54	(0.54)	0.43	—	(0.17)	—	(0.35)	(0.52)	10.76
Mar. 31, 2014	10.31	0.54	—	0.18	0.43	1.15	—	(0.18)	—	(0.33)	(0.51)	10.67

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	11.68	26 744	2 290	1.95	1.95	—	0.10
Mar. 31, 2017	11.82	42 477	3 594	1.95	1.95	2.14	0.17
Mar. 31, 2016	10.87	61 964	5 699	1.96	1.96	5.53	0.24
Mar. 31, 2015	11.52	85 328	7 405	1.95	1.96	7.11	0.24
Mar. 31, 2014	11.15	40 638	3 646	1.97	1.97	12.61	0.27
Advisor Series							
Mar. 31, 2018	11.65	8 088	694	1.94	1.94	—	0.10
Mar. 31, 2017	11.79	9 214	782	1.94	1.94	2.14	0.17
Mar. 31, 2016	10.84	11 200	1 033	1.97	1.97	5.53	0.24
Mar. 31, 2015	11.50	16 884	1 468	1.96	1.97	7.11	0.24
Mar. 31, 2014	11.13	9 781	879	1.98	1.98	12.61	0.27
Advisor T5 Series							
Mar. 31, 2018	9.58	5 110	533	1.91	1.91	—	0.10
Mar. 31, 2017	10.14	6 665	657	1.91	1.91	2.14	0.17
Mar. 31, 2016	9.62	9 442	981	1.91	1.91	5.53	0.24
Mar. 31, 2015	10.48	15 519	1 481	1.89	1.90	7.11	0.24
Mar. 31, 2014	10.51	14 118	1 343	1.90	1.90	12.61	0.27



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series T5							
Mar. 31, 2018	9.55	6 508	681	1.96	1.96	—	0.10
Mar. 31, 2017	10.11	9 828	972	1.97	1.97	2.14	0.17
Mar. 31, 2016	9.61	14 142	1 472	1.97	1.97	5.53	0.24
Mar. 31, 2015	10.47	19 876	1 899	1.95	1.96	7.11	0.24
Mar. 31, 2014	10.51	16 365	1 558	1.95	1.95	12.61	0.27
Series H							
Mar. 31, 2018	11.66	13 753	1 180	1.77	1.77	—	0.10
Mar. 31, 2017	11.80	17 218	1 459	1.78	1.78	2.14	0.17
Mar. 31, 2016	10.90	17 889	1 642	1.79	1.79	5.53	0.24
Mar. 31, 2015	11.57	35 658	3 083	1.78	1.79	7.11	0.24
Mar. 31, 2014	11.17	15 757	1 411	1.81	1.81	12.61	0.27
Series D							
Mar. 31, 2018	11.96	9 526	796	1.08	1.08	—	0.10
Mar. 31, 2017	12.11	10 417	861	1.09	1.09	2.14	0.17
Mar. 31, 2016	11.11	9 577	862	1.11	1.11	5.53	0.24
Mar. 31, 2015	11.76	8 007	681	1.10	1.11	7.11	0.24
Mar. 31, 2014	11.29	4 535	402	1.10	1.10	12.61	0.27
Series F							
Mar. 31, 2018	12.02	25 858	2 151	0.84	0.84	—	0.10
Mar. 31, 2017	12.16	18 704	1 539	0.84	0.84	2.14	0.17
Mar. 31, 2016	11.15	4 026	361	0.85	0.85	5.53	0.24
Mar. 31, 2015	11.82	5 464	462	0.84	0.85	7.11	0.24
Mar. 31, 2014	11.29	1 084	96	0.84	0.84	12.61	0.27
Series FT5							
Mar. 31, 2018	10.17	6 540	643	0.83	0.83	—	0.10
Mar. 31, 2017	10.64	7 036	661	0.83	0.83	2.14	0.17
Mar. 31, 2016	9.99	3 513	352	0.85	0.85	5.53	0.24
Mar. 31, 2015	10.76	4 558	424	0.84	0.85	7.11	0.24
Mar. 31, 2014	10.67	1 212	114	0.86	0.86	12.61	0.27

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.65%	61%	39%
Advisor Series	1.65%	61%	39%
Advisor T5 Series	1.65%	61%	39%
Series T5	1.65%	61%	39%
Series H	1.50%	67%	33%
Series D	0.90%	28%	72%
Series F	0.65%	—	100%
Series FT5	0.65%	—	100%

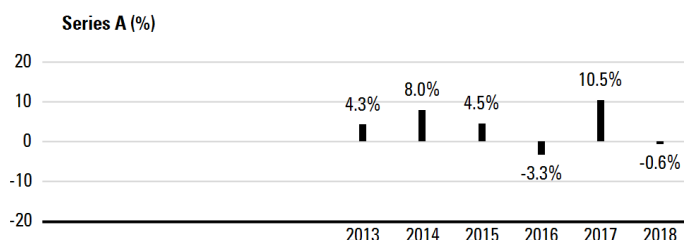
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

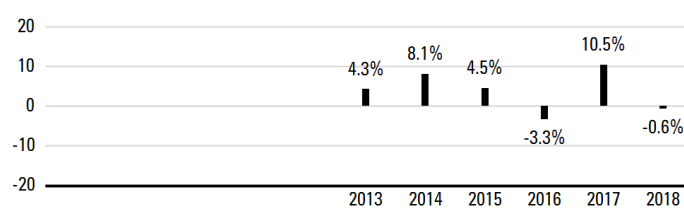
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

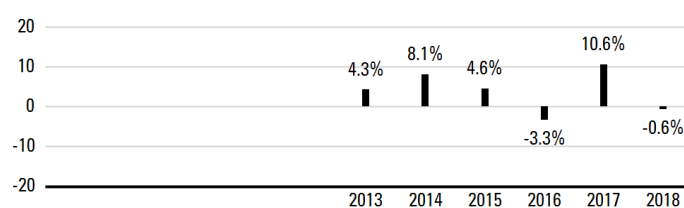
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



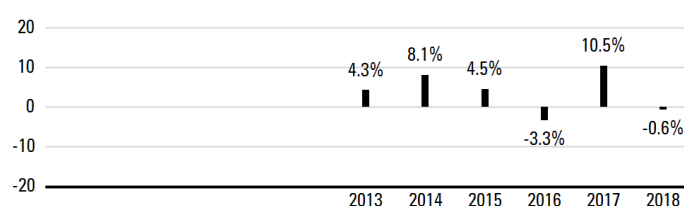
Advisor Series (%)



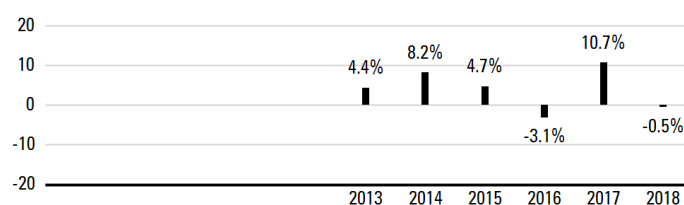
Advisor T5 Series (%)



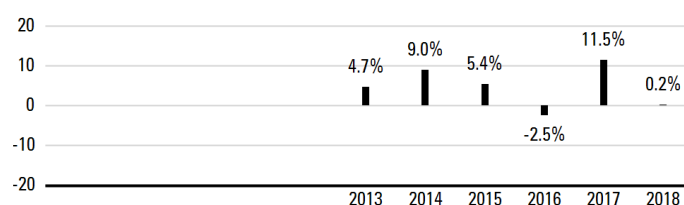
Series T5 (%)



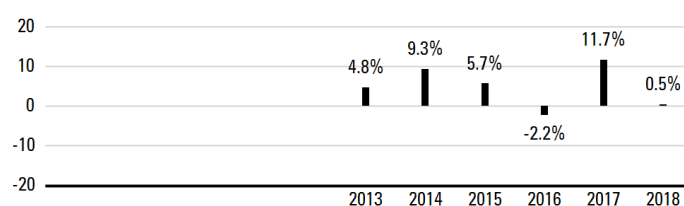
Series H (%)



Series D (%)



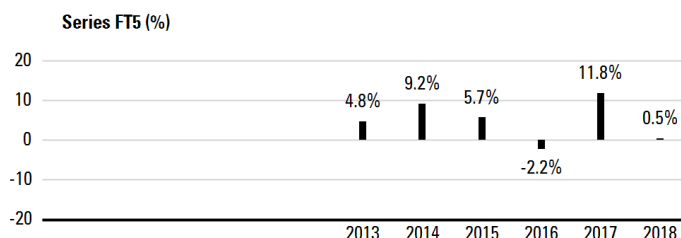
Series F (%)





March 31, 2018

PAST PERFORMANCE (cont.)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmarks:

The blended benchmark (the "Benchmark") is composed of:

- 50% S&P/TSX Capped Composite Total Return Index
- 35% FTSE TMX Canada Universe Bond Index
- 10% Merrill Lynch Canadian High Yield Index
- 5% S&P/TSX Preferred Share Total Return Index

The broad-based indexes are as follows:

Broad-based index 1 – FTSE TMX Canada Universe Bond Index

Broad-based index 2 – S&P/TSX Capped Composite Total Return Index

In January 2018, the S&P/TSX Capped Composite Total Return Index was added as a second broad-based index to more closely reflect the Fund's composition. The existing broad-based index is the FTSE TMX Canada Universe Bond Index.

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	-0.6	2.0	3.7	—	4.2
Benchmark	2.3	3.4	5.1	—	5.3
Broad-based index 1	1.4	1.2	2.9	—	2.9
Broad-based index 2	1.7	4.1	6.9	—	7.2
Advisor Series	-0.6	2.0	3.7	—	4.2
Benchmark	2.3	3.4	5.1	—	5.3
Broad-based index 1	1.4	1.2	2.9	—	2.9
Broad-based index 2	1.7	4.1	6.9	—	7.2
Advisor T5 Series	-0.6	2.1	3.8	—	4.3
Benchmark	2.3	3.4	5.1	—	5.3
Broad-based index 1	1.4	1.2	2.9	—	2.9
Broad-based index 2	1.7	4.1	6.9	—	7.2
Series T5	-0.6	2.0	3.7	—	4.2
Benchmark	2.3	3.4	5.1	—	5.3
Broad-based index 1	1.4	1.2	2.9	—	2.9
Broad-based index 2	1.7	4.1	6.9	—	7.2
Series H	-0.5	2.2	3.9	—	4.4
Benchmark	2.3	3.4	5.1	—	5.3
Broad-based index 1	1.4	1.2	2.9	—	2.9
Broad-based index 2	1.7	4.1	6.9	—	7.2

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series D	0.2	2.9	4.6	—	5.1
Benchmark	2.3	3.4	5.1	—	5.3
Broad-based index 1	1.4	1.2	2.9	—	2.9
Broad-based index 2	1.7	4.1	6.9	—	7.2
Series F	0.5	3.2	4.9	—	5.4
Benchmark	2.3	3.4	5.1	—	5.3
Broad-based index 1	1.4	1.2	2.9	—	2.9
Broad-based index 2	1.7	4.1	6.9	—	7.2
Series FT5	0.5	3.2	4.9	—	5.4
Benchmark	2.3	3.4	5.1	—	5.3
Broad-based index 1	1.4	1.2	2.9	—	2.9
Broad-based index 2	1.7	4.1	6.9	—	7.2

The returns of each series may vary because of differences in management fees and expenses. The Benchmark and broad-based index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark and broad-based indexes.

Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F and Series FT5 mutual fund shares have been available for sale to shareholders since October 31, 2012. Series H mutual fund shares have been capped and are no longer available for purchase by new investors effective June 30, 2016.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTIONS

S&P/TSX Capped Composite Total Return Index This index is the amended capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, with no individual stock exceeding 10% of the overall weight.

FTSE TMX Canada Universe Bond Index This index is designed as a broad measure of the Canadian investment-grade fixed-income market and includes bonds with maturities of at least one year.

Merrill Lynch Canadian High Yield Index This index tracks the performance of U.S. dollar- and Canadian dollar-denominated below-investment-grade corporate debt publicly issued by Canadian issuers in the Canadian or U.S. domestic markets.

S&P/TSX Preferred Share Total Return Index This index is composed of preferred stocks trading on the Toronto Stock Exchange that meet criteria relating to minimum size, liquidity, issuer rating and exchange listing.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Canadian Equities	48.8
Bonds	33.8
Investment Funds	9.8
Preferred Equities	5.3
Cash/Other	2.3



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at March 31, 2018

Top 25 Holdings*

	% of Net Asset Value
RBC High Yield Bond Fund	5.6
Phillips, Hager & North High Yield Bond Fund	4.3
Royal Bank of Canada	4.0
Toronto-Dominion Bank	4.0
Bank of Nova Scotia	3.1
Enbridge Inc.	2.7
Brookfield Asset Management Inc., Class A	2.0
Cash & Cash Equivalents	2.0
Canadian Imperial Bank of Commerce	1.6
Canadian National Railway Co.	1.6
Manulife Financial Corporation	1.5
Bank of Montreal	1.4
Suncor Energy Inc.	1.4
Canada Housing Trust No. 1 1.250% Jun 15 2021	1.2
Government of Canada 3.250% Jun 1 2021	1.2
Government of Canada 1.750% Mar 1 2023	1.2
Province of Ontario 3.500% Jun 2 2043	1.2
Shaw Communications Inc., Class B	1.1
Alimentation Couche-Tard Inc.	1.1
Waste Connections Inc.	1.0
Fortis Inc.	1.0
Government of Canada 2.750% Dec 1 2048	1.0
Canada Housing Trust No. 1 1.750% Jun 15 2022	1.0
Province of Ontario 5.600% Jun 2 2035	1.0
Keyera Corp.	0.9
Top 25 Holdings	48.1

* The Fund invests substantially all of its assets directly in the Phillips, Hager & North Monthly Income Fund. The above are the Top 25 holdings of the Phillips, Hager & North Monthly Income Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



BALANCED FUND

**RBC BALANCED GROWTH &
INCOME CLASS**

March 31, 2018

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a combination of capital growth and modest income by investing primarily in a diversified portfolio of income-producing equity and fixed-income securities from anywhere around the world.

The Fund's target weightings for each asset class are 40% for fixed income and 60% for equities. The target weightings for each class may be adjusted based on changes in the market outlook for each asset class.

To achieve its investment objective, the Fund invests up to 100% of its net assets in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM ("underlying funds"). The underlying funds invest in income-producing equity securities and fixed-income securities from around the world such as dividend-paying common shares, income trusts, preferred shares, government and corporate bonds, high yield bonds, debentures and notes, asset-backed commercial paper, mortgage-backed securities and other income-generating securities. The underlying funds may also invest in emerging-market equity securities and emerging-market government and corporate bonds.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund's overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the "new risk classification methodology") in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds' risk ratings were changed. RBC GAM reviews each fund's risk rating on an annual basis or if there has been a material change to a fund's investment objectives or investment strategies. Any changes to a fund's risk rating are the result of RBC GAM's annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund's risk rating during the reporting period.

Results of Operations

The Fund's net asset value rose to \$181 million as of March 31, 2018, from \$133 million as of March 31, 2017. The increase was due to net inflows.

Over the past year, the Fund's Series A shares gained 4.0%, which underperformed the 5.6% rise in the benchmark. The broad-based index 1 rose 1.4% and the broad-based index 2 rose 1.7%. The Fund's return is after the deduction of fees and expenses, while the

benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Global economic growth surged over the past 12 months thanks to factors including robust U.S. growth, strengthening European economies and an improving outlook for emerging markets. Growth in the Eurozone and Japan continued to impress with a persistence that would have been hard to fathom several years ago. However, concerns emerged in the final two quarters of the fiscal year that the U.S. and China would become embroiled in a trade war, with negative consequences for the world economy. The Canadian economy weakened in late 2017 and into 2018, due to a slower housing market after years of strong growth, as well as weak exports. The Bank of Canada raised interest rates three times during the period but signalled it would hold off on further increases given Canadians' high household debts and uncertainty about the future of the North American Free Trade Agreement ("NAFTA").

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Returns in major government bond markets were mixed during the period. German bonds posted losses after the economic recovery in the Eurozone enabled the European Central Bank to consider scaling back policies aimed at stimulating growth and inflation. In Japan, however, returns were positive as the central bank extended its use of such policies amid more subdued growth and inflation. In North America, where economic growth was faster than elsewhere for much of the period, returns were more measured as investors had already reflected interest-rate increases into their forecasts. Returns were boosted by all four of the Fund's fixed-income investments, led by the BlueBay Global Monthly Income Bond Fund and the RBC Global Corporate Bond Fund.

Most major global equity markets posted double-digit gains amid expectations that already strong global economic growth would get a further boost from U.S. tax cuts, which were legislated as 2017 came to a close. Emerging markets were among the best-performing equity markets, benefiting disproportionately from returns generated by a small group of technology companies including Tencent and Alibaba. Canada's stock market underperformed significantly during the period undermined by the housing slowdown, as well as worries about debt, trade, petroleum-pipeline infrastructure and NAFTA. All regions contributed positively to the Fund's performance. Emerging-market equities and stocks in the developed parts of Europe and Asia performed the best.



March 31, 2018

Recent Developments

The economic backdrop is quite good by post-crisis standards and, while the aging business cycle, rising interest rates and protectionism pose challenges, the portfolio manager thinks that this year the global economy will grow at the fastest pace in eight years. As a result, central banks will likely continue dialing back monetary accommodation and the portfolio manager expects bond yields to rise at a gradual pace. While rising yields could act as a drag on fixed-income returns, bonds play a critical role as ballast against market volatility in a balanced portfolio. The portfolio manager took advantage of the recent increase in yields to reduce the Fund's underweight position in fixed income by one percentage point, sourced from cash. The portfolio manager remains overweight stocks and expects them to continue outperforming bonds, but the Fund's asset mix is closer to neutral than it has been in many years given maturation in the business and market cycles and demanding valuations.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Advisor T5 Series and Series T5 mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
Series A													
Mar. 31, 2018	10.73	0.36	(0.22)	0.11	0.16	0.41	—	—	—	—	—	11.16	
Mar. 31, 2017	9.57	0.31	(0.20)	0.06	1.05	1.22	—	(0.04)	—	—	(0.04)	10.73	
Mar. 31, 2016 ³	10.00 [†]	0.34	(0.18)	0.07	(0.40)	(0.17)	—	(0.04)	—	—	(0.04)	9.57	
Advisor Series													
Mar. 31, 2018	10.72	0.36	(0.22)	0.11	0.15	0.40	—	—	—	—	—	11.15	
Mar. 31, 2017	9.56	0.31	(0.20)	0.06	1.07	1.24	—	(0.05)	—	—	(0.05)	10.72	
Mar. 31, 2016 ³	10.00 [†]	0.39	(0.18)	0.08	(0.46)	(0.17)	—	(0.06)	—	—	(0.06)	9.56	
Advisor T5 Series													
Mar. 31, 2018	9.79	0.32	(0.20)	0.09	0.16	0.37	—	(0.04)	—	(0.44)	(0.48)	9.69	
Mar. 31, 2017	9.13	0.29	(0.19)	0.05	1.00	1.15	—	(0.05)	—	(0.42)	(0.47)	9.79	
Mar. 31, 2016 ³	10.00 [†]	0.39	(0.18)	0.08	(0.46)	(0.17)	—	(0.32)	—	(0.17)	(0.49)	9.13	
Series T5													
Mar. 31, 2018	9.77	0.32	(0.20)	0.10	0.19	0.41	—	(0.04)	—	(0.44)	(0.48)	9.67	
Mar. 31, 2017	9.12	0.29	(0.19)	0.05	0.97	1.12	—	(0.05)	—	(0.42)	(0.47)	9.77	
Mar. 31, 2016 ³	10.00 [†]	0.31	(0.18)	0.07	(0.37)	(0.17)	—	(0.29)	—	(0.20)	(0.49)	9.12	
Series F													
Mar. 31, 2018	10.80	0.36	(0.10)	0.11	0.15	0.52	—	(0.10)	—	—	(0.10)	11.25	
Mar. 31, 2017	9.55	0.31	(0.09)	0.06	1.09	1.37	—	(0.07)	—	—	(0.07)	10.80	
Mar. 31, 2016 ³	10.00 [†]	0.35	(0.08)	0.08	(0.42)	(0.07)	—	(0.16)	—	—	(0.16)	9.55	
Series FT5													
Mar. 31, 2018	10.00	0.33	(0.09)	0.10	0.13	0.47	—	(0.04)	—	(0.45)	(0.49)	10.02	
Mar. 31, 2017	9.22	0.29	(0.09)	0.05	1.04	1.29	—	(0.05)	—	(0.42)	(0.47)	10.00	
Mar. 31, 2016 ³	10.00 [†]	0.33	(0.08)	0.07	(0.40)	(0.08)	—	(0.30)	—	(0.19)	(0.49)	9.22	
Series O													
Mar. 31, 2018	10.88	0.34	—	0.10	(0.28)	0.16	—	(0.14)	—	—	(0.14)	11.40	
Mar. 31, 2017	9.55	0.32	—	0.06	1.04	1.42	—	(0.08)	—	—	(0.08)	10.88	
Mar. 31, 2016 ³	10.00 [†]	1.29	(0.01)	0.28	(1.52)	0.04	—	(0.25)	—	—	(0.25)	9.55	

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From April 8, 2015.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	11.16	34 262	3 071	2.06	2.06	4.57	0.08
Mar. 31, 2017	10.73	33 375	3 110	2.07	2.07	23.64	0.12
Mar. 31, 2016 ⁴	9.57	29 438	3 076	2.09	2.09	28.91	0.17
Advisor Series							
Mar. 31, 2018	11.15	32 697	2 934	2.07	2.07	4.57	0.08
Mar. 31, 2017	10.72	23 407	2 183	2.05	2.05	23.64	0.12
Mar. 31, 2016 ⁴	9.56	9 484	992	2.06	2.06	28.91	0.17
Advisor T5 Series							
Mar. 31, 2018	9.69	10 255	1 058	2.05	2.05	4.57	0.08
Mar. 31, 2017	9.79	6 389	653	2.02	2.02	23.64	0.12
Mar. 31, 2016 ⁴	9.13	5 036	552	2.05	2.05	28.91	0.17
Series T5							
Mar. 31, 2018	9.67	6 393	661	2.08	2.08	4.57	0.08
Mar. 31, 2017	9.77	8 349	854	2.11	2.11	23.64	0.12
Mar. 31, 2016 ⁴	9.12	9 387	1 029	2.12	2.12	28.91	0.17
Series F							
Mar. 31, 2018	11.25	69 951	6 217	0.95	0.95	4.57	0.08
Mar. 31, 2017	10.80	42 958	3 979	0.96	0.96	23.64	0.12
Mar. 31, 2016 ⁴	9.55	9 961	1 044	0.96	0.96	28.91	0.17
Series FT5							
Mar. 31, 2018	10.02	27 761	2 771	0.97	0.97	4.57	0.08
Mar. 31, 2017	10.00	18 628	1 862	0.95	0.95	23.64	0.12
Mar. 31, 2016 ⁴	9.22	7 575	821	0.96	0.96	28.91	0.17
Series O							
Mar. 31, 2018	11.40	1	—	0.10	0.10	4.57	0.08
Mar. 31, 2017	10.88	1	—	0.09	0.09	23.64	0.12
Mar. 31, 2016 ⁴	9.55	1	—	0.10	0.10	28.91	0.17

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ From April 8, 2015.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Advisor T5 Series	1.75%	57%	43%
Series T5	1.75%	57%	43%
Series F	0.75%	—	100%
Series FT5	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



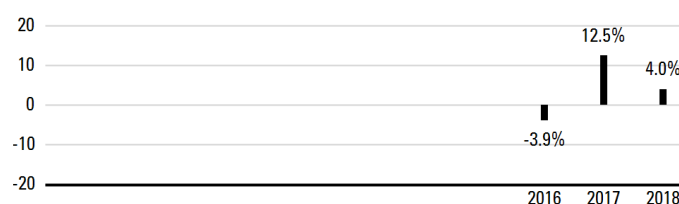
Advisor Series (%)



Advisor T5 Series (%)



Series T5 (%)



Series F (%)



Series FT5 (%)





March 31, 2018

PAST PERFORMANCE (cont.)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmarks:

The blended benchmark (the "Benchmark") is composed of:

- 40% FTSE TMX Canada Universe Bond Index
- 25% S&P/TSX Capped Composite Total Return Index
- 20% S&P 500 Total Return Index (CAD)
- 10% MSCI Emerging Markets Total Return Net Index (CAD)
- 5% MSCI Europe Total Return Net Index (CAD)

The broad-based indexes are as follows:

Broad-based index 1 – FTSE TMX Canada Universe Bond Index

Broad-based index 2 – S&P/TSX Capped Composite Total Return Index

In January 2018, the S&P/TSX Capped Composite Total Return Index was added as a second broad-based index to more closely reflect the Fund's composition. The existing broad-based index is the FTSE TMX Canada Universe Bond Index.

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	4.0	—	—	—	4.1
Benchmark	5.6	—	—	—	5.0
Broad-based index 1	1.4	—	—	—	1.3
Broad-based index 2	1.7	—	—	—	2.9
Advisor Series	4.0	—	—	—	4.1
Benchmark	5.6	—	—	—	5.0
Broad-based index 1	1.4	—	—	—	1.3
Broad-based index 2	1.7	—	—	—	2.9
Advisor T5 Series	4.0	—	—	—	4.1
Benchmark	5.6	—	—	—	5.0
Broad-based index 1	1.4	—	—	—	1.3
Broad-based index 2	1.7	—	—	—	2.9
Series T5	4.0	—	—	—	4.1
Benchmark	5.6	—	—	—	5.0
Broad-based index 1	1.4	—	—	—	1.3
Broad-based index 2	1.7	—	—	—	2.9
Series F	5.1	—	—	—	5.2
Benchmark	5.6	—	—	—	5.0
Broad-based index 1	1.4	—	—	—	1.3
Broad-based index 2	1.7	—	—	—	2.9

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series FT5	5.1	—	—	—	5.3
Benchmark	5.6	—	—	—	5.0
Broad-based index 1	1.4	—	—	—	1.3
Broad-based index 2	1.7	—	—	—	2.9
Series 0	6.1	—	—	—	6.2
Benchmark	5.6	—	—	—	5.0
Broad-based index 1	1.4	—	—	—	1.3
Broad-based index 2	1.7	—	—	—	2.9

The returns of each series may vary because of differences in management fees and expenses. The Benchmark and broad-based index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark and broad-based indexes.

Series A, Advisor Series, Advisor T5 Series, Series T5, Series F, Series FT5 and Series 0 mutual fund shares have been available for sale to shareholders since April 20, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTIONS

FTSE TMX Canada Universe Bond Index This index is designed as a broad measure of the Canadian investment-grade fixed-income market and includes bonds with maturities of at least one year.

S&P/TSX Capped Composite Total Return Index This index is the amended capitalization weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, with no individual stock exceeding 10% of the overall weight.

S&P 500 Total Return Index (CAD) This index is a capitalization-weighted index measuring the Canadian dollar performance of 500 widely held common stocks representing all major industries in the United States. The index gives investors a broad measure of the overall performance of the U.S. stock market.

MSCI Emerging Markets Total Return Net Index (CAD) This index is a broad measure of the Canadian dollar performance of emerging-market equities. As of May 2010, the index consisted of the following 21 emerging-market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, South Korea, Taiwan, Thailand and Turkey. The net total return index reinvests dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

MSCI Europe Total Return Net Index (CAD) This index is a broad measure of the Canadian dollar performance of major stock markets in Europe. The net total return index reinvests dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Income Funds	35.3
Canadian Equity Funds	28.9
United States Equity Funds	19.9
International Equity Funds	15.3
Cash/Other	0.6

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Equity Income Fund	28.9
RBC U.S. Dividend Fund	19.9
Phillips, Hager & North Total Return Bond Fund	12.9
RBC Emerging Markets Dividend Fund	9.4
RBC Global Corporate Bond Fund	8.9
RBC Global High Yield Bond Fund	6.8
BlueBay Global Monthly Income Bond Fund	6.7
RBC European Dividend Fund	5.8
Cash & Cash Equivalents	0.7
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.



CANADIAN EQUITY FUND

RBC CANADIAN DIVIDEND CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to achieve long-term total returns consisting of regular dividend income, which benefits from the preferential tax treatment given to dividends from Canadian companies, and modest long-term capital growth.

To achieve its investment objective, the Fund invests most of its assets in the RBC Private Canadian Dividend Pool and/or the RBC Canadian Dividend Fund (the “underlying funds”). The underlying funds invest primarily in common shares with above-average dividend yields and also invest in preferred shares of major Canadian companies. The underlying funds select companies with long-term prospects of growing their dividends and tend to focus on interest-sensitive securities to achieve dividend income, primarily investing in the Financials, Telecommunication Services and Utilities sectors.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value fell to \$133 million as of March 31, 2018, from \$137 million as of March 31, 2017. The decrease was due to net redemptions.

Over the past year, the Fund’s Series A shares gained 0.7%, which underperformed the 1.7% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Uncertainty returned to financial markets in early 2018 following a long period of strong returns and minimal volatility that lasted for most of 2017. The reversal started with strong U.S. wage-growth data, which led to concerns that higher inflation may force the U.S. Federal Reserve to increase interest rates at a faster pace than previously anticipated. With markets beginning to find their feet in the latter stages of February, renewed concerns over U.S. trade protectionism resulted in additional volatility.

Performance over the last year was driven by security selection in Canada’s largest sectors, Energy and Financials. In Energy, Enbridge Inc. was a core holding, but pulled back recently. Pressure on the stock was the result of concern surrounding its balance sheet, pipeline-construction challenges and the potential for rising interest rates due to the utility nature of the company. To address cash-flow concerns to fund a project backlog, much of the heavy lifting was completed in late 2017. This included a \$1.5 billion private sale of common equity and \$900 million in preferred shares.

In the Financials sector, the Fund’s security selection in banks and diversified financials added to relative returns. Shares of Canadian banks and bank earnings both gained during the period. As a result, multiples stayed steady and slightly ahead of the historical average. Looking forward in 2018, the operating environment supports consensus estimates of mid-to-high single-digit earnings growth. The banks have benefited from the Bank of Canada’s more hawkish rate outlook, which should translate into rising net interest margins. As well, continued loan growth, expense controls and solid credit quality all bode well for bank profits.

Asset weighting had the most negative impact on the portfolio’s returns, mainly due to the Fund’s overweight position in the Energy sector. Energy was the worst-performing sector in the benchmark over the last year, but security selection helped to make up the deficit.

Recent Developments

The Canadian housing market remains important for the economy and bank profitability. Toronto’s residential market has shown signs of softening following regulatory changes enacted in January of this year. As well, the portfolio manager is aware of the economy’s sensitivity to higher interest rates given the run-up in household debt. That said, the persistent improvement in labour markets is setting up an acceleration in income growth, which should mitigate some of the pressure.



March 31, 2018

The economic backdrop remains positive by post-crisis standards, with many of the macroeconomic indicators monitored by the portfolio manager showing reasons to remain positive. While key risks of an aging business cycle, rising interest rates and protectionism persist, upside potential remains from structural reforms in Japan and U.S. fiscal stimulus. On balance, the portfolio manager expects the positives to outweigh the negatives, further driving potential in the stock market.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series A												
Mar. 31, 2018	14.38	0.45	(0.25)	0.19	(0.25)	0.14	—	(0.32)	—	—	(0.32)	14.17
Mar. 31, 2017	12.62	0.41	(0.23)	0.22	1.61	2.01	—	(0.25)	—	—	(0.25)	14.38
Mar. 31, 2016	13.15	0.39	(0.22)	0.16	(0.60)	(0.27)	—	(0.25)	—	—	(0.25)	12.62
Mar. 31, 2015	12.54	0.36	(0.23)	0.30	0.42	0.85	—	(0.30)	—	—	(0.30)	13.15
Mar. 31, 2014	11.13	0.36	(0.20)	0.13	1.57	1.86	—	(0.22)	—	—	(0.22)	12.54
Advisor Series												
Mar. 31, 2018	14.38	0.45	(0.25)	0.19	(0.31)	0.08	—	(0.32)	—	—	(0.32)	14.16
Mar. 31, 2017	12.62	0.41	(0.23)	0.22	1.63	2.03	—	(0.25)	—	—	(0.25)	14.38
Mar. 31, 2016	13.15	0.39	(0.22)	0.16	(0.60)	(0.27)	—	(0.25)	—	—	(0.25)	12.62
Mar. 31, 2015	12.51	0.36	(0.23)	0.30	0.42	0.85	—	(0.27)	—	—	(0.27)	13.15
Mar. 31, 2014	11.14	0.36	(0.20)	0.13	1.57	1.86	—	(0.27)	—	—	(0.27)	12.51
Series D												
Mar. 31, 2018	14.57	0.46	(0.14)	0.19	(0.33)	0.18	—	(0.43)	—	—	(0.43)	14.34
Mar. 31, 2017	12.80	0.42	(0.14)	0.22	1.62	2.12	—	(0.36)	—	—	(0.36)	14.57
Mar. 31, 2016	13.33	0.40	(0.15)	0.16	(0.61)	(0.20)	—	(0.33)	—	—	(0.33)	12.80
Mar. 31, 2015	12.64	0.37	(0.15)	0.30	0.42	0.94	—	(0.30)	—	—	(0.30)	13.33
Mar. 31, 2014	11.24	0.37	(0.13)	0.14	1.62	2.00	—	(0.31)	—	—	(0.31)	12.64
Series F												
Mar. 31, 2018	14.78	0.46	(0.11)	0.19	(0.31)	0.23	—	(0.48)	—	—	(0.48)	14.55
Mar. 31, 2017	12.98	0.42	(0.11)	0.22	1.70	2.23	—	(0.41)	—	—	(0.41)	14.78
Mar. 31, 2016	13.53	0.40	(0.12)	0.17	(0.61)	(0.16)	—	(0.37)	—	—	(0.37)	12.98
Mar. 31, 2015	12.75	0.37	(0.12)	0.31	0.43	0.99	—	(0.27)	—	—	(0.27)	13.53
Mar. 31, 2014	11.25	0.37	(0.11)	0.14	1.61	2.01	—	(0.26)	—	—	(0.26)	12.75
Series O												
Mar. 31, 2018	15.09	0.48	(0.01)	0.20	(0.28)	0.39	—	(0.61)	—	—	(0.61)	14.85
Mar. 31, 2017	13.25	0.44	—	0.23	1.67	2.34	—	(0.52)	—	—	(0.52)	15.09
Mar. 31, 2016	13.82	0.41	—	0.17	(0.63)	(0.05)	—	(0.50)	—	—	(0.50)	13.25
Mar. 31, 2015	12.96	0.38	—	0.31	0.44	1.13	—	(0.32)	—	—	(0.32)	13.82
Mar. 31, 2014	11.37	0.37	—	0.14	1.63	2.14	—	(0.28)	—	—	(0.28)	12.96

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	14.17	33 428	2 360	1.77	1.77	1.76	0.03
Mar. 31, 2017	14.38	41 595	2 892	1.77	1.77	10.79	0.03
Mar. 31, 2016	12.62	41 246	3 268	1.79	1.79	18.24	0.05
Mar. 31, 2015	13.15	45 127	3 432	1.79	1.80	15.83	0.03
Mar. 31, 2014	12.54	34 093	2 719	1.82	1.82	12.67	0.03
Advisor Series							
Mar. 31, 2018	14.16	10 135	716	1.78	1.78	1.76	0.03
Mar. 31, 2017	14.38	10 100	702	1.79	1.79	10.79	0.03
Mar. 31, 2016	12.62	7 735	613	1.79	1.79	18.24	0.05
Mar. 31, 2015	13.15	7 208	548	1.78	1.79	15.83	0.03
Mar. 31, 2014	12.51	4 961	397	1.82	1.82	12.67	0.03
Series D							
Mar. 31, 2018	14.34	18 662	1 301	1.03	1.03	1.76	0.03
Mar. 31, 2017	14.57	17 432	1 197	1.08 ⁴	1.08	10.79	0.03
Mar. 31, 2016	12.80	14 166	1 107	1.21	1.21	18.24	0.05
Mar. 31, 2015	13.33	13 551	1 016	1.20	1.21	15.83	0.03
Mar. 31, 2014	12.64	10 711	848	1.20	1.20	12.67	0.03
Series F							
Mar. 31, 2018	14.55	32 282	2 218	0.78	0.78	1.76	0.03
Mar. 31, 2017	14.78	25 917	1 753	0.81 ⁴	0.81	10.79	0.03
Mar. 31, 2016	12.98	7 199	555	0.97	0.97	18.24	0.05
Mar. 31, 2015	13.53	5 397	399	0.97	0.98	15.83	0.03
Mar. 31, 2014	12.75	3 461	272	0.98	0.98	12.67	0.03
Series O							
Mar. 31, 2018	14.85	38 690	2 606	0.10	0.10	1.76	0.03
Mar. 31, 2017	15.09	41 768	2 768	0.10	0.10	10.79	0.03
Mar. 31, 2016	13.25	33 861	2 555	0.11	0.11	18.24	0.05
Mar. 31, 2015	13.82	24 008	1 738	0.10	0.11	15.83	0.03
Mar. 31, 2014	12.96	21 725	1 677	0.11	0.11	12.67	0.03

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series D – 1.04% and Series F – 0.79%.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.50%	67%	33%
Advisor Series	1.50%	67%	33%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

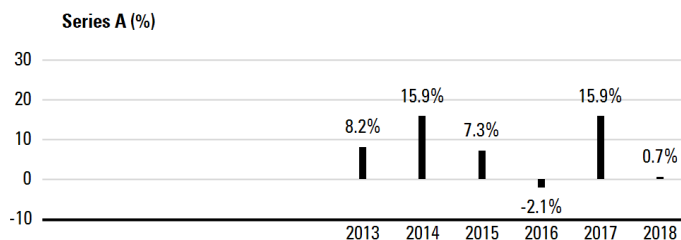
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

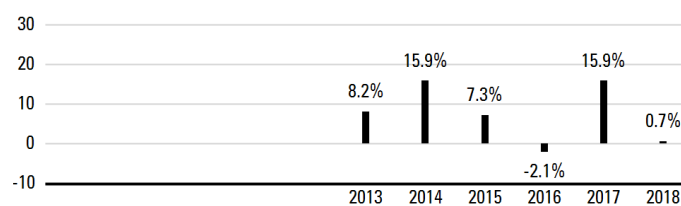
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

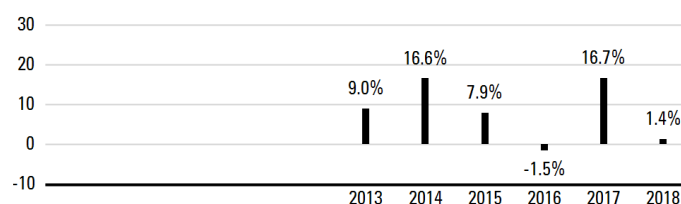
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



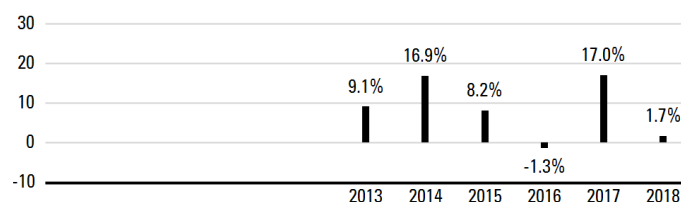
Advisor Series (%)



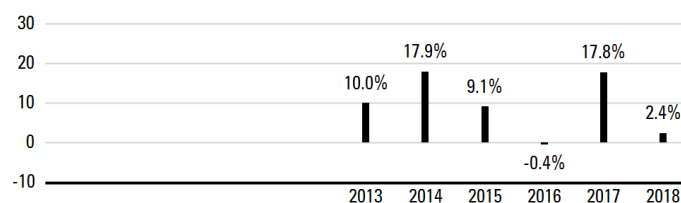
Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P/TSX Capped Composite Total Return Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	0.7	4.6	7.3	—	7.6
Benchmark	1.7	4.1	6.9	—	7.2
Advisor Series	0.7	4.5	7.3	—	7.6
Benchmark	1.7	4.1	6.9	—	7.2
Series D	1.4	5.2	8.0	—	8.3
Benchmark	1.7	4.1	6.9	—	7.2
Series F	1.7	5.5	8.3	—	8.6
Benchmark	1.7	4.1	6.9	—	7.2
Series O	2.4	6.3	9.1	—	9.4
Benchmark	1.7	4.1	6.9	—	7.2

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

INDEX DESCRIPTION

S&P/TSX Capped Composite Total Return Index This index is the amended capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, with no individual stock exceeding 10% of the overall weight.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Financials	43.7
Energy	18.4
Industrials	8.1
Utilities	4.8
Consumer Staples	4.1
Materials	3.9
Real Estate	3.8
Telecommunication Services	3.4
Consumer Discretionary	2.7
Health Care	0.2
Cash/Other	6.9

Top 25 Holdings*

	% of Net Asset Value
Royal Bank of Canada	8.2
Toronto-Dominion Bank	7.5
Bank of Nova Scotia	6.3
Cash & Cash Equivalents	6.2
Brookfield Asset Management Inc., Class A	4.0
Bank of Montreal	4.0
Canadian National Railway Co.	3.4
Enbridge Inc.	3.2
Suncor Energy Inc.	2.9
TransCanada Corp.	2.9
Canadian Imperial Bank of Commerce	2.7
Manulife Financial Corporation	2.5
Canadian Natural Resources Ltd.	2.3
Canadian Pacific Railway Ltd.	2.2
Nutrien Ltd.	2.0
Loblaw Companies Ltd.	1.8
Sun Life Financial Inc.	1.7
Power Corporation of Canada	1.4
PrairieSky Royalty Ltd.	1.4
Fortis Inc.	1.3
Fairfax Financial Holdings Ltd.	1.3
Canadian Real Estate Investment Trust	1.2
TELUS Corp.	1.2
Rogers Communications Inc., Class B	1.2
Imperial Oil Ltd.	1.1
Top 25 Holdings	73.9

* The Fund invests substantially all of its assets directly in the RBC Private Canadian Dividend Pool. The above are the Top 25 holdings of the RBC Private Canadian Dividend Pool.

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CANADIAN EQUITY FUND

RBC CANADIAN EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

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This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of major Canadian companies.

To achieve its investment objective, the Fund invests most of its assets in the RBC Private Canadian Equity Pool and/or RBC Canadian Equity Fund (the “underlying funds”). The underlying funds typically invest in large-cap Canadian companies or income trusts and may take advantage of opportunities in mid-cap companies. The underlying funds diversify across S&P/TSX industry sectors, with minimum and maximum exposures.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value fell to \$14 million as of March 31, 2018, from \$16 million as of March 31, 2017. The decrease was due to net redemptions.

Over the past year, the Fund’s Series A shares were unchanged, which underperformed the 1.7% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Uncertainty returned to financial markets in early 2018 following a long period of strong returns and minimal volatility that lasted for most of the fiscal year. The reversal started with strong U.S. wage-growth data, which led to concerns that higher inflation may force the U.S. Federal Reserve to increase interest rates at a faster pace than previously anticipated. With markets beginning to find their feet in the latter stages of February, renewed concerns over U.S. trade protectionism resulted in additional volatility, starting with U.S. tariffs on steel and aluminum and continuing with Chinese threats in response.

Security selection in the Industrials sector and the Fund’s overweight position in the Energy sector had a negative impact on the Fund’s relative returns. Specifically, below-benchmark exposure to Air Canada and WestJet Airlines hurt performance. The carriers performed well over the year, as strong passenger traffic offset concerns over rising fuel costs.

Security selection in the Energy and Materials sectors aided returns. In Energy, the Fund’s overweight position in Veresen contributed positively to returns, as it was acquired by Pembina Pipeline. A below-benchmark position in Peyto Exploration was also a positive, as Canadian natural-gas producers experienced issues getting exports to areas of demand. In the Materials sector, an overweight position in Interfor contributed to higher lumber prices. However, negotiations regarding the North American Free Trade Agreement and the Canada-U.S. softwood dispute remained areas to watch during the year, and into 2018.

Recent Developments

Crude-oil prices have rallied as global inventories stabilized amid solid demand growth and OPEC members’ continued compliance with production limits. Production growth from U.S. shale producers will largely determine the direction of crude-oil prices. In Canada, energy producers have not benefited as much from the oil rally, due to pipeline bottlenecks and the resulting pricing discounts for Canada’s oil, which requires extensive refining. No new pipeline capacity is expected to arrive until late 2019, and rail transportation has been slow to clear the glut. While Canada’s Energy sector appears attractively priced relative to commodity prices, volatility will likely persist until clarity emerges about the outlook for demand and infrastructure projects.

The economic backdrop remains positive by post-crisis standards, with many of the macroeconomic indicators monitored by the portfolio manager showing reasons to remain positive. While key risks of an aging business cycle, rising interest rates and protectionism persist, upside potential remains from structural reforms in Japan and U.S. fiscal stimulus. On balance, the portfolio manager expects the positives to outweigh the negatives, further driving potential in the stock market.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Mar. 31, 2018	13.34	0.35	(0.25)	0.49	(0.56)	0.03	—	(0.24)	—	—	(0.24)	13.10
Mar. 31, 2017	11.70	0.35	(0.24)	0.21	1.55	1.87	—	(0.20)	—	—	(0.20)	13.34
Mar. 31, 2016	12.70	0.36	(0.24)	0.09	(1.04)	(0.83)	—	(0.22)	—	—	(0.22)	11.70
Mar. 31, 2015	12.25	0.29	(0.26)	0.62	—	0.65	—	(0.18)	—	—	(0.18)	12.70
Mar. 31, 2014	10.96	0.29	(0.23)	0.45	1.22	1.73	—	(0.27)	—	—	(0.27)	12.25
Advisor Series												
Mar. 31, 2018	13.34	0.35	(0.25)	0.49	(0.62)	(0.03)	—	(0.24)	—	—	(0.24)	13.10
Mar. 31, 2017	11.71	0.35	(0.24)	0.21	1.50	1.82	—	(0.20)	—	—	(0.20)	13.34
Mar. 31, 2016	12.70	0.36	(0.24)	0.09	(1.04)	(0.83)	—	(0.22)	—	—	(0.22)	11.71
Mar. 31, 2015	12.25	0.28	(0.26)	0.62	—	0.64	—	(0.19)	—	—	(0.19)	12.70
Mar. 31, 2014	10.96	0.29	(0.23)	0.45	1.22	1.73	—	(0.26)	—	—	(0.26)	12.25
Series D												
Mar. 31, 2018	13.66	0.36	(0.13)	0.51	(0.61)	0.13	—	(0.37)	—	—	(0.37)	13.40
Mar. 31, 2017	11.98	0.36	(0.13)	0.22	1.52	1.97	—	(0.32)	—	—	(0.32)	13.66
Mar. 31, 2016	13.01	0.37	(0.14)	0.10	(1.07)	(0.74)	—	(0.34)	—	—	(0.34)	11.98
Mar. 31, 2015	12.43	0.29	(0.15)	0.63	—	0.77	—	(0.19)	—	—	(0.19)	13.01
Mar. 31, 2014	11.08	0.30	(0.13)	0.46	1.24	1.87	—	(0.32)	—	—	(0.32)	12.43
Series F												
Mar. 31, 2018	13.94	0.36	(0.10)	0.52	(0.58)	0.20	—	(0.41)	—	—	(0.41)	13.68
Mar. 31, 2017	12.23	0.37	(0.10)	0.22	1.54	2.03	—	(0.37)	—	—	(0.37)	13.94
Mar. 31, 2016	13.28	0.38	(0.11)	0.10	(1.10)	(0.73)	—	(0.38)	—	—	(0.38)	12.23
Mar. 31, 2015	12.61	0.29	(0.12)	0.63	—	0.80	—	(0.14)	—	—	(0.14)	13.28
Mar. 31, 2014	11.11	0.30	(0.11)	0.46	1.25	1.90	—	(0.25)	—	—	(0.25)	12.61
Series O												
Mar. 31, 2018	14.20	0.37	(0.01)	0.53	(0.68)	0.21	—	(0.53)	—	—	(0.53)	13.93
Mar. 31, 2017	12.46	0.38	(0.01)	0.23	1.64	2.24	—	(0.48)	—	—	(0.48)	14.20
Mar. 31, 2016	13.53	0.38	—	0.10	(1.12)	(0.64)	—	(0.50)	—	—	(0.50)	12.46
Mar. 31, 2015	12.78	0.30	—	0.65	—	0.95	—	(0.18)	—	—	(0.18)	13.53
Mar. 31, 2014	11.23	0.30	(0.01)	0.47	1.26	2.02	—	(0.30)	—	—	(0.30)	12.78

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	13.10	1 391	106	1.92	1.94	21.43	0.06
Mar. 31, 2017	13.34	1 920	144	1.98 ⁴	2.00	9.47	0.09
Mar. 31, 2016	11.70	2 927	250	2.13	2.15	23.88	0.14
Mar. 31, 2015	12.70	2 878	227	2.12	2.15	17.63	0.16
Mar. 31, 2014	12.25	2 396	196	2.13	2.16	27.42	0.11
Advisor Series							
Mar. 31, 2018	13.10	752	57	1.91	1.93	21.43	0.06
Mar. 31, 2017	13.34	889	67	1.96 ⁴	1.98	9.47	0.09
Mar. 31, 2016	11.71	800	68	2.10	2.12	23.88	0.14
Mar. 31, 2015	12.70	1 083	85	2.09	2.12	17.63	0.16
Mar. 31, 2014	12.25	895	73	2.08	2.11	27.42	0.11
Series D							
Mar. 31, 2018	13.40	4 518	337	1.02	1.04	21.43	0.06
Mar. 31, 2017	13.66	4 720	346	1.06 ⁴	1.08	9.47	0.09
Mar. 31, 2016	11.98	3 858	322	1.20	1.22	23.88	0.14
Mar. 31, 2015	13.01	4 053	312	1.19	1.22	17.63	0.16
Mar. 31, 2014	12.43	3 292	265	1.20	1.23	27.42	0.11
Series F							
Mar. 31, 2018	13.68	3 541	259	0.77	0.79	21.43	0.06
Mar. 31, 2017	13.94	3 563	256	0.79 ⁴	0.81	9.47	0.09
Mar. 31, 2016	12.23	1 318	108	0.95	0.97	23.88	0.14
Mar. 31, 2015	13.28	1 417	107	0.94	0.97	17.63	0.16
Mar. 31, 2014	12.61	629	50	0.97	1.00	27.42	0.11
Series O							
Mar. 31, 2018	13.93	4 228	303	0.09	0.11	21.43	0.06
Mar. 31, 2017	14.20	4 500	317	0.10	0.12	9.47	0.09
Mar. 31, 2016	12.46	4 692	376	0.11	0.13	23.88	0.14
Mar. 31, 2015	13.53	5 319	393	0.10	0.13	17.63	0.16
Mar. 31, 2014	12.78	3 948	309	0.10	0.13	27.42	0.11

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.94%, Advisor Series – 1.93%, Series D – 1.03% and Series F – 0.78%.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	66%	34%
Advisor Series	1.60%	66%	34%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

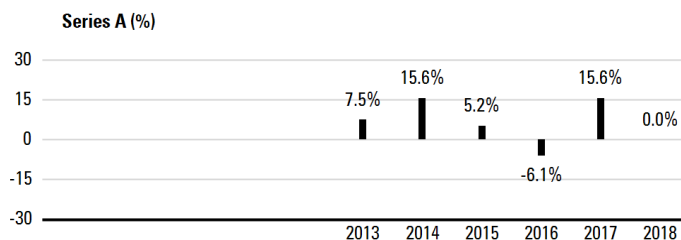
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

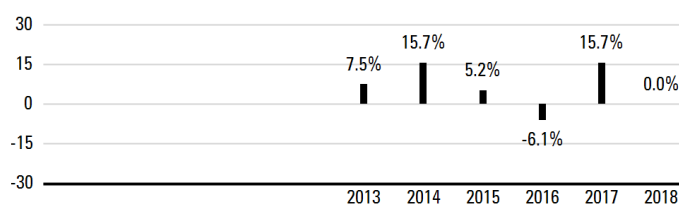
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

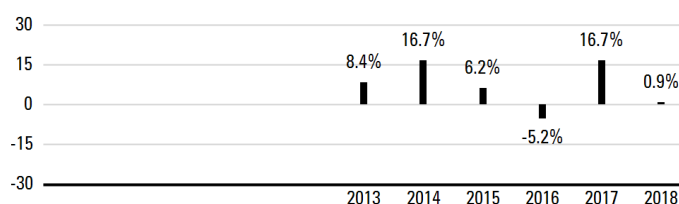
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



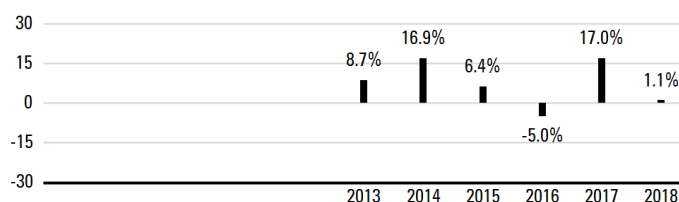
Advisor Series (%)



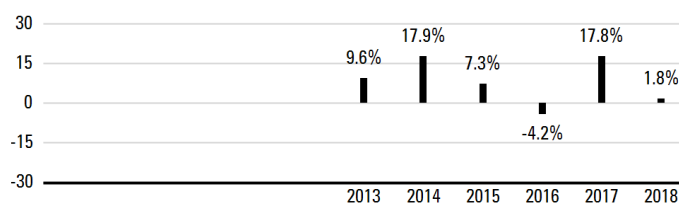
Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P/TSX Capped Composite Total Return Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	0.0	2.8	5.7	—	6.1
Benchmark	1.7	4.1	6.9	—	7.2
Advisor Series	0.0	2.8	5.7	—	6.1
Benchmark	1.7	4.1	6.9	—	7.2
Series D	0.9	3.7	6.7	—	7.0
Benchmark	1.7	4.1	6.9	—	7.2
Series F	1.1	4.0	6.9	—	7.3
Benchmark	1.7	4.1	6.9	—	7.2
Series O	1.8	4.7	7.8	—	8.2
Benchmark	1.7	4.1	6.9	—	7.2

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

INDEX DESCRIPTION

S&P/TSX Capped Composite Total Return Index This index is the amended capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, with no individual stock exceeding 10% of the overall weight.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Financials	30.4
Energy	20.0
Industrials	10.0
Materials	8.0
Consumer Staples	5.2
Utilities	5.2
Consumer Discretionary	4.4
Real Estate	3.8
Telecommunication Services	3.7
Information Technology	2.4
Health Care	0.5
Cash/Other	6.4

Top 25 Holdings*

	% of Net Asset Value
Royal Bank of Canada	5.3
Toronto-Dominion Bank	4.9
Bank of Nova Scotia	4.1
Suncor Energy Inc.	3.6
Cash & Cash Equivalents	3.2
Enbridge Inc.	3.2
Canadian National Railway Co.	3.1
Canadian Natural Resources Ltd.	2.9
Manulife Financial Corporation	2.7
Nutrien Ltd.	2.6
TransCanada Corp.	2.5
Brookfield Asset Management Inc., Class A	2.4
RBC Canadian Small & Mid-Cap Resources Fund	2.3
Bank of Montreal	2.2
Sun Life Financial Inc.	2.1
BCE Inc.	1.9
Alimentation Couche-Tard Inc.	1.8
Canadian Pacific Railway Ltd.	1.7
Canadian Imperial Bank of Commerce	1.7
SNC-Lavalin Group Inc.	1.6
Pembina Pipeline Corp.	1.5
CGI Group Inc., Class A	1.3
Thomson Corp.	1.3
Teck Resources Ltd., Class B	1.2
Waste Connections Inc.	1.2
Top 25 Holdings	62.3

* The Fund invests substantially all of its assets directly in the RBC Private Canadian Equity Pool. The above are the Top 25 holdings of the RBC Private Canadian Equity Pool.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



CANADIAN EQUITY FUND

RBC QUBE LOW VOLATILITY CANADIAN EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

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March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of Canadian companies. The Fund uses a quantitative investment approach and seeks to achieve a reduced level of volatility of returns compared with the broader Canadian equity market.

To achieve its investment objective, the Fund invests most of its assets in the RBC QUBE Low Volatility Canadian Equity Fund (the "underlying fund"). The underlying fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager of the underlying fund diversifies across industries within the Canadian market.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund's overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the "new risk classification methodology") in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds' risk ratings were changed. RBC GAM reviews each fund's risk rating on an annual basis or if there has been a material change to a fund's investment objectives or investment strategies. Any changes to a fund's risk rating are the result of RBC GAM's annual review and the adoption of the new risk classification methodology.

Effective October 25, 2017, the Fund's risk rating changed from medium to low-to-medium.

Results of Operations

The Fund's net asset value fell to \$20 million as of March 31, 2018, from \$27 million as of March 31, 2017. The decrease was due to net redemptions.

Over the past year, the Fund's Series A shares lost 1.0%, which underperformed the 1.7% rise in the benchmark. The Fund's return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

The Canadian equity market experienced heightened volatility over the 12-month period. The benchmark index climbed significantly during the latter half of 2017 as rising oil prices, robust economic growth and a stronger Canadian dollar carried the index to an all-time high at the start of 2018. Canadian stocks then fell along with the global equity markets beginning in early February. In Canada, the negatives related to concerns about rising yields, uncertainty surrounding renegotiation of the North American Free Trade Agreement and increased U.S. trade protectionism.

In the Energy sector, positions in Imperial Oil and TransCanada held back the Fund's returns. The Consumer Staples sector also weighed on performance, with a position in George Weston having a large negative impact during the period.

In the Industrials sector, the Fund's overweight position in CAE added significantly to returns. Positions in the Information Technology sector also aided performance, with a large contribution from a holding in Constellation Software.

Recent Developments

Earnings expectations and investor optimism are high as global synchronized growth continues in developed and emerging markets. Credit markets support economic growth as interest rates remain low internationally. More recently, protectionist trade moves by U.S. President Trump have shaken markets, and increasing international retaliation is likely if the administration continues to engage in more restrictive trade policy. An escalation of protectionist policy could accelerate inflation and likely stunt global growth.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.



March 31, 2018

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Mar. 31, 2018	11.26	0.32	(0.21)	0.39	(0.57)	(0.07)	—	(0.29)	—	—	(0.29)	10.86
Mar. 31, 2017	10.38	0.41	(0.21)	0.49	0.38	1.07	—	(0.17)	—	—	(0.17)	11.26
Mar. 31, 2016	10.19	0.51	(0.21)	0.31	1.51	2.12	—	—	—	—	—	10.38
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.11	0.07	—	—	—	—	—	10.19
Advisor Series												
Mar. 31, 2018	11.29	0.32	(0.21)	0.40	(0.58)	(0.07)	—	(0.30)	—	—	(0.30)	10.88
Mar. 31, 2017	10.39	0.38	(0.20)	0.46	0.47	1.11	—	(0.17)	—	—	(0.17)	11.29
Mar. 31, 2016	10.20	0.49	(0.19)	0.30	1.47	2.07	—	—	—	—	—	10.39
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.15	0.11	—	—	—	—	—	10.20
Series D												
Mar. 31, 2018	11.31	0.32	(0.11)	0.40	(0.66)	(0.05)	—	(0.39)	—	—	(0.39)	10.91
Mar. 31, 2017	10.42	0.41	(0.11)	0.50	0.37	1.17	—	(0.27)	—	—	(0.27)	11.31
Mar. 31, 2016	10.21	0.41	(0.12)	0.25	1.23	1.77	—	(0.07)	—	—	(0.07)	10.42
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.10	0.08	—	—	—	—	—	10.21
Series F												
Mar. 31, 2018	11.34	0.32	(0.09)	0.40	(0.52)	0.11	—	(0.42)	—	—	(0.42)	10.93
Mar. 31, 2017	10.43	0.37	(0.09)	0.45	0.46	1.19	—	(0.28)	—	—	(0.28)	11.34
Mar. 31, 2016	10.22	0.30	(0.09)	0.19	0.91	1.31	—	(0.09)	—	—	(0.09)	10.43
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.09	0.07	—	—	—	—	—	10.22
Series O												
Mar. 31, 2018	11.36	0.33	—	0.40	(0.61)	0.12	—	(0.51)	—	—	(0.51)	10.95
Mar. 31, 2017	10.45	0.41	—	0.50	0.40	1.31	—	(0.36)	—	—	(0.36)	11.36
Mar. 31, 2016	10.23	0.26	—	0.16	0.78	1.20	—	(0.18)	—	—	(0.18)	10.45
Mar. 31, 2015 ³	10.00 [†]	—	—	—	0.15	0.15	—	—	—	—	—	10.23

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	10.86	3 120	287	1.88	1.89	18.57	0.05
Mar. 31, 2017	11.26	3 754	333	1.94 ⁴	1.95	18.99	0.06
Mar. 31, 2016	10.38	2 361	228	2.10	2.17	29.75	0.04
Mar. 31, 2015 ⁵	10.19	1 193	117	2.10	2.10	—	0.03
Advisor Series							
Mar. 31, 2018	10.88	1 565	144	1.86	1.87	18.57	0.05
Mar. 31, 2017	11.29	1 859	165	1.86 ⁴	1.87	18.99	0.06
Mar. 31, 2016	10.39	304	29	1.97	2.04	29.75	0.04
Mar. 31, 2015 ⁵	10.20	1	—	2.10	2.10	—	0.03
Series D							
Mar. 31, 2018	10.91	3 052	280	1.02	1.03	18.57	0.05
Mar. 31, 2017	11.31	2 958	261	1.05 ⁴	1.06	18.99	0.06
Mar. 31, 2016	10.42	2 021	194	1.20	1.27	29.75	0.04
Mar. 31, 2015 ⁵	10.21	82	8	1.25	1.25	—	0.03
Series F							
Mar. 31, 2018	10.93	3 963	363	0.78	0.79	18.57	0.05
Mar. 31, 2017	11.34	6 229	549	0.80 ⁴	0.81	18.99	0.06
Mar. 31, 2016	10.43	449	43	0.94	1.01	29.75	0.04
Mar. 31, 2015 ⁵	10.22	31	3	0.97	0.97	—	0.03
Series O							
Mar. 31, 2018	10.95	8 284	757	0.05	0.06	18.57	0.05
Mar. 31, 2017	11.36	11 925	1 049	0.06	0.07	18.99	0.06
Mar. 31, 2016	10.45	8 064	772	0.05	0.12	29.75	0.04
Mar. 31, 2015 ⁵	10.23	147	14	0.05	0.05	—	0.03

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.91%, Advisor Series – 1.82%, Series D – 1.02% and Series F – 0.78%.

⁵ From October 16, 2014.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	57%	43%
Advisor Series	1.60%	57%	43%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



March 31, 2018

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Series O (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P/TSX Capped Composite Total Return Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	-1.0	3.6	—	—	4.0
Benchmark	1.7	4.1	—	—	4.3
Advisor Series	-0.9	3.6	—	—	4.1
Benchmark	1.7	4.1	—	—	4.3
Series D	-0.1	4.5	—	—	4.9
Benchmark	1.7	4.1	—	—	4.3
Series F	0.1	4.7	—	—	5.2
Benchmark	1.7	4.1	—	—	4.3
Series O	0.9	5.6	—	—	6.0
Benchmark	1.7	4.1	—	—	4.3

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

S&P/TSX Capped Composite Total Return Index This index is the amended capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, with no individual stock exceeding 10% of the overall weight.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Financials	23.9
Consumer Staples	13.2
Real Estate	10.2
Utilities	9.8
Industrials	9.6
Energy	8.4
Telecommunication Services	8.3
Consumer Discretionary	6.6
Information Technology	5.1
Materials	3.0
Health Care	1.5
Cash/Other	0.4

Top 25 Holdings*

	% of Net Asset Value
Royal Bank of Canada	5.0
Bank of Nova Scotia	4.9
George Weston Ltd.	4.0
Saputo Group Inc.	4.0
Hydro One Ltd.	4.0
Canadian National Railway Co.	4.0
BCE Inc.	3.9
TELUS Corp.	3.9
Constellation Software Inc.	3.9
Bank of Montreal	3.8
Power Financial Corp.	3.6
Imperial Oil Ltd.	3.2
CAE Inc.	3.2
RioCan Real Estate Investment Trust	3.1
Metro Inc., Class A	3.0
Intact Financial Corp.	2.9
Suncor Energy Inc.	2.5
Toronto-Dominion Bank	2.3
Shaw Communications Inc., Class B	2.2
Magna International Inc., Class A	2.0
TransCanada Corp.	2.0
Maple Leaf Foods Inc.	1.8
H&R Real Estate Investment Trust	1.8
First Capital Realty Inc.	1.8
Brookfield Infrastructure Partners LP	1.5
Top 25 Holdings	78.3

* The Fund invests substantially all of its assets directly in the RBC QUBE Low Volatility Canadian Equity Fund. The above are the Top 25 holdings of the RBC QUBE Low Volatility Canadian Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



CANADIAN EQUITY FUND

**PHILLIPS, HAGER & NORTH
CANADIAN EQUITY VALUE CLASS**

March 31, 2018

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing in equity securities of Canadian companies.

To achieve its investment objective, the Fund invests most of its assets in the Phillips, Hager & North Canadian Equity Value Fund (the “underlying fund”). The underlying fund invests primarily in equities of Canadian companies priced below the portfolio manager’s assessment of their true value and offering long-term opportunities for growth.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value rose to \$5 million as of March 31, 2018, from \$4 million as of March 31, 2017. The increase was due mainly to net inflows.

Over the past year, the Fund’s Series A shares gained 0.5%, which underperformed the 1.7% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Performance was driven by security selection during the period, with Energy and Materials the top-contributing sectors. In Energy, Enbridge Inc. was a core holding, but the Fund’s overweight had a negative impact during the period. Pressure on the stock was largely the result of concern surrounding its balance sheet, pipeline-construction challenges and the potential for rising interest rates due to the utility nature of the company. To address cash-flow concerns to fund the project backlog, much of the heavy lifting was completed in late 2017. This included a \$1.5 billion private placement of common equity and \$900 million in preferred shares. The Fund’s preference for Husky Energy over Cenovus Energy also benefited the Fund’s performance over the period.

In the Materials sector, an overweight position in Interfor contributed positively over the period, as lumber pricing has been supportive. The renegotiation of the North American Free Trade Agreement and the Canada-U.S. softwood dispute remain areas to watch in 2018.

In the Canadian Consumer Discretionary sector, the Fund’s underweight position in Magna International had a negative impact on returns. Magna, one of the world’s leading auto-parts suppliers, experienced a decline in North American production, offset by strong cash generation and growth in Europe.

Shares of Canadian banks and bank earnings both gained last year. As a result, profit multiples stayed steady and slightly ahead of the historical average. Looking to 2018, the operating environment supports consensus estimates of mid-to-high single-digit earnings growth. The banks benefited from the Bank of Canada’s more hawkish rate outlook, which should translate into rising net interest margins. As well, continued loan growth, expense controls and solid credit quality all bode well for bank profits.

Recent Developments

The Canadian housing market remains important for the economy and bank profitability. Toronto’s residential market has shown signs of softening following regulatory changes enacted in January of this year. As well, the portfolio manager is aware of the economy’s sensitivity to higher interest rates given the run-up in household debt. That said, the persistent improvement in labour markets is setting up an acceleration in income growth, which should mitigate some of the pressure.

The economic backdrop remains positive by post-crisis standards with many of the macroeconomic indicators that the portfolio manager monitors showing reasons to remain positive. While key risks of an aging business cycle, rising interest rates and protectionism persist, upside potential remains from structural reforms in Japan and U.S. fiscal stimulus. On balance, the portfolio manager expects the positives to outweigh the negatives, further driving potential in the stock market.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series A												
Mar. 31, 2018	10.92	0.29	(0.21)	0.42	(0.37)	0.13	—	(0.15)	—	—	(0.15)	10.82
Mar. 31, 2017	9.61	0.29	(0.20)	0.12	1.15	1.36	—	(0.16)	—	—	(0.16)	10.92
Mar. 31, 2016	10.07	0.30	(0.20)	0.26	(0.39)	(0.03)	—	(0.11)	—	—	(0.11)	9.61
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	(0.07)	(0.11)	—	—	—	—	—	10.07
Advisor Series												
Mar. 31, 2018	10.93	0.29	(0.21)	0.42	(0.59)	(0.09)	—	(0.16)	—	—	(0.16)	10.82
Mar. 31, 2017	9.62	0.29	(0.20)	0.12	1.31	1.52	—	(0.16)	—	—	(0.16)	10.93
Mar. 31, 2016	10.07	0.22	(0.18)	0.19	(0.29)	(0.06)	—	(0.12)	—	—	(0.12)	9.62
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	(0.11)	(0.15)	—	—	—	—	—	10.07
Series D												
Mar. 31, 2018	10.92	0.29	(0.11)	0.43	(0.47)	0.14	—	(0.26)	—	—	(0.26)	10.81
Mar. 31, 2017	9.63	0.29	(0.11)	0.12	1.26	1.56	—	(0.27)	—	—	(0.27)	10.92
Mar. 31, 2016	10.08	0.28	(0.11)	0.24	(0.36)	0.05	—	(0.19)	—	—	(0.19)	9.63
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	(0.06)	(0.08)	—	—	—	—	—	10.08
Series F												
Mar. 31, 2018	10.91	0.29	(0.09)	0.43	(0.60)	0.03	—	(0.29)	—	—	(0.29)	10.79
Mar. 31, 2017	9.64	0.28	(0.08)	0.12	1.05	1.37	—	(0.32)	—	—	(0.32)	10.91
Mar. 31, 2016	10.09	0.28	(0.08)	0.24	(0.36)	0.08	—	(0.22)	—	—	(0.22)	9.64
Mar. 31, 2015 ³	10.00 [†]	—	(0.01)	—	(0.11)	(0.12)	—	—	—	—	—	10.09
Series O												
Mar. 31, 2018	10.99	0.27	(0.01)	0.39	(2.39)	(1.74)	—	(0.37)	—	—	(0.37)	10.88
Mar. 31, 2017	9.65	0.30	—	0.12	1.26	1.68	—	(0.34)	—	—	(0.34)	10.99
Mar. 31, 2016	10.10	0.41	—	0.35	(0.53)	0.23	—	(0.31)	—	—	(0.31)	9.65
Mar. 31, 2015 ³	10.00 [†]	—	—	—	(0.11)	(0.11)	—	—	—	—	—	10.10

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	10.82	232	21	1.88	1.94	8.35	0.07
Mar. 31, 2017	10.92	147	13	1.88 ⁴	1.96	23.37	0.08
Mar. 31, 2016	9.61	44	5	2.09	2.28	36.83	0.09
Mar. 31, 2015 ⁵	10.07	10	1	2.14	2.14	—	0.13
Advisor Series							
Mar. 31, 2018	10.82	271	25	1.91	1.97	8.35	0.07
Mar. 31, 2017	10.93	124	11	1.85 ⁴	1.93	23.37	0.08
Mar. 31, 2016	9.62	40	4	1.97	2.16	36.83	0.09
Mar. 31, 2015 ⁵	10.07	1	—	2.14	2.14	—	0.13
Series D							
Mar. 31, 2018	10.81	3 557	329	1.02	1.08	8.35	0.07
Mar. 31, 2017	10.92	3 325	304	1.06 ⁴	1.14	23.37	0.08
Mar. 31, 2016	9.63	2 609	271	1.23	1.42	36.83	0.09
Mar. 31, 2015 ⁵	10.08	629	62	1.28	1.28	—	0.13
Series F							
Mar. 31, 2018	10.79	265	25	0.77	0.83	8.35	0.07
Mar. 31, 2017	10.91	85	8	0.79 ⁴	0.87	23.37	0.08
Mar. 31, 2016	9.64	5	1	0.92	1.11	36.83	0.09
Mar. 31, 2015 ⁵	10.09	1	—	1.01	1.01	—	0.13
Series O							
Mar. 31, 2018	10.88	366	34	0.05	0.11	8.35	0.07
Mar. 31, 2017	10.99	1	—	0.05	0.13	23.37	0.08
Mar. 31, 2016	9.65	1	—	0.07	0.26	36.83	0.09
Mar. 31, 2015 ⁵	10.10	145	14	0.09	0.09	—	0.13

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.86%, Advisor Series – 1.83%, Series D – 1.03% and Series F – 0.75%.

⁵ From October 16, 2014.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	57%	43%
Advisor Series	1.60%	57%	43%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



March 31, 2018

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Series O (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P/TSX Capped Composite Total Return Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	0.5	3.8	—	—	3.8
Benchmark	1.7	4.1	—	—	4.2
Advisor Series	0.4	3.8	—	—	3.9
Benchmark	1.7	4.1	—	—	4.2
Series D	1.3	4.7	—	—	4.7
Benchmark	1.7	4.1	—	—	4.2
Series F	1.6	5.0	—	—	5.0
Benchmark	1.7	4.1	—	—	4.2
Series O	2.3	5.8	—	—	5.8
Benchmark	1.7	4.1	—	—	4.2

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

S&P/TSX Capped Composite Total Return Index This index is the amended capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, with no individual stock exceeding 10% of the overall weight.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Financials	36.7
Energy	20.4
Industrials	11.2
Materials	8.0
Telecommunication Services	4.1
Consumer Staples	4.0
Consumer Discretionary	3.9
Real Estate	2.8
Information Technology	2.6
Utilities	2.5
Cash/Other	3.8

Top 25 Holdings*

	% of Net Asset Value
Royal Bank of Canada	7.3
Toronto-Dominion Bank	6.8
Bank of Nova Scotia	5.0
Suncor Energy Inc.	4.1
Cash & Cash Equivalents	3.7
Canadian National Railway Co.	3.3
Canadian Natural Resources Ltd.	3.1
Enbridge Inc.	3.0
Bank of Montreal	3.0
Brookfield Asset Management Inc., Class A	2.8
Nutrien Ltd.	2.3
Canadian Pacific Railway Ltd.	2.3
Manulife Financial Corporation	2.2
TransCanada Corp.	2.2
Canadian Imperial Bank of Commerce	2.2
Sun Life Financial Inc.	1.9
Waste Connections Inc.	1.8
BCE Inc.	1.8
Rogers Communications Inc., Class B	1.5
CGI Group Inc., Class A	1.5
Fairfax Financial Holdings Ltd.	1.4
Loblaw Companies Ltd.	1.4
Alimentation Couche-Tard Inc.	1.2
Encana Corp.	1.1
Pembina Pipeline Corp.	1.1
Top 25 Holdings	68.0

* The Fund invests substantially all of its assets directly in the Phillips, Hager & North Canadian Equity Value Fund. The above are the Top 25 holdings of the Phillips, Hager & North Canadian Equity Value Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



CANADIAN EQUITY FUND

RBC CANADIAN EQUITY INCOME CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in a diversified portfolio of Canadian securities including, but not limited to, common and preferred shares of Canadian companies that pay dividends, real estate investment trusts and income trusts.

To achieve its investment objective, the Fund invests most of its assets in the RBC Canadian Equity Income Fund (the “underlying fund”). The underlying fund invests primarily in a diversified portfolio of Canadian equity securities including common and preferred shares, real estate investment trusts and income trusts. The underlying fund may also invest in fixed-income securities, such as government and corporate bonds, debentures and notes.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value fell to \$179 million as of March 31, 2018, from \$194 million as of March 31, 2017. The decrease was due mainly to net redemptions.

Over the past year, the Fund’s Series A shares rose 0.5%, which underperformed the 1.7% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Uncertainty returned to financial markets in early 2018 following a long period of strong returns and minimal volatility that lasted for most of the fiscal year. The reversal started with strong U.S. wage-growth data, which led to concerns that higher inflation may force the U.S. Federal Reserve to increase interest rates at a faster pace than previously anticipated. With markets beginning to find their feet in the latter stages of February, renewed concerns over U.S. trade protectionism resulted in additional volatility, starting with U.S. tariffs on steel and aluminum and continuing with Chinese threats in response.

Asset weighting was the primary negative affecting the portfolio, as the Fund’s overweight position in the Energy sector and underweight exposure to Canadian banks held back returns relative to the benchmark.

The Fund benefited from strong security selection in the Energy and Financials sectors. In the Energy sector, the Fund’s overweight position in Veresen contributed positively to performance, as it was acquired by Pembina Pipeline. A position in Norwegian state-controlled oil producer Statoil also aided returns. In the Financials sector, the portfolio benefited from the absence of Element Fleet Management, which declined significantly during the period on concern about a joint venture.

Recent Developments

Crude-oil prices have rallied as global inventories stabilized amid solid demand growth and OPEC members’ continued compliance with production limits. Production growth from U.S. shale producers will largely determine the direction of crude-oil prices. In Canada, energy producers have not benefited as much from the oil rally, due to pipeline bottlenecks and the resulting pricing discounts for Canada’s oil, which requires extensive refining. No new pipeline capacity is expected to arrive until late 2019, and rail transportation has been slow to clear the glut. While Canada’s Energy sector appears attractively priced relative to commodity prices, volatility is likely to persist until clarity emerges about the outlook for demand and infrastructure projects.

The economic backdrop remains positive by post-crisis standards, with many of the macroeconomic indicators monitored by the portfolio manager showing reasons to remain positive. While key risks of an aging business cycle, rising interest rates and protectionism persist, upside potential remains from structural reforms in Japan and U.S. fiscal stimulus. On balance, the portfolio manager expects the positives to outweigh the negatives, further driving potential in the stock market.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Advisor T5 Series, Series T5 and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Year/Period	
Series A													
Mar. 31, 2018	14.14	0.46	(0.27)	0.24	(0.31)	0.12	—	(0.20)	—	—	(0.20)	14.01	
Mar. 31, 2017	12.22	0.26	(0.26)	0.16	2.04	2.20	—	(0.22)	—	—	(0.22)	14.14	
Mar. 31, 2016	13.32	0.50	(0.26)	0.07	(1.37)	(1.06)	—	(0.26)	—	—	(0.26)	12.22	
Mar. 31, 2015	12.86	0.49	(0.28)	0.65	(0.33)	0.53	—	(0.17)	—	—	(0.17)	13.32	
Mar. 31, 2014	11.11	0.48	(0.24)	0.22	1.52	1.98	—	(0.12)	—	—	(0.12)	12.86	
Advisor Series													
Mar. 31, 2018	14.12	0.45	(0.27)	0.24	(0.30)	0.12	—	(0.20)	—	—	(0.20)	14.00	
Mar. 31, 2017	12.20	0.26	(0.26)	0.15	1.99	2.14	—	(0.22)	—	—	(0.22)	14.12	
Mar. 31, 2016	13.31	0.50	(0.26)	0.07	(1.37)	(1.06)	—	(0.26)	—	—	(0.26)	12.20	
Mar. 31, 2015	12.86	0.49	(0.28)	0.65	(0.33)	0.53	—	(0.18)	—	—	(0.18)	13.31	
Mar. 31, 2014	11.12	0.48	(0.24)	0.22	1.52	1.98	—	(0.13)	—	—	(0.13)	12.86	
Advisor T5 Series													
Mar. 31, 2018	13.35	0.42	(0.25)	0.22	(0.46)	(0.07)	—	(0.27)	—	(0.39)	(0.66)	12.76	
Mar. 31, 2017	11.89	0.25	(0.24)	0.15	1.82	1.98	—	(0.24)	—	(0.35)	(0.59)	13.35	
Mar. 31, 2016	13.39	0.50	(0.25)	0.08	(1.40)	(1.07)	—	(0.38)	—	(0.26)	(0.64)	11.89	
Mar. 31, 2015 ³	13.37 [†]	0.08	(0.05)	0.11	(0.06)	0.08	—	(0.11)	—	—	(0.11)	13.39	
Series T5													
Mar. 31, 2018	13.35	0.42	(0.25)	0.22	(0.28)	0.11	—	(0.24)	—	(0.42)	(0.66)	12.76	
Mar. 31, 2017	11.89	0.25	(0.25)	0.15	1.88	2.03	—	(0.23)	—	(0.36)	(0.59)	13.35	
Mar. 31, 2016	13.38	0.53	(0.24)	0.08	(1.46)	(1.09)	—	(0.44)	—	(0.20)	(0.64)	11.89	
Mar. 31, 2015 ³	13.37 [†]	0.08	(0.05)	0.11	(0.06)	0.08	—	(0.11)	—	—	(0.11)	13.38	
Series D													
Mar. 31, 2018	14.57	0.47	(0.15)	0.24	(0.33)	0.23	—	(0.33)	—	—	(0.33)	14.45	
Mar. 31, 2017	12.58	0.27	(0.14)	0.16	2.05	2.34	—	(0.35)	—	—	(0.35)	14.57	
Mar. 31, 2016	13.72	0.52	(0.15)	0.08	(1.43)	(0.98)	—	(0.39)	—	—	(0.39)	12.58	
Mar. 31, 2015	13.11	0.50	(0.16)	0.67	(0.34)	0.67	—	(0.16)	—	—	(0.16)	13.72	
Mar. 31, 2014	11.24	0.49	(0.14)	0.22	1.55	2.12	—	(0.14)	—	—	(0.14)	13.11	



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Mutual Fund Share (\$) (cont.)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series F												
Mar. 31, 2018	14.71	0.48	(0.11)	0.25	(0.38)	0.24	—	(0.37)	—	—	(0.37)	14.59
Mar. 31, 2017	12.70	0.27	(0.11)	0.16	2.09	2.41	—	(0.38)	—	—	(0.38)	14.71
Mar. 31, 2016	13.85	0.52	(0.12)	0.08	(1.43)	(0.95)	—	(0.42)	—	—	(0.42)	12.70
Mar. 31, 2015	13.20	0.50	(0.13)	0.67	(0.34)	0.70	—	(0.16)	—	—	(0.16)	13.85
Mar. 31, 2014	11.28	0.49	(0.11)	0.22	1.55	2.15	—	(0.13)	—	—	(0.13)	13.20
Series FT5												
Mar. 31, 2018	14.19	0.45	(0.11)	0.23	(0.34)	0.23	—	(0.28)	—	(0.43)	(0.71)	13.73
Mar. 31, 2017	12.50	0.27	(0.11)	0.16	1.96	2.28	—	(0.24)	—	(0.38)	(0.62)	14.19
Mar. 31, 2016	13.90	0.54	(0.11)	0.08	(1.50)	(0.99)	—	(0.35)	—	(0.32)	(0.67)	12.50
Mar. 31, 2015 ³	13.84 [†]	0.09	(0.02)	0.12	(0.06)	0.13	—	(0.12)	—	—	(0.12)	13.90
Series O												
Mar. 31, 2018	14.97	0.49	(0.01)	0.25	(0.71)	0.02	—	(0.49)	—	—	(0.49)	14.85
Mar. 31, 2017	12.93	0.28	—	0.17	2.11	2.56	—	(0.52)	—	—	(0.52)	14.97
Mar. 31, 2016	14.12	0.54	—	0.08	(1.49)	(0.87)	—	(0.55)	—	—	(0.55)	12.93
Mar. 31, 2015	13.48	0.52	—	0.70	(0.35)	0.87	—	(0.31)	—	—	(0.31)	14.12
Mar. 31, 2014	11.40	0.49	—	0.22	1.57	2.28	—	(0.12)	—	—	(0.12)	13.48

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	14.01	37 646	2 687	1.92	1.92	0.58	0.09
Mar. 31, 2017	14.14	47 493	3 359	1.96 ⁴	1.96	2.73	0.13
Mar. 31, 2016	12.22	39 064	3 198	2.10	2.10	3.58	0.14
Mar. 31, 2015	13.32	57 773	4 337	2.10	2.11	7.35	0.16
Mar. 31, 2014	12.86	46 956	3 651	2.11	2.11	9.03	0.21
Advisor Series							
Mar. 31, 2018	14.00	35 727	2 553	1.93	1.93	0.58	0.09
Mar. 31, 2017	14.12	45 406	3 215	1.98 ⁴	1.98	2.73	0.13
Mar. 31, 2016	12.20	48 330	3 960	2.11	2.11	3.58	0.14
Mar. 31, 2015	13.31	73 116	5 493	2.10	2.11	7.35	0.16
Mar. 31, 2014	12.86	66 114	5 143	2.11	2.11	9.03	0.21



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Advisor T5 Series							
Mar. 31, 2018	12.76	4 632	363	1.93	1.93	0.58	0.09
Mar. 31, 2017	13.35	1 614	121	1.93 ⁴	1.93	2.73	0.13
Mar. 31, 2016	11.89	645	54	2.13	2.13	3.58	0.14
Mar. 31, 2015 ⁵	13.39	50	4	2.15	2.16	7.35	0.16
Series T5							
Mar. 31, 2018	12.76	1 248	98	1.91	1.91	0.58	0.09
Mar. 31, 2017	13.35	1 399	105	1.96 ⁴	1.96	2.73	0.13
Mar. 31, 2016	11.89	907	76	2.08	2.08	3.58	0.14
Mar. 31, 2015 ⁵	13.38	140	10	2.15	2.16	7.35	0.16
Series D							
Mar. 31, 2018	14.45	17 463	1 209	1.03	1.03	0.58	0.09
Mar. 31, 2017	14.57	18 394	1 263	1.07 ⁴	1.07	2.73	0.13
Mar. 31, 2016	12.58	16 637	1 323	1.20	1.20	3.58	0.14
Mar. 31, 2015	13.72	17 374	1 266	1.20	1.21	7.35	0.16
Mar. 31, 2014	13.11	12 626	963	1.20	1.20	9.03	0.21
Series F							
Mar. 31, 2018	14.59	77 483	5 310	0.78	0.78	0.58	0.09
Mar. 31, 2017	14.71	75 552	5 136	0.81 ⁴	0.81	2.73	0.13
Mar. 31, 2016	12.70	35 727	2 814	0.95	0.95	3.58	0.14
Mar. 31, 2015	13.85	54 612	3 943	0.95	0.96	7.35	0.16
Mar. 31, 2014	13.20	36 191	2 742	0.95	0.95	9.03	0.21
Series FT5							
Mar. 31, 2018	13.73	4 126	301	0.78	0.78	0.58	0.09
Mar. 31, 2017	14.19	2 621	185	0.81 ⁴	0.81	2.73	0.13
Mar. 31, 2016	12.50	192	15	0.94	0.94	3.58	0.14
Mar. 31, 2015 ⁵	13.90	1	—	0.97	0.98	7.35	0.16
Series O							
Mar. 31, 2018	14.85	1 044	70	0.06	0.06	0.58	0.09
Mar. 31, 2017	14.97	1 695	113	0.06	0.06	2.73	0.13
Mar. 31, 2016	12.93	1 181	91	0.06	0.06	3.58	0.14
Mar. 31, 2015	14.12	1 008	71	0.05	0.06	7.35	0.16
Mar. 31, 2014	13.48	1 610	119	0.06	0.06	9.03	0.21

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Advisor T5 Series, Series T5, Series D, Series F and Series FT5 mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.92%, Advisor Series – 1.94%, Advisor T5 Series – 1.90%, Series T5 – 1.92%, Series D – 1.03%, Series F – 0.78% and Series FT5 – 0.80%.

⁵ From October 16, 2014.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	66%	34%
Advisor Series	1.60%	66%	34%
Advisor T5 Series	1.60%	66%	34%
Series T5	1.60%	66%	34%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%
Series FT5	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.

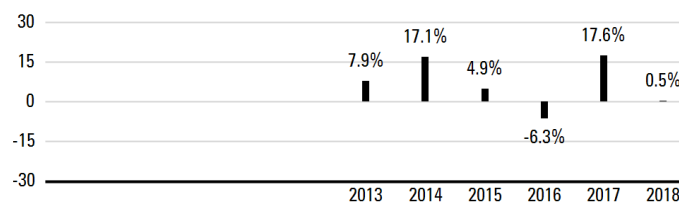
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

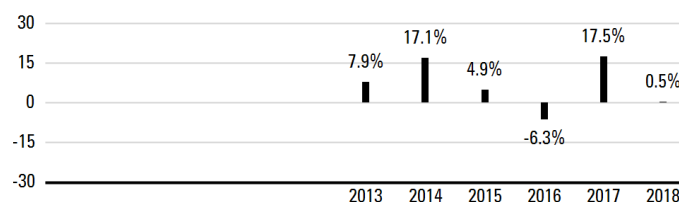
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.

Series A (%)



Advisor Series (%)



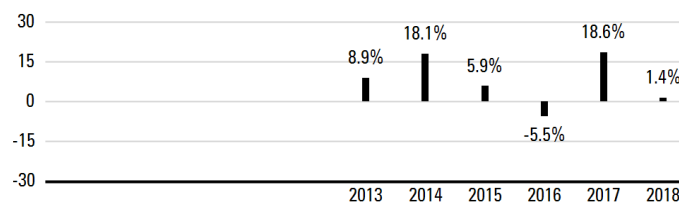
Advisor T5 Series (%)



Series T5 (%)



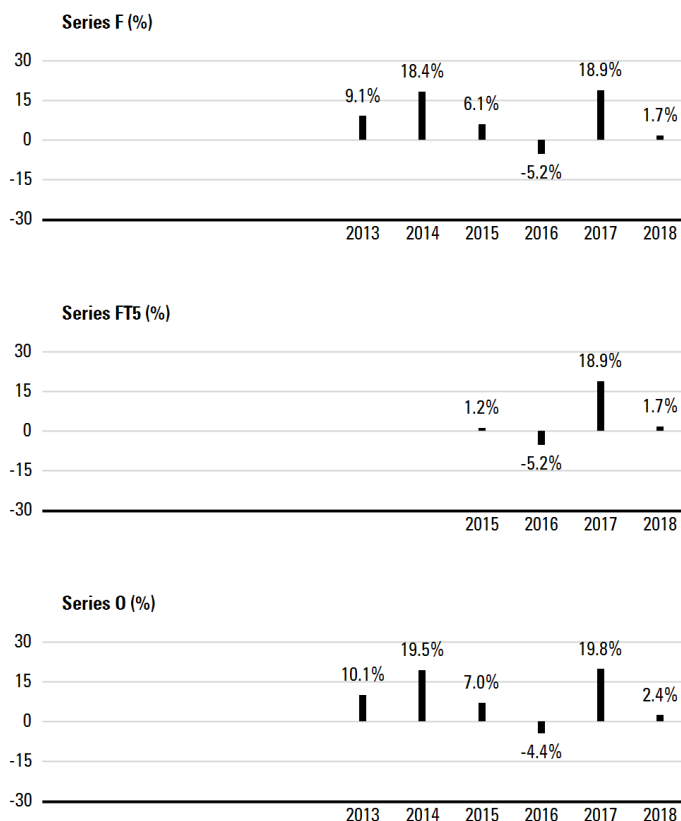
Series D (%)





March 31, 2018

PAST PERFORMANCE (cont.)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P/TSX Capped Composite Total Return Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	0.5	3.5	6.3	—	6.8
Benchmark	1.7	4.1	6.9	—	7.2
Advisor Series	0.5	3.4	6.3	—	6.8
Benchmark	1.7	4.1	6.9	—	7.2
Advisor T5 Series	0.5	3.4	—	—	3.6
Benchmark	1.7	4.1	—	—	7.2
Series T5	0.5	3.5	—	—	3.6
Benchmark	1.7	4.1	—	—	7.2
Series D	1.4	4.4	7.3	—	7.8
Benchmark	1.7	4.1	6.9	—	7.2
Series F	1.7	4.6	7.6	—	8.1
Benchmark	1.7	4.1	6.9	—	7.2
Series FT5	1.7	4.6	—	—	4.8
Benchmark	1.7	4.1	—	—	7.2
Series O	2.4	5.5	8.5	—	9.0
Benchmark	1.7	4.1	6.9	—	7.2

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Advisor T5 Series, Series T5 and Series FT5 mutual fund shares have been available for sale to shareholders since January 26, 2015, and Series A, Advisor Series, Series D, Series F and Series O mutual fund shares since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares and all outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

INDEX DESCRIPTION

S&P/TSX Capped Composite Total Return Index This index is the amended capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, with no individual stock exceeding 10% of the overall weight.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Financials	31.2
Energy	22.6
Real Estate	10.1
Utilities	9.7
Industrials	7.4
Materials	7.4
Telecommunication Services	3.4
Consumer Staples	2.0
Health Care	1.9
Consumer Discretionary	1.5
Information Technology	0.8
Cash/Other	2.0

Top 25 Holdings*

	% of Net Asset Value
Royal Bank of Canada	6.4
Toronto-Dominion Bank	5.8
Enbridge Inc.	4.4
Bank of Nova Scotia	4.3
Suncor Energy Inc.	3.6
Manulife Financial Corporation	3.0
TransCanada Corp.	2.9
Brookfield Asset Management Inc., Class A	2.8
Canadian Natural Resources Ltd.	2.6
Sun Life Financial Inc.	2.3
Canadian Imperial Bank of Commerce	2.0
Canadian Pacific Railway Ltd.	2.0
Brookfield Property Partners LP	1.9
BCE Inc.	1.9
Bank of Montreal	1.9
Pembina Pipeline Corp.	1.8
SNC-Lavalin Group Inc.	1.7
Nutrien Ltd.	1.6
Canadian National Railway Co.	1.6
Enbridge Income Fund Holdings Inc.	1.6
Cash & Cash Equivalents	1.3
Keyera Corp.	1.3
Thomson Corp.	1.0
Newmont Mining Corporation	1.0
Teck Resources Ltd., Class B	1.0
Top 25 Holdings	61.7

* The Fund invests substantially all of its assets directly in the RBC Canadian Equity Income Fund.
The above are the Top 25 holdings of the RBC Canadian Equity Income Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



CANADIAN EQUITY FUND

RBC CANADIAN MID-CAP EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of mid-sized Canadian companies that offer above-average prospects for growth and may also invest in smaller capitalization companies that have adequate liquidity.

To achieve its investment objective, the Fund invests most of its assets in the RBC Private Canadian Mid-Cap Equity Pool (the “underlying fund”). The underlying fund focuses on companies with a history of high growth in sales and earnings, with above-average prospects for continued growth. The underlying fund invests in companies with strong management, focused business models and a competitive advantage. The underlying fund typically invests across major industry sectors within minimum and maximum exposures for each sector.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

Effective October 25, 2017, the Fund’s risk rating changed from medium-to-high to medium.

Results of Operations

The Fund’s net asset value fell to \$10 million as of March 31, 2018, from \$11 million as of March 31, 2017. The decline was due to net redemptions.

Over the past year, the Fund’s Series A shares gained 3.8%, which outperformed the 1.4% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Uncertainty returned to financial markets in early 2018 following a long period of strong returns and minimal volatility that lasted for most of the fiscal year. The reversal started with strong U.S. wage-growth data, which led to concerns that higher inflation may force the U.S. Federal Reserve to increase interest rates at a faster pace than previously anticipated. With markets beginning to find their feet in the latter stages of February, renewed concerns over U.S. trade protectionism resulted in additional volatility, starting with U.S. tariffs on steel and aluminum and continuing with Chinese threats in response.

The Fund benefited from strong security selection. The strongest sectors of relative performance were in the Materials and Energy sectors, while Real Estate had the most negative impact. The Fund’s underweight position in the Industrials and Consumer Staples sectors also held back returns somewhat.

In the Materials sector, an above-benchmark position in Kirkland Lake Gold boosted returns as production increased at mines, which are among the highest-grade underground gold sources in the world. In the Energy sector, an overweight position in Enerplus added to returns, also amid rising production.

Recent Developments

Gold equities, which make up roughly half of the Materials sector’s market capitalization, declined in 2017 in contrast to the best gains for gold prices since 2010. Into 2018, the outlook for gold prices is likely muted given rising interest rates. However, a weaker U.S. dollar, the potential for surging inflation and heightened geopolitical concerns could drive prices higher.

The economic backdrop remains positive by post-crisis standards with many of the macroeconomic indicators monitored by the portfolio manager showing reasons to remain positive. While key risks of an aging business cycle, rising interest rates and protectionism persist, upside potential remains from structural reforms in Japan and U.S. fiscal stimulus. On balance, the portfolio manager expects the positives to outweigh the negatives, further driving potential in the stock market.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series A												
Mar. 31, 2018	12.92	0.24	(0.27)	0.59	0.16	0.72	—	—	—	—	—	13.40
Mar. 31, 2017	10.60	0.21	(0.25)	0.37	1.92	2.25	—	(0.09)	—	—	(0.09)	12.92
Mar. 31, 2016	11.76	0.28	(0.22)	(0.25)	(0.88)	(1.07)	—	(0.10)	—	—	(0.10)	10.60
Mar. 31, 2015	11.98	0.25	(0.25)	1.07	(1.14)	(0.07)	—	(0.21)	—	—	(0.21)	11.76
Mar. 31, 2014	10.62	0.25	(0.23)	0.29	1.38	1.69	—	(0.16)	—	—	(0.16)	11.98
Advisor Series												
Mar. 31, 2018	13.19	0.24	(0.27)	0.61	—	0.58	—	—	—	—	—	13.69
Mar. 31, 2017	10.83	0.21	(0.26)	0.37	1.26	1.58	—	(0.09)	—	—	(0.09)	13.19
Mar. 31, 2016	12.01	0.29	(0.22)	(0.25)	(0.90)	(1.08)	—	(0.11)	—	—	(0.11)	10.83
Mar. 31, 2015	12.18	0.25	(0.24)	1.08	(1.14)	(0.05)	—	(0.17)	—	—	(0.17)	12.01
Mar. 31, 2014	10.66	0.24	(0.22)	0.29	1.36	1.67	—	(0.09)	—	—	(0.09)	12.18
Series D												
Mar. 31, 2018	13.47	0.25	(0.16)	0.62	(0.14)	0.57	—	(0.12)	—	—	(0.12)	13.97
Mar. 31, 2017	10.97	0.22	(0.15)	0.38	1.48	1.93	—	(0.10)	—	—	(0.10)	13.47
Mar. 31, 2016	12.17	0.30	(0.13)	(0.26)	(0.92)	(1.01)	—	(0.20)	—	—	(0.20)	10.97
Mar. 31, 2015	12.38	0.25	(0.15)	1.11	(1.18)	0.03	—	(0.29)	—	—	(0.29)	12.17
Mar. 31, 2014	10.74	0.23	(0.14)	0.27	1.27	1.63	—	(0.04)	—	—	(0.04)	12.38
Series F												
Mar. 31, 2018	13.42	0.25	(0.12)	0.62	(0.23)	0.52	—	(0.16)	—	—	(0.16)	13.92
Mar. 31, 2017	10.94	0.22	(0.12)	0.38	1.80	2.28	—	(0.15)	—	—	(0.15)	13.42
Mar. 31, 2016	12.14	0.30	(0.10)	(0.26)	(0.92)	(0.98)	—	(0.23)	—	—	(0.23)	10.94
Mar. 31, 2015	12.30	0.25	(0.11)	1.11	(1.18)	0.07	—	(0.29)	—	—	(0.29)	12.14
Mar. 31, 2014	10.78	0.26	(0.10)	0.30	1.43	1.89	—	(0.20)	—	—	(0.20)	12.30
Series O												
Mar. 31, 2018	13.95	0.26	(0.01)	0.65	(0.09)	0.81	—	(0.29)	—	—	(0.29)	14.47
Mar. 31, 2017	11.30	0.23	(0.01)	0.40	2.24	2.86	—	(0.20)	—	—	(0.20)	13.95
Mar. 31, 2016	12.54	0.31	—	(0.27)	(0.95)	(0.91)	—	(0.34)	—	—	(0.34)	11.30
Mar. 31, 2015	12.51	0.26	—	1.13	(1.20)	0.19	—	(0.21)	—	—	(0.21)	12.54
Mar. 31, 2014	10.88	0.25	(0.01)	0.30	1.43	1.97	—	(0.19)	—	—	(0.19)	12.51

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	13.40	399	30	2.13	2.16	6.86	0.23
Mar. 31, 2017	12.92	1 033	80	2.13	2.16	31.11	0.35
Mar. 31, 2016	10.60	820	77	2.14	2.18	16.15	0.28
Mar. 31, 2015	11.76	1 354	115	2.15	2.18	28.94	0.23
Mar. 31, 2014	11.98	1 287	107	2.15	2.19	26.23	0.23
Advisor Series							
Mar. 31, 2018	13.69	99	7	2.13	2.16	6.86	0.23
Mar. 31, 2017	13.19	219	17	2.10	2.13	31.11	0.35
Mar. 31, 2016	10.83	29	3	2.09	2.13	16.15	0.28
Mar. 31, 2015	12.01	65	5	2.04	2.07	28.94	0.23
Mar. 31, 2014	12.18	16	1	2.02	2.06	26.23	0.23
Series D							
Mar. 31, 2018	13.97	742	53	1.28	1.31	6.86	0.23
Mar. 31, 2017	13.47	843	63	1.28	1.31	31.11	0.35
Mar. 31, 2016	10.97	445	41	1.30	1.34	16.15	0.28
Mar. 31, 2015	12.17	435	36	1.32	1.35	28.94	0.23
Mar. 31, 2014	12.38	457	37	1.31	1.35	26.23	0.23
Series F							
Mar. 31, 2018	13.92	1 184	85	0.99	1.02	6.86	0.23
Mar. 31, 2017	13.42	726	54	0.99	1.02	31.11	0.35
Mar. 31, 2016	10.94	209	19	0.99	1.03	16.15	0.28
Mar. 31, 2015	12.14	184	15	1.01	1.04	28.94	0.23
Mar. 31, 2014	12.30	257	21	0.97	1.01	26.23	0.23
Series O							
Mar. 31, 2018	14.47	7 378	510	0.14	0.17	6.86	0.23
Mar. 31, 2017	13.95	7 932	568	0.14	0.17	31.11	0.35
Mar. 31, 2016	11.30	6 370	564	0.14	0.18	16.15	0.28
Mar. 31, 2015	12.54	8 636	689	0.15	0.18	28.94	0.23
Mar. 31, 2014	12.51	7 930	634	0.14	0.18	26.23	0.23

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

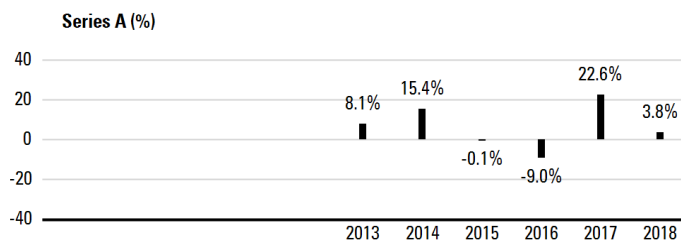
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

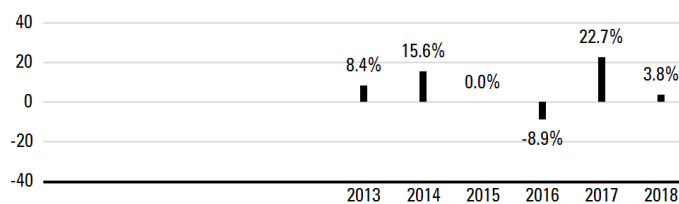
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

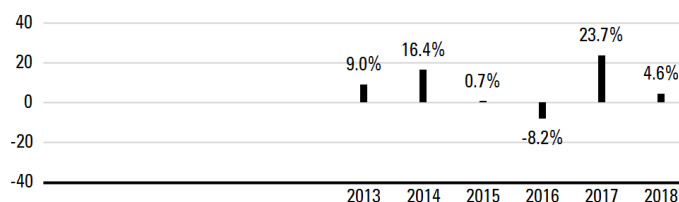
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



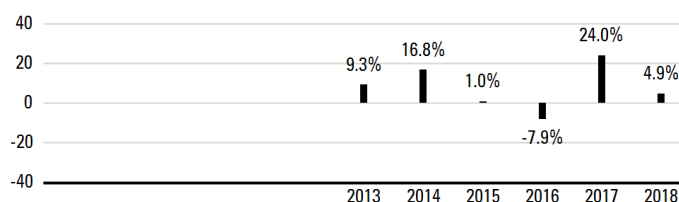
Advisor Series (%)



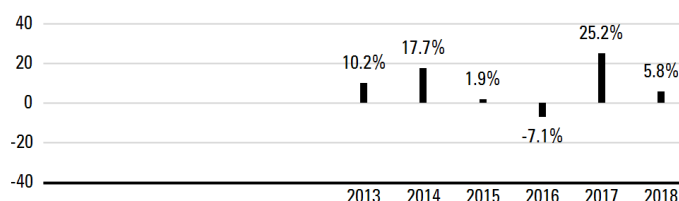
Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P/TSX MidCap Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	3.8	5.0	5.9	—	5.7
Benchmark	1.4	2.9	4.0	—	4.6
Advisor Series	3.8	5.1	6.0	—	5.9
Benchmark	1.4	2.9	4.0	—	4.6
Series D	4.6	5.9	6.8	—	6.6
Benchmark	1.4	2.9	4.0	—	4.6
Series F	4.9	6.2	7.2	—	7.0
Benchmark	1.4	2.9	4.0	—	4.6
Series O	5.8	7.2	8.1	—	7.9
Benchmark	1.4	2.9	4.0	—	4.6

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

S&P/TSX MidCap Index This is an index of mid-sized Canadian companies, with weights adjusted across economic sectors.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Energy	20.7
Materials	20.7
Industrials	12.0
Real Estate	11.9
Utilities	8.7
Consumer Discretionary	5.5
Health Care	5.1
Financials	4.6
Consumer Staples	4.4
Information Technology	2.1
Cash/Other	4.3

Top 25 Holdings*

	% of Net Asset Value
Cash & Cash Equivalents	3.6
Enerplus Corp.	3.2
Parex Resources Inc.	2.5
Lundin Mining Corp.	2.4
Kirkland Lake Gold Ltd.	2.4
Methanex Corp.	2.2
Canopy Growth Corp.	2.0
B2Gold Corp.	2.0
Endeavour Mining Corp.	2.0
CAE Inc.	1.9
Algonquin Power & Utilities Corp.	1.9
H&R Real Estate Investment Trust	1.9
Keyera Corp.	1.8
Bombardier Inc., Class B	1.8
Hydro One Ltd.	1.8
Atco Ltd., Class I, Non-Voting	1.8
Brookfield Property Partners LP	1.7
Brookfield Renewable Partners LP	1.7
Kinross Gold Corp.	1.6
West Fraser Timber Co. Ltd.	1.6
Finning International Inc.	1.5
Allied Properties Real Estate Investment Trust	1.5
Canadian Real Estate Investment Trust	1.5
Seven Generations Energy Ltd.	1.5
Husky Energy Inc.	1.5
Top 25 Holdings	49.3

* The Fund invests substantially all of its assets directly in the RBC Private Canadian Mid-Cap Equity Pool. The above are the Top 25 holdings of the RBC Private Canadian Mid-Cap Equity Pool.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



NORTH AMERICAN EQUITY FUND

RBC NORTH AMERICAN VALUE CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing in equity securities of Canadian and/or U.S. companies priced below their true value and offering long-term opportunities for growth.

To achieve its investment objective, the Fund invests most of its assets in the RBC North American Value Fund (the “underlying fund”). The underlying fund identifies quality companies that are undervalued based on criteria such as assets, earnings and cash flow. The approach provides for a lower level of volatility than a portfolio of growth companies. The underlying fund may also invest in income trusts.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

Effective October 25, 2017, the Fund’s risk rating changed from medium to low-to-medium.

Results of Operations

The Fund’s net asset value was unchanged at \$192 million as of March 31, 2018, compared with March 31, 2017.

Over the past year, the Fund’s Series A shares gained 4.5%, which underperformed the 10.4% rise in the S&P 500 Total Return Index in Canadian dollars. The shares outperformed the 1.7% rise in the S&P/TSX Capped Composite Total Return Index. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Uncertainty returned to financial markets in early 2018 following a long period of strong returns and minimal volatility that lasted for most of 2017. The reversal started with strong U.S. wage-growth data, which led to concerns that higher inflation may force the U.S. Federal Reserve to increase interest rates at a faster pace than previously anticipated. With markets beginning to find their feet in the latter stages of February, renewed concerns over U.S. trade protectionism resulted in additional volatility.

The valuation of the S&P/TSX Index is currently around two multiple points lower than the S&P 500 Index, a gap that seems justified given the concerns outlined above and the fact that the Financials and Energy sectors account for more than half of the Canadian market’s earnings.

During the period, the Fund had strong security selection in the U.S., while security selection in Canada detracted slightly. In the U.S. Consumer Staples sector, overweight positions in Estée Lauder and Wal-Mart Stores contributed positively. Both have performed well amid competitive pressures from online retailers such as Amazon, although Wal-Mart’s stock pulled back in the latest quarter on a slowdown in e-commerce.

Security selection in Canadian Energy was a strength for the portfolio. Enbridge Inc., a core holding, pulled back recently. Pressure on the stock has largely been a result of concern surrounding its balance sheet, pipeline-construction challenges and the potential for rising interest rates due to the utility nature of the company. To address cash-flow concerns to fund a project backlog, much of the heavy lifting was completed in late 2017. This included a \$1.5 billion private placement of common equity and \$900 million in preferred shares.

In the Canadian Consumer Discretionary sector, the Fund’s underweight position in Magna International had a negative impact on returns. Magna, one of the world’s leading auto-parts suppliers, experienced a decline in North American production, offset by strong cash generation and growth in Europe.

Recent Developments

Since the turn of the year, financial-market conditions have clearly changed. Last year was one of the least volatile years in the past 100, with the S&P 500 going the full year without experiencing a peak-to-trough decline of 3%. It is normal and even healthy for the market to have two pullbacks of 3% to 5% and one or two corrections of 10% during a 12-month period.



March 31, 2018

The economic backdrop remains positive by post-crisis standards with many of the macroeconomic indicators monitored by the portfolio manager showing reasons to remain positive. While key risks of an aging business cycle, rising interest rates and protectionism persist, upside potential remains from structural reforms in Japan and U.S. fiscal stimulus. On balance, the portfolio manager expects the positives to outweigh the negatives, further driving potential in the stock market.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
Series A													
Mar. 31, 2018	16.50	0.17	(0.33)	0.84	0.13	0.81	—	(0.07)	—	—	(0.07)	17.17	
Mar. 31, 2017	14.64	0.32	(0.31)	0.60	1.65	2.26	—	(0.25)	—	—	(0.25)	16.50	
Mar. 31, 2016	15.32	0.33	(0.31)	0.43	(0.91)	(0.46)	—	(0.29)	—	—	(0.29)	14.64	
Mar. 31, 2015	13.67	—	(0.30)	0.79	1.19	1.68	—	—	—	—	—	15.32	
Mar. 31, 2014	11.60	—	(0.26)	0.85	1.78	2.37	—	—	(0.11)	—	(0.11)	13.67	
Advisor Series													
Mar. 31, 2018	16.49	0.17	(0.33)	0.84	0.09	0.77	—	(0.07)	—	—	(0.07)	17.16	
Mar. 31, 2017	14.63	0.32	(0.31)	0.59	1.48	2.08	—	(0.24)	—	—	(0.24)	16.49	
Mar. 31, 2016	15.32	0.33	(0.31)	0.43	(0.91)	(0.46)	—	(0.29)	—	—	(0.29)	14.63	
Mar. 31, 2015	13.67	—	(0.31)	0.79	1.19	1.67	—	—	—	—	—	15.32	
Mar. 31, 2014	11.60	—	(0.27)	0.86	1.78	2.37	—	—	(0.11)	—	(0.11)	13.67	
Series D													
Mar. 31, 2018	16.97	0.18	(0.18)	0.87	(0.02)	0.85	—	(0.24)	—	—	(0.24)	17.65	
Mar. 31, 2017	15.06	0.33	(0.17)	0.61	1.50	2.27	—	(0.41)	—	—	(0.41)	16.97	
Mar. 31, 2016	15.77	0.34	(0.18)	0.45	(0.94)	(0.33)	—	(0.44)	—	—	(0.44)	15.06	
Mar. 31, 2015	13.94	—	(0.18)	0.81	1.21	1.84	—	—	—	—	—	15.77	
Mar. 31, 2014	11.72	—	(0.15)	0.86	1.79	2.50	—	—	(0.11)	—	(0.11)	13.94	
Series F													
Mar. 31, 2018	17.10	0.18	(0.14)	0.88	—	0.92	—	(0.29)	—	—	(0.29)	17.79	
Mar. 31, 2017	15.18	0.33	(0.13)	0.63	1.74	2.57	—	(0.46)	—	—	(0.46)	17.10	
Mar. 31, 2016	15.89	0.34	(0.14)	0.45	(0.95)	(0.30)	—	(0.48)	—	—	(0.48)	15.18	
Mar. 31, 2015	14.02	—	(0.14)	0.81	1.22	1.89	—	—	—	—	—	15.89	
Mar. 31, 2014	11.76	—	(0.12)	0.88	1.83	2.59	—	—	(0.11)	—	(0.11)	14.02	
Series O													
Mar. 31, 2018	17.60	0.18	(0.01)	0.91	0.25	1.33	—	(0.43)	—	—	(0.43)	18.30	
Mar. 31, 2017	15.62	0.34	(0.01)	0.64	1.55	2.52	—	(0.62)	—	—	(0.62)	17.60	
Mar. 31, 2016	16.36	0.35	(0.01)	0.47	(0.98)	(0.17)	—	(0.64)	—	—	(0.64)	15.62	
Mar. 31, 2015	14.30	—	—	0.84	1.26	2.10	—	—	—	—	—	16.36	
Mar. 31, 2014	11.90	—	—	0.66	1.37	2.03	—	—	(0.11)	—	(0.11)	14.30	

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	17.17	48 855	2 846	1.94	1.94	1.33	0.09
Mar. 31, 2017	16.50	63 329	3 838	1.97 ⁴	1.97	3.20	0.10
Mar. 31, 2016	14.64	46 522	3 178	2.11	2.11	10.33	0.11
Mar. 31, 2015	15.32	56 074	3 659	2.10	2.11	5.53	0.22
Mar. 31, 2014	13.67	42 608	3 117	2.13	2.13	4.67	0.34
Advisor Series							
Mar. 31, 2018	17.16	44 651	2 602	1.95	1.95	1.33	0.09
Mar. 31, 2017	16.49	48 980	2 970	2.00 ⁴	2.00	3.20	0.10
Mar. 31, 2016	14.63	48 778	3 334	2.13	2.13	10.33	0.11
Mar. 31, 2015	15.32	55 251	3 607	2.13	2.14	5.53	0.22
Mar. 31, 2014	13.67	44 962	3 290	2.16	2.16	4.67	0.34
Series D							
Mar. 31, 2018	17.65	8 515	482	1.05	1.05	1.33	0.09
Mar. 31, 2017	16.97	6 567	387	1.09 ⁴	1.09	3.20	0.10
Mar. 31, 2016	15.06	5 276	350	1.22	1.22	10.33	0.11
Mar. 31, 2015	15.77	5 655	359	1.20	1.21	5.53	0.22
Mar. 31, 2014	13.94	3 954	284	1.20	1.20	4.67	0.34
Series F							
Mar. 31, 2018	17.79	89 693	5 043	0.79	0.79	1.33	0.09
Mar. 31, 2017	17.10	72 219	4 223	0.81 ⁴	0.81	3.20	0.10
Mar. 31, 2016	15.18	26 373	1 737	0.96	0.96	10.33	0.11
Mar. 31, 2015	15.89	22 860	1 438	0.95	0.96	5.53	0.22
Mar. 31, 2014	14.02	14 620	1 043	0.97	0.97	4.67	0.34
Series O							
Mar. 31, 2018	18.30	755	41	0.06	0.06	1.33	0.09
Mar. 31, 2017	17.60	714	41	0.06	0.06	3.20	0.10
Mar. 31, 2016	15.62	612	39	0.06	0.06	10.33	0.11
Mar. 31, 2015	16.36	593	36	0.05	0.06	5.53	0.22
Mar. 31, 2014	14.30	517	36	0.05	0.05	4.67	0.34

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.94%, Advisor Series – 1.95%, Series D – 1.05% and Series F – 0.79%.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	66%	34%
Advisor Series	1.60%	66%	34%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

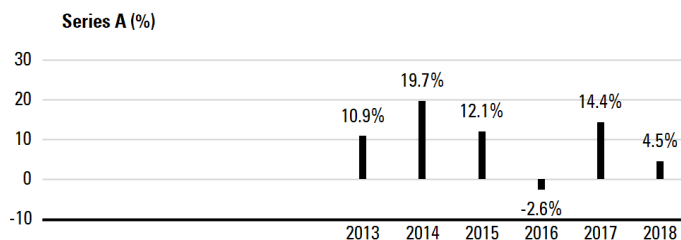
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

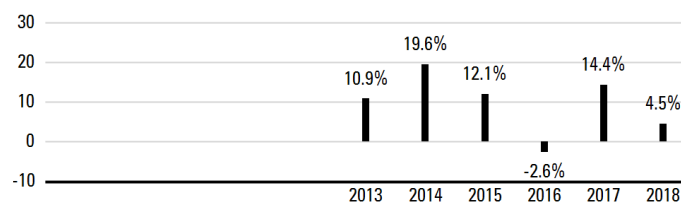
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

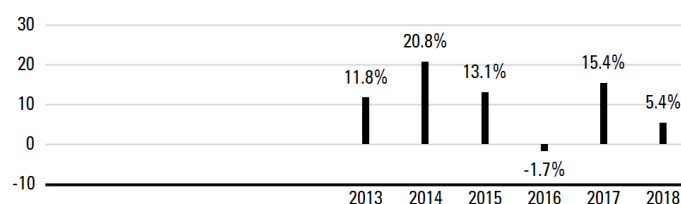
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



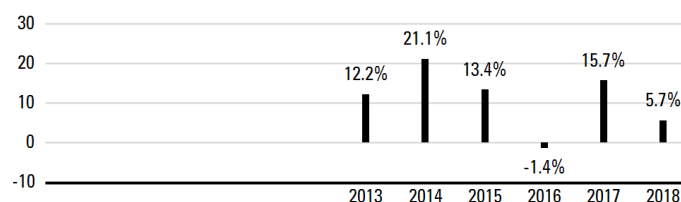
Advisor Series (%)



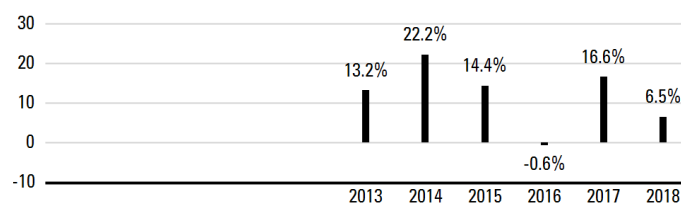
Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmarks:

Benchmark 1 – S&P 500 Total Return Index (CAD)

Benchmark 2 – S&P/TSX Capped Composite Total Return Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	4.5	5.2	9.3	–	10.0
Benchmark 1	10.4	11.4	18.8	–	19.4
Benchmark 2	1.7	4.1	6.9	–	7.2
Advisor Series	4.5	5.2	9.3	–	10.0
Benchmark 1	10.4	11.4	18.8	–	19.4
Benchmark 2	1.7	4.1	6.9	–	7.2
Series D	5.4	6.2	10.3	–	11.0
Benchmark 1	10.4	11.4	18.8	–	19.4
Benchmark 2	1.7	4.1	6.9	–	7.2
Series F	5.7	6.4	10.6	–	11.2
Benchmark 1	10.4	11.4	18.8	–	19.4
Benchmark 2	1.7	4.1	6.9	–	7.2
Series O	6.5	7.3	11.5	–	12.2
Benchmark 1	10.4	11.4	18.8	–	19.4
Benchmark 2	1.7	4.1	6.9	–	7.2

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark indexes.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares and all outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

INDEX DESCRIPTIONS

S&P 500 Total Return Index (CAD) This index is a capitalization-weighted index measuring the Canadian dollar performance of 500 widely held common stocks representing all major industries in the United States. The index gives investors a broad measure of the overall performance of the U.S. stock market.

S&P/TSX Capped Composite Total Return Index This index is the amended capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, with no individual stock exceeding 10% of the overall weight.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix – Sectors

	% of Net Asset Value
Financials	27.6
Energy	14.8
Industrials	9.8
Information Technology	9.1
Consumer Discretionary	8.7
Health Care	5.9
Materials	5.0
Consumer Staples	4.1
Telecommunication Services	2.8
Real Estate	2.0
Utilities	1.2
Cash/Other	9.0

Investment Mix – Countries/Regions

	% of Net Asset Value
Canada	56.7
United States	33.5
Cash/Other	9.8



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at March 31, 2018

Top 25 Holdings*

	% of Net Asset Value
Cash & Cash Equivalents	9.2
Bank of Nova Scotia	4.0
Toronto-Dominion Bank	3.9
Royal Bank of Canada	3.9
Brookfield Asset Management Inc., Class A	2.8
Suncor Energy Inc.	2.4
JPMorgan Chase & Co.	1.9
Canadian Natural Resources Ltd.	1.8
Microsoft Corp.	1.7
Alphabet Inc., Class C	1.6
Berkshire Hathaway Inc., Class B	1.6
Manulife Financial Corporation	1.5
Nutrien Ltd.	1.5
UnitedHealth Group Incorporated	1.5
Canadian Pacific Railway Ltd.	1.4
PrairieSky Royalty Ltd.	1.3
Canadian National Railway Co.	1.3
TransCanada Corp.	1.3
Fairfax Financial Holdings Ltd.	1.3
Enbridge Inc., Restricted April 7, 2018	1.3
BCE Inc.	1.3
Ross Stores Inc.	1.2
Bank of America Corp.	1.1
Encana Corp.	1.1
Charter Communications Inc.	1.1
Top 25 Holdings	53.0

* The Fund invests substantially all of its assets directly in the RBC North American Value Fund.

The above are the Top 25 holdings of the RBC North American Value Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



U.S. EQUITY FUND

RBC U.S. DIVIDEND CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth and regular dividend income by investing primarily in common and preferred shares of major U.S. companies with above-average dividend yields in order to provide targeted exposure to opportunities in U.S. equity markets. Stocks that qualify as investments will generally carry above-average dividend yields and offer the potential for increased payouts.

To achieve its investment objective, the Fund invests most of its assets in the RBC U.S. Dividend Fund (the “underlying fund”). The underlying fund invests in companies with long-term prospects of growing their dividends or which have the potential for such special events as stock buybacks, takeovers and special dividends. The underlying fund may also invest in government bonds, corporate bonds and treasury bills.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value rose to \$126 million as of March 31, 2018, from \$122 million as of March 31, 2017. The increase was due to investment returns, partially offset by net redemptions.

Over the past year, the Fund’s Series A shares gained 6.9%, which underperformed the 10.4% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

The U.S. stock market rose for most of the period, making solid gains before falling back in the final quarter of the period. The advance was driven by a synchronized global economic expansion, accommodative global monetary policies and the passage of U.S. tax reform. Strong performances from the Information Technology, Financials and Consumer Discretionary sectors powered the gains, while returns were held back by interest-rate-sensitive sectors such as Utilities, Real Estate, Telecommunication Services and Consumer Staples, along with the economically sensitive Energy sector.

The Fund’s underweight allocation to the Consumer Discretionary and Information Technology sectors had a negative impact on relative returns. Many companies in these sectors pay little or no dividends, and so it is difficult for the Fund to keep pace during periods when these sectors outperform. Non-dividend-paying stocks that were not in the portfolio include Amazon, Netflix, Adobe, Nvidia, Priceline and Micron Technology. In addition, an overweight position in the cable company Comcast hurt performance after the company said it would emphasize acquisitions at the expense of buybacks and dividends.

Over the year, security selection in the Industrials, Energy and Utilities sectors aided the Fund’s returns. In the Industrials sector, an overweight position in Boeing was a boost, following a year of strong execution and cost-reduction efforts, as well as orders that exceeded expectations. In Energy, an underweight position in ExxonMobil in favour of Chevron added to the Fund’s returns. Cash generation for Exxon has been poor, and as a consequence it has underperformed other major oil companies. In the Utilities sector, an overweight position in NextEra Energy lifted portfolio performance as the company continues to roll out renewable-energy programs.

Recent Developments

Financial-market conditions have clearly deteriorated since the beginning of 2018 after 2017 ended up being one of the least volatile years in the last 100. In the view of the portfolio manager, it is normal and healthy for the stock market to decline by as much as 10% twice during any 12-month period. However, in 2017 the S&P 500 Index did not fall more than 3% at any point.

Stocks continue to be supported by strong corporate-profit growth, but rising interest rates and ongoing trade conflicts have introduced increased risk and volatility into markets. Given the strong performance over the past nine years, investors should temper their expectations going forward.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Mar. 31, 2018	20.54	0.46	(0.41)	0.89	0.49	1.43	—	—	—	—	—	21.97
Mar. 31, 2017	17.51	0.43	(0.37)	0.54	2.40	3.00	—	—	—	—	—	20.54
Mar. 31, 2016	17.33	0.38	(0.37)	1.11	(0.98)	0.14	—	—	—	—	—	17.51
Mar. 31, 2015	13.92	0.36	(0.32)	1.74	1.85	3.63	—	—	—	—	—	17.33
Mar. 31, 2014	10.90	0.28	(0.25)	0.58	2.48	3.09	—	—	—	—	—	13.92
Advisor Series												
Mar. 31, 2018	20.56	0.47	(0.41)	0.89	0.48	1.43	—	—	—	—	—	21.99
Mar. 31, 2017	17.51	0.43	(0.36)	0.54	2.37	2.98	—	—	—	—	—	20.56
Mar. 31, 2016	17.33	0.37	(0.36)	1.11	(0.98)	0.14	—	—	—	—	—	17.51
Mar. 31, 2015	13.92	0.36	(0.31)	1.75	1.87	3.67	—	—	—	—	—	17.33
Mar. 31, 2014	10.90	0.27	(0.26)	0.57	2.46	3.04	—	—	—	—	—	13.92
Series D												
Mar. 31, 2018	21.39	0.49	(0.22)	0.93	0.43	1.63	—	—	—	—	—	23.08
Mar. 31, 2017	18.06	0.45	(0.20)	0.56	2.48	3.29	—	—	—	—	—	21.39
Mar. 31, 2016	17.71	0.39	(0.21)	1.14	(1.01)	0.31	—	—	—	—	—	18.06
Mar. 31, 2015	14.10	0.37	(0.18)	1.78	1.89	3.86	—	—	—	—	—	17.71
Mar. 31, 2014	10.94	0.28	(0.14)	0.59	2.55	3.28	—	—	—	—	—	14.10
Series F												
Mar. 31, 2018	21.61	0.49	(0.17)	0.94	0.50	1.76	—	—	—	—	—	23.38
Mar. 31, 2017	18.20	0.45	(0.15)	0.57	2.82	3.69	—	—	—	—	—	21.61
Mar. 31, 2016	17.81	0.39	(0.17)	1.15	(1.01)	0.36	—	—	—	—	—	18.20
Mar. 31, 2015	14.14	0.37	(0.14)	1.79	1.91	3.93	—	—	—	—	—	17.81
Mar. 31, 2014	10.96	0.28	(0.12)	0.59	2.53	3.28	—	—	—	—	—	14.14

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	21.97	25 587	1 165	1.96	1.96	3.38	0.09
Mar. 31, 2017	20.54	30 876	1 503	1.99 ⁴	1.99	6.17	0.11
Mar. 31, 2016	17.51	30 364	1 735	2.12	2.12	12.49	0.17
Mar. 31, 2015	17.33	29 824	1 721	2.09	2.10	5.65	0.24
Mar. 31, 2014	13.92	14 764	1 061	2.07	2.08	16.94	0.32
Advisor Series							
Mar. 31, 2018	21.99	16 187	736	1.96	1.96	3.38	0.09
Mar. 31, 2017	20.56	16 981	826	1.97 ⁴	1.97	6.17	0.11
Mar. 31, 2016	17.51	19 960	1 140	2.10	2.10	12.49	0.17
Mar. 31, 2015	17.33	16 331	942	2.08	2.09	5.65	0.24
Mar. 31, 2014	13.92	10 267	737	2.07	2.08	16.94	0.32
Series D							
Mar. 31, 2018	23.08	14 159	613	1.04	1.04	3.38	0.09
Mar. 31, 2017	21.39	13 362	625	1.06 ⁴	1.06	6.17	0.11
Mar. 31, 2016	18.06	10 886	603	1.18	1.18	12.49	0.17
Mar. 31, 2015	17.71	11 584	654	1.17	1.18	5.65	0.24
Mar. 31, 2014	14.10	7 160	508	1.17	1.18	16.94	0.32
Series F							
Mar. 31, 2018	23.38	69 807	2 986	0.79	0.79	3.38	0.09
Mar. 31, 2017	21.61	60 584	2 804	0.81 ⁴	0.81	6.17	0.11
Mar. 31, 2016	18.20	23 657	1 300	0.95	0.95	12.49	0.17
Mar. 31, 2015	17.81	21 588	1 212	0.93	0.94	5.65	0.24
Mar. 31, 2014	14.14	13 169	931	0.95	0.96	16.94	0.32

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.95%, Advisor Series – 1.93%, Series D – 1.02% and Series F – 0.78%.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund.

Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	66%	34%
Advisor Series	1.60%	66%	34%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

* Includes all costs related to management, investment advisory services, general administration and profit.



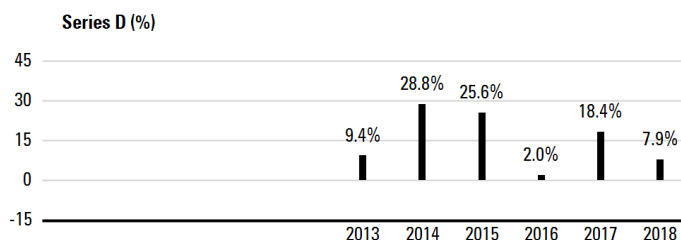
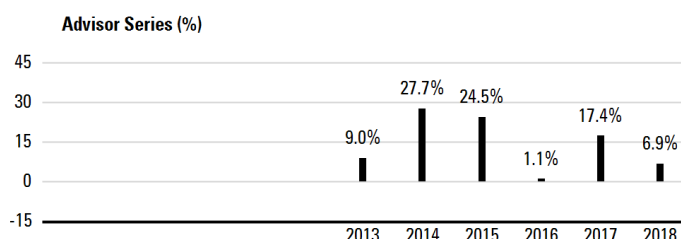
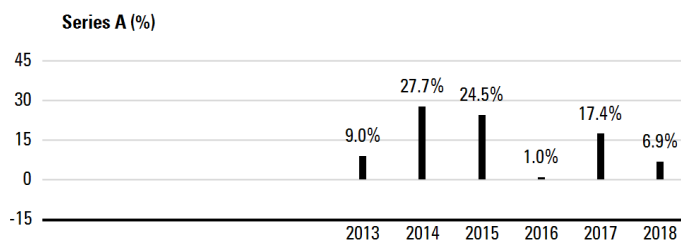
March 31, 2018

PAST PERFORMANCE

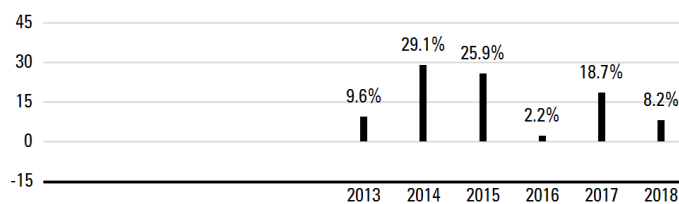
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P 500 Total Return Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	6.9	8.2	15.0	—	15.6
Benchmark	10.4	11.4	18.8	—	20.2
Advisor Series	6.9	8.3	15.1	—	15.7
Benchmark	10.4	11.4	18.8	—	20.2
Series D	7.9	9.2	16.1	—	16.7
Benchmark	10.4	11.4	18.8	—	20.2
Series F	8.2	9.5	16.4	—	17.0
Benchmark	10.4	11.4	18.8	—	20.2

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D and Series F mutual fund shares have been available for sale to shareholders since October 31, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares and all outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

INDEX DESCRIPTION

S&P 500 Total Return Index (CAD) This index is a capitalization-weighted index measuring the Canadian dollar performance of 500 widely held common stocks representing all major industries in the United States. The index gives investors a broad measure of the overall performance of the U.S. stock market.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Information Technology	22.1
Financials	16.5
Health Care	14.8
Industrials	10.2
Consumer Discretionary	10.1
Consumer Staples	8.4
Energy	5.2
Utilities	4.1
Materials	2.4
Telecommunication Services	1.7
Real Estate	1.0
Cash/Other	3.5

Top 25 Holdings*

	% of Net Asset Value
Apple Inc.	4.4
Microsoft Corp.	4.2
JPMorgan Chase & Co.	3.4
Bank of America Corp.	3.3
Cisco Systems Inc.	2.6
Johnson & Johnson	2.5
Citigroup Inc.	2.4
Texas Instruments Inc.	2.3
Philip Morris International Inc.	2.2
Altria Group Inc.	2.1
Chevron Corp.	2.1
UnitedHealth Group Incorporated	1.9
McDonald's Corp.	1.9
Cash & Cash Equivalents	1.8
Comcast Corp., Class A	1.8
Intel Corp.	1.7
Broadcom Ltd.	1.7
PepsiCo Inc.	1.6
Morgan Stanley	1.5
Home Depot Inc.	1.5
AT&T Inc.	1.5
Oracle Corporation	1.5
NextEra Energy Inc.	1.5
Raytheon Company	1.4
PNC Bank Corp.	1.4
Top 25 Holdings	54.2

* The Fund invests substantially all of its assets directly in the RBC U.S. Dividend Fund. The above are the Top 25 holdings of the RBC U.S. Dividend Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



U.S. EQUITY FUND

RBC U.S. EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of major U.S. companies.

To achieve its investment objective, the Fund invests most of its assets in the RBC U.S. Equity Fund (the “underlying fund”). The underlying fund diversifies across industries and invests in companies with strong management, focused business models and the potential for growth in earnings and cash flow.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value rose to \$31 million as of March 31, 2018, from \$28 million as of March 31, 2017. The increase was due mainly to investment returns.

Over the past year, the Fund’s Series A shares gained 8.1%, which underperformed the 10.4% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

The U.S. stock market rose for most of the period, making solid gains before falling back in the final quarter of the period. The advance was driven by a synchronized global economic expansion, accommodative global monetary policies and the passage of U.S. tax reform. Strong performances from the Information Technology,

Financials and Consumer Discretionary sectors powered the gains, while returns were held back by interest-rate-sensitive sectors such as Utilities, Real Estate, Telecommunication Services and Consumer Staples, along with the economically sensitive Energy sector.

Security selection in the Health Care sector had a negative impact on relative returns during the period, given a high degree of uncertainty in 2017 about the future of the Affordable Care Act. An overweight allocation to Cardinal Health held back returns as drug distributors faced pressure to hold down prices on generic drugs.

Security selection in the Industrials, Financials and Utilities sectors aided returns. In Industrials, an overweight position in Boeing generated strong performance, following a year of strong execution and cost reduction efforts, as well as orders that exceeded expectations. Overweight positions in J.P. Morgan and Bank of America boosted returns in the Financials sector as investors rewarded the banks for strong earnings growth. In the Utilities sector, an overweight position in NextEra Energy lifted performance as the company continued to roll out renewable-energy programs.

Recent Developments

Financial-market conditions have clearly deteriorated since the beginning of 2018 after 2017 ended up being one of the least volatile years in the last 100. In the view of the portfolio manager, it is normal and healthy for the stock market to decline by as much as 10% twice during any 12-month period. However, in 2017 the S&P 500 Index did not fall more than 3% at any point.

Stocks continue to be supported by strong corporate-profit growth, but rising interest rates and ongoing trade conflicts have introduced increased risk and volatility into markets. Given the strong performance over the past nine years, investors should temper their expectations going forward.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada (“Royal Bank”) and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund’s day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.



March 31, 2018

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series A												
Mar. 31, 2018	20.92	0.35	(0.42)	1.43	0.46	1.82	—	—	—	—	—	22.61
Mar. 31, 2017	17.97	0.29	(0.38)	0.58	2.36	2.85	—	—	—	—	—	20.92
Mar. 31, 2016	18.16	0.31	(0.38)	1.87	(1.96)	(0.16)	—	—	—	—	—	17.97
Mar. 31, 2015	14.90	0.26	(0.34)	0.68	2.83	3.43	—	—	—	—	—	18.16
Mar. 31, 2014	11.83	0.23	(0.28)	0.47	2.70	3.12	—	—	—	—	—	14.90
Advisor Series												
Mar. 31, 2018	20.94	0.35	(0.42)	1.43	(0.04)	1.32	—	—	—	—	—	22.63
Mar. 31, 2017	17.99	0.29	(0.38)	0.58	2.54	3.03	—	—	—	—	—	20.94
Mar. 31, 2016	18.17	0.31	(0.38)	1.88	(1.97)	(0.16)	—	—	—	—	—	17.99
Mar. 31, 2015	14.90	0.26	(0.33)	0.69	2.87	3.49	—	—	—	—	—	18.17
Mar. 31, 2014	11.83	0.23	(0.28)	0.47	2.71	3.13	—	—	—	—	—	14.90
Series D												
Mar. 31, 2018	21.99	0.37	(0.22)	1.51	0.29	1.95	—	—	—	—	—	23.99
Mar. 31, 2017	18.71	0.30	(0.20)	0.60	2.54	3.24	—	—	—	—	—	21.99
Mar. 31, 2016	18.72	0.32	(0.21)	1.94	(2.03)	0.02	—	—	—	—	—	18.71
Mar. 31, 2015	15.21	0.27	(0.18)	0.71	2.92	3.72	—	—	—	—	—	18.72
Mar. 31, 2014	11.96	0.24	(0.15)	0.48	2.75	3.32	—	—	—	—	—	15.21
Series F												
Mar. 31, 2018	22.26	0.38	(0.17)	1.53	0.28	2.02	—	—	—	—	—	24.34
Mar. 31, 2017	18.90	0.31	(0.16)	0.62	2.88	3.65	—	—	—	—	—	22.26
Mar. 31, 2016	18.87	0.32	(0.17)	1.96	(2.05)	0.06	—	—	—	—	—	18.90
Mar. 31, 2015	15.30	0.27	(0.15)	0.71	2.94	3.77	—	—	—	—	—	18.87
Mar. 31, 2014	12.00	0.24	(0.13)	0.48	2.75	3.34	—	—	—	—	—	15.30
Series O												
Mar. 31, 2018	23.26	0.39	(0.01)	1.60	0.31	2.29	—	—	—	—	—	25.61
Mar. 31, 2017	19.60	0.32	(0.01)	0.64	2.71	3.66	—	—	—	—	—	23.26
Mar. 31, 2016	19.40	0.33	(0.01)	2.01	(2.10)	0.23	—	—	—	—	—	19.60
Mar. 31, 2015	15.60	0.27	(0.01)	0.72	2.99	3.97	—	—	—	—	—	19.40
Mar. 31, 2014	12.13	0.24	(0.01)	0.49	2.80	3.52	—	—	—	—	—	15.60

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	22.61	3 726	165	1.97	1.98	4.92	0.09
Mar. 31, 2017	20.92	7 199	344	2.01 ⁴	2.02	3.38	0.11
Mar. 31, 2016	17.97	8 908	496	2.16	2.17	15.70	0.19
Mar. 31, 2015	18.16	9 580	528	2.17	2.19	16.55	0.28
Mar. 31, 2014	14.90	5 938	398	2.18	2.20	18.97	0.33
Advisor Series							
Mar. 31, 2018	22.63	823	36	1.96	1.97	4.92	0.09
Mar. 31, 2017	20.94	1 187	57	2.00 ⁴	2.01	3.38	0.11
Mar. 31, 2016	17.99	1 470	82	2.12	2.13	15.70	0.19
Mar. 31, 2015	18.17	801	44	2.11	2.13	16.55	0.28
Mar. 31, 2014	14.90	721	48	2.15	2.17	18.97	0.33
Series D							
Mar. 31, 2018	23.99	4 014	167	1.00	1.01	4.92	0.09
Mar. 31, 2017	21.99	3 708	169	1.03 ⁴	1.04	3.38	0.11
Mar. 31, 2016	18.71	3 318	177	1.18	1.19	15.70	0.19
Mar. 31, 2015	18.72	3 372	180	1.17	1.19	16.55	0.28
Mar. 31, 2014	15.21	2 869	189	1.18	1.20	18.97	0.33
Series F							
Mar. 31, 2018	24.34	9 275	381	0.78	0.79	4.92	0.09
Mar. 31, 2017	22.26	4 632	208	0.79 ⁴	0.80	3.38	0.11
Mar. 31, 2016	18.90	1 495	79	0.96	0.97	15.70	0.19
Mar. 31, 2015	18.87	1 251	66	0.97	0.99	16.55	0.28
Mar. 31, 2014	15.30	1 083	71	0.97	0.99	18.97	0.33
Series O							
Mar. 31, 2018	25.61	12 826	501	0.07	0.08	4.92	0.09
Mar. 31, 2017	23.26	11 255	484	0.06	0.07	3.38	0.11
Mar. 31, 2016	19.60	9 151	467	0.08	0.09	15.70	0.19
Mar. 31, 2015	19.40	13 797	711	0.09	0.11	16.55	0.28
Mar. 31, 2014	15.60	9 198	590	0.09	0.11	18.97	0.33

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.97%, Advisor Series – 1.96%, Series D – 1.00% and Series F – 0.77%.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	66%	34%
Advisor Series	1.60%	66%	34%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

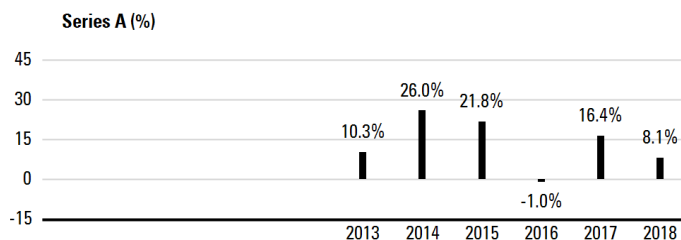
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

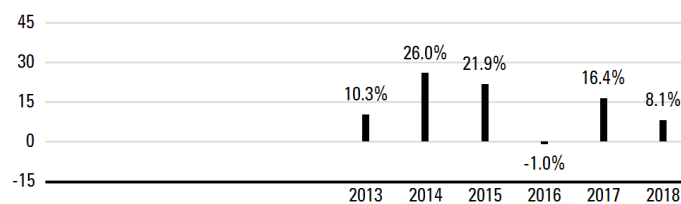
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

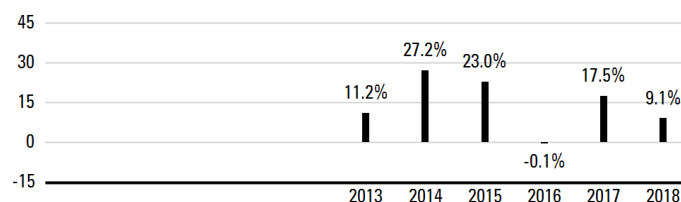
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



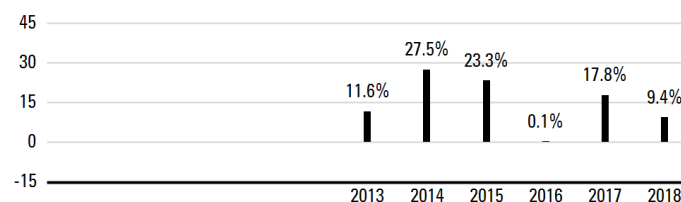
Advisor Series (%)



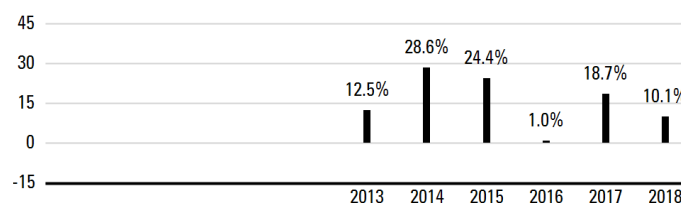
Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P 500 Total Return Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	8.1	7.6	13.8	—	13.9
Benchmark	10.4	11.4	18.8	—	19.4
Advisor Series	8.1	7.6	13.9	—	14.0
Benchmark	10.4	11.4	18.8	—	19.4
Series D	9.1	8.6	14.9	—	15.0
Benchmark	10.4	11.4	18.8	—	19.4
Series F	9.4	8.9	15.2	—	15.3
Benchmark	10.4	11.4	18.8	—	19.4
Series O	10.1	9.7	16.1	—	16.2
Benchmark	10.4	11.4	18.8	—	19.4

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

INDEX DESCRIPTION

S&P 500 Total Return Index (CAD) This index is a capitalization-weighted index measuring the Canadian dollar performance of 500 widely held common stocks representing all major industries in the United States. The index gives investors a broad measure of the overall performance of the U.S. stock market.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Information Technology	24.6
Financials	15.1
Health Care	11.6
Consumer Discretionary	10.2
Industrials	8.8
Consumer Staples	5.9
Energy	4.8
Utilities	3.2
Materials	2.5
Telecommunication Services	1.3
Real Estate	0.8
Cash/Other	11.2

Top 25 Holdings*

	% of Net Asset Value
RBC U.S. Mid-Cap Growth Equity Fund	4.3
Apple Inc.	4.0
RBC U.S. Mid-Cap Value Equity Fund	3.7
Microsoft Corp.	3.4
Alphabet Inc., Class A	2.8
Amazon.com, Inc.	2.7
Bank of America Corp.	2.6
Cash & Cash Equivalents	2.2
JPMorgan Chase & Co.	2.0
Citigroup Inc.	1.9
UnitedHealth Group Incorporated	1.8
Berkshire Hathaway Inc., Class B	1.6
Chevron Corp.	1.5
Intel Corp.	1.5
Johnson & Johnson	1.5
Morgan Stanley	1.3
Comcast Corp., Class A	1.3
Facebook Inc., Class A	1.3
Cisco Systems Inc.	1.3
PepsiCo Inc.	1.2
Oracle Corporation	1.1
Adobe Systems Inc.	1.1
NextEra Energy Inc.	1.1
Boeing Co.	1.1
Visa Inc., Class A	1.1
Top 25 Holdings	49.4

* The Fund invests substantially all of its assets directly in the RBC U.S. Equity Fund. The above are the Top 25 holdings of the RBC U.S. Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



U.S. EQUITY FUND

**RBC QUBE LOW VOLATILITY
U.S. EQUITY CLASS**

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies. The Fund uses a quantitative approach and seeks to achieve a reduced level of volatility of returns compared with the broader U.S. equity market.

To achieve its investment objective, the Fund invests most of its assets in the RBC QUBE Low Volatility U.S. Equity Fund (the “underlying fund”). The underlying fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager of the underlying fund will diversify across industries within the U.S. equity market.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

Effective October 25, 2017, the Fund’s risk rating changed from medium to low-to-medium.

Results of Operations

The Fund’s net asset value rose to \$58 million as of March 31, 2018, from \$35 million as of March 31, 2017. The increase was due mainly to net inflows.

Over the past year, the Fund’s Series A shares gained 5.6%, which underperformed the 10.4% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

The S&P 500 Index climbed for much of the 12-month period, extending a decade of gains, supported by strong corporate earnings and legislation that lowered the corporate-tax rate. Returns were crimped by global financial-market declines in the first quarter of 2018 on concern about the potential for rising interest rates and fears of a trade war between the U.S. and China. The U.S. Federal Reserve hiked short-term interest rates in March and raised its GDP forecast as inflationary pressures intensified. Growth stocks easily outperformed value stocks over this period as remarkable profitability continued in the Information Technology sector.

In the Telecommunication Services sector, a position in AT&T held back the Fund’s returns. The Real Estate sector also weighed on performance, with a position in Piedmont Office Realty having a negative impact during the period.

In the Health Care sector, the Fund’s position in UnitedHealth Group added significantly to returns. Positive contributions also came from Alphabet, Texas Instruments and Intuit in the Information Technology sector.

Recent Developments

Earnings expectations and investor optimism are high as global synchronized growth continues in developed and emerging markets. Credit markets support economic growth as interest rates remain low internationally. More recently, protectionist trade moves by U.S. President Trump have shaken markets, and increasing international retaliation is likely if the administration continues to engage in more restrictive trade policy. An escalation of protectionist policy could accelerate inflation and likely stunt global growth.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada (“Royal Bank”) and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund’s day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.



March 31, 2018

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
Series A													
Mar. 31, 2018	12.29	0.30	(0.23)	0.75	(0.22)	0.60	—	—	—	—	—	12.98	
Mar. 31, 2017	10.84	0.28	(0.21)	0.43	0.87	1.37	—	—	—	—	—	12.29	
Mar. 31, 2016	9.93	0.19	(0.21)	0.12	0.87	0.97	—	—	—	—	—	10.84	
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	0.01	0.11	0.08	—	—	—	—	—	9.93	
Advisor Series													
Mar. 31, 2018	12.30	0.30	(0.23)	0.75	(0.12)	0.70	—	—	—	—	—	12.99	
Mar. 31, 2017	10.84	0.27	(0.21)	0.41	1.01	1.48	—	—	—	—	—	12.30	
Mar. 31, 2016	9.94	0.17	(0.21)	0.11	0.77	0.84	—	—	—	—	—	10.84	
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	0.02	0.22	0.20	—	—	—	—	—	9.94	
Series D													
Mar. 31, 2018	12.52	0.31	(0.13)	0.77	(0.21)	0.74	—	—	—	—	—	13.32	
Mar. 31, 2017	10.94	0.29	(0.12)	0.45	1.01	1.63	—	—	—	—	—	12.52	
Mar. 31, 2016	9.95	0.19	(0.13)	0.12	0.84	1.02	—	—	—	—	—	10.94	
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	0.01	0.11	0.10	—	—	—	—	—	9.95	
Series F													
Mar. 31, 2018	12.59	0.30	(0.10)	0.75	(0.08)	0.87	—	—	—	—	—	13.44	
Mar. 31, 2017	10.98	0.27	(0.09)	0.42	1.39	1.99	—	—	—	—	—	12.59	
Mar. 31, 2016	9.95	0.16	(0.10)	0.10	0.73	0.89	—	—	—	—	—	10.98	
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	0.01	0.08	0.07	—	—	—	—	—	9.95	
Series O													
Mar. 31, 2018	12.82	0.32	—	0.79	(0.12)	0.99	—	—	—	—	—	13.78	
Mar. 31, 2017	11.10	0.25	—	0.39	1.27	1.91	—	—	—	—	—	12.82	
Mar. 31, 2016	9.97	0.24	—	0.15	1.07	1.46	—	—	—	—	—	11.10	
Mar. 31, 2015 ³	10.00 [†]	—	—	0.02	0.17	0.19	—	—	—	—	—	9.97	

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	12.98	11 583	893	1.85	1.86	6.15	0.02
Mar. 31, 2017	12.29	9 980	812	1.90 ⁴	1.91	23.85	0.02
Mar. 31, 2016	10.84	5 559	513	2.06	2.11	42.68	0.02
Mar. 31, 2015 ⁵	9.93	1 534	154	2.10	2.10	6.95	0.02
Advisor Series							
Mar. 31, 2018	12.99	2 445	188	1.85	1.86	6.15	0.02
Mar. 31, 2017	12.30	2 741	223	1.89 ⁴	1.90	23.85	0.02
Mar. 31, 2016	10.84	774	71	2.03	2.08	42.68	0.02
Mar. 31, 2015 ⁵	9.94	1	—	2.10	2.10	6.95	0.02
Series D							
Mar. 31, 2018	13.32	3 138	236	1.03	1.04	6.15	0.02
Mar. 31, 2017	12.52	2 772	221	1.09 ⁴	1.10	23.85	0.02
Mar. 31, 2016	10.94	2 796	256	1.22	1.27	42.68	0.02
Mar. 31, 2015 ⁵	9.95	499	50	1.24	1.24	6.95	0.02
Series F							
Mar. 31, 2018	13.44	37 047	2 757	0.76	0.77	6.15	0.02
Mar. 31, 2017	12.59	14 610	1 160	0.79 ⁴	0.80	23.85	0.02
Mar. 31, 2016	10.98	2 692	245	0.93	0.98	42.68	0.02
Mar. 31, 2015 ⁵	9.95	187	19	0.97	0.97	6.95	0.02
Series O							
Mar. 31, 2018	13.78	3 574	259	0.05	0.06	6.15	0.02
Mar. 31, 2017	12.82	4 599	359	0.05	0.06	23.85	0.02
Mar. 31, 2016	11.10	208	19	0.05	0.10	42.68	0.02
Mar. 31, 2015 ⁵	9.97	285	29	0.05	0.05	6.95	0.02

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.87%, Advisor Series – 1.87%, Series D – 1.05% and Series F – 0.77%.

⁵ From October 16, 2014.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	57%	43%
Advisor Series	1.60%	57%	43%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



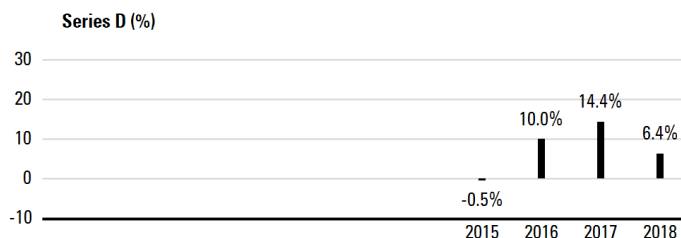
March 31, 2018

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Series O (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P 500 Total Return Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	5.6	9.3	—	—	8.5
Benchmark	10.4	11.4	—	—	11.6
Advisor Series	5.6	9.4	—	—	8.6
Benchmark	10.4	11.4	—	—	11.6
Series D	6.4	10.2	—	—	9.4
Benchmark	10.4	11.4	—	—	11.6
Series F	6.7	10.5	—	—	9.7
Benchmark	10.4	11.4	—	—	11.6
Series O	7.5	11.4	—	—	10.6
Benchmark	10.4	11.4	—	—	11.6

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares effective June 30, 2016.

INDEX DESCRIPTION

S&P 500 Total Return Index (CAD) This index is a capitalization-weighted index measuring the Canadian dollar performance of 500 widely held common stocks representing all major industries in the United States. The index gives investors a broad measure of the overall performance of the U.S. stock market.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Information Technology	19.8
Utilities	17.6
Health Care	16.7
Consumer Staples	16.5
Consumer Discretionary	8.3
Industrials	7.9
Financials	7.7
Materials	2.6
Real Estate	1.1
Energy	1.0
Telecommunication Services	0.6
Cash/Other	0.2

Top 25 Holdings*

	% of Net Asset Value
PepsiCo Inc.	3.0
Consolidated Edison Inc.	3.0
Intuit Inc.	3.0
TJX Companies Inc.	2.9
Johnson & Johnson	2.9
UnitedHealth Group Incorporated	2.9
American Electric Power	2.9
Xcel Energy Inc.	2.9
The Coca-Cola Co.	2.8
The Procter & Gamble Co.	2.6
Walmart Inc.	2.5
Amdocs Ltd.	2.5
Alphabet Inc., Class C	2.5
Mastercard Inc.	2.4
Danaher Corp.	2.4
Loews Corp.	2.4
DTE Energy Company	2.3
Republic Services Inc.	2.3
Accenture Plc., Class A	2.1
Pfizer Inc.	1.9
Citigroup Inc.	1.9
U.S. Bancorp	1.8
Philip Morris International Inc.	1.7
Home Depot Inc.	1.7
Vectren Corp.	1.7
Top 25 Holdings	61.0

* The Fund invests substantially all of its assets directly in the RBC QUBE Low Volatility U.S. Equity Fund. The above are the Top 25 holdings of the RBC QUBE Low Volatility U.S. Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



U.S. EQUITY FUND

RBC U.S. EQUITY VALUE CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies in order to provide broad exposure to economic growth through the U.S. stock market.

To achieve its investment objective, the Fund invests most of its assets in the RBC U.S. Equity Value Fund (the “underlying fund”). The underlying fund diversifies across industries and selects companies with strong management, focused business models and the potential for growth in earnings and cash flow.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value rose to \$859,000 as of March 31, 2018, from \$725,000 as of March 31, 2017. The increase was due to a mix of net inflows and investment returns.

Over the past year, the Fund’s Series A shares gained 7.8%, which underperformed the 10.4% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Uncertainty returned to financial markets in early 2018 following a long period of strong returns and minimal volatility that lasted for most of the fiscal year. The reversal started with strong U.S. wage-growth data, which led to concerns that higher inflation may force the U.S. Federal Reserve (the “Fed”) to increase interest rates at a faster pace than previously anticipated. With markets beginning to find their feet in the latter stages of February, renewed concerns over U.S. trade protectionism resulted in additional volatility.

Over the past year, the Health Care and Financials sectors drove positive Fund performance. In Health Care, the Fund benefited from overweight positions in top performers Aetna, Thermo Fisher Scientific and UnitedHealth Group. The Health Care sector experienced some uncertainty during the period, as drug distributors faced generic-drug pricing pressure.

In the Financials sector, significant holdings such as Berkshire Hathaway, Bank of America, Citigroup and JPMorgan Chase contributed positively to returns. The banks benefited from the Fed’s interest-rate hikes, which should translate into rising net interest margins. As well, continued loan growth, expense controls and solid credit quality all bode well for bank profits.

Asset weighting had a negative impact on performance during the period. The Fund’s underweight position in the Information Technology sector had the largest negative impact on returns, and the Fund’s underweight position in Adobe Systems also held back performance.

Recent Developments

Crude-oil prices have rallied as global inventories stabilized amid solid demand growth and OPEC members’ continued compliance with production limits. Production growth from U.S. shale producers will largely determine the direction of crude prices.

Since the turn of the year, market conditions have clearly changed. Last year was one of the least volatile years in the last 100, with the S&P 500 going the full year without experiencing a peak-to-trough decline of 3%. It is normal and even healthy for the market to have two pullbacks of 3% to 5% and one or two corrections of 10% during a 12-month period.

The economic backdrop remains positive by post-crisis standards with many of the macroeconomic indicators that the portfolio manager monitors showing reasons to remain positive. While key risks of an aging business cycle, rising interest rates and protectionism persist, upside potential remains from structural reforms in Japan and U.S. fiscal stimulus. On balance, the portfolio manager expects the positives to outweigh the negatives, further driving potential in the stock market.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Mar. 31, 2018	11.89	0.13	(0.25)	0.74	0.28	0.90	—	—	—	—	—	12.82
Mar. 31, 2017	10.26	0.21	(0.23)	0.23	1.34	1.55	—	—	—	—	—	11.89
Mar. 31, 2016	10.22	0.28	(0.22)	0.67	(0.93)	(0.20)	—	—	—	—	—	10.26
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.20	0.16	—	—	—	—	—	10.22
Advisor Series												
Mar. 31, 2018	11.93	0.13	(0.25)	0.71	2.31	2.90	—	—	—	—	—	12.86
Mar. 31, 2017	10.28	0.21	(0.22)	0.23	1.31	1.53	—	—	—	—	—	11.93
Mar. 31, 2016	10.22	0.25	(0.20)	0.61	(0.84)	(0.18)	—	—	—	—	—	10.28
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.23	0.19	—	—	—	—	—	10.22
Series D												
Mar. 31, 2018	12.13	0.14	(0.15)	0.76	0.13	0.88	—	—	—	—	—	13.18
Mar. 31, 2017	10.37	0.22	(0.13)	0.24	1.56	1.89	—	—	—	—	—	12.13
Mar. 31, 2016	10.23	0.28	(0.12)	0.69	(0.95)	(0.10)	—	—	—	—	—	10.37
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.21	0.19	—	—	—	—	—	10.23
Series F												
Mar. 31, 2018	12.21	0.14	(0.12)	0.77	(0.08)	0.71	—	—	—	—	—	13.30
Mar. 31, 2017	10.41	0.22	(0.11)	0.24	0.63	0.98	—	—	—	—	—	12.21
Mar. 31, 2016	10.24	0.25	(0.10)	0.60	(0.83)	(0.08)	—	—	—	—	—	10.41
Mar. 31, 2015 ³	10.00 [†]	—	(0.01)	—	0.23	0.22	—	—	—	—	—	10.24
Series O												
Mar. 31, 2018	12.42	0.14	(0.03)	0.79	0.32	1.22	—	—	—	—	—	13.64
Mar. 31, 2017	10.51	0.20	(0.02)	0.22	0.99	1.39	—	—	—	—	—	12.42
Mar. 31, 2016	10.25	0.36	—	0.88	(1.21)	0.03	—	—	—	—	—	10.51
Mar. 31, 2015 ³	10.00 [†]	—	—	—	0.23	0.23	—	—	—	—	—	10.25

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	12.82	432	34	1.88	2.23	66.33	0.03
Mar. 31, 2017	11.89	292	25	1.96 ⁴	2.27	64.60	0.07
Mar. 31, 2016	10.26	231	22	2.10	2.92	16.21	0.12
Mar. 31, 2015 ⁵	10.22	39	4	2.10	2.10	—	0.14
Advisor Series							
Mar. 31, 2018	12.86	1	—	1.80	2.15	66.33	0.03
Mar. 31, 2017	11.93	34	3	1.87 ⁴	2.18	64.60	0.07
Mar. 31, 2016	10.28	45	4	1.95	2.77	16.21	0.12
Mar. 31, 2015 ⁵	10.22	1	—	2.10	2.10	—	0.14
Series D							
Mar. 31, 2018	13.18	334	25	1.05	1.40	66.33	0.03
Mar. 31, 2017	12.13	394	33	1.07 ⁴	1.38	64.60	0.07
Mar. 31, 2016	10.37	242	23	1.21	2.03	16.21	0.12
Mar. 31, 2015 ⁵	10.23	37	4	1.23	1.23	—	0.14
Series F							
Mar. 31, 2018	13.30	91	7	0.76	1.11	66.33	0.03
Mar. 31, 2017	12.21	3	—	0.82 ⁴	1.13	64.60	0.07
Mar. 31, 2016	10.41	17	2	0.93	1.75	16.21	0.12
Mar. 31, 2015 ⁵	10.24	1	—	0.97	0.97	—	0.14
Series O							
Mar. 31, 2018	13.64	1	—	0.06	0.41	66.33	0.03
Mar. 31, 2017	12.42	1	—	0.06	0.37	64.60	0.07
Mar. 31, 2016	10.51	151	14	0.05	0.87	16.21	0.12
Mar. 31, 2015 ⁵	10.25	148	14	0.05	0.05	—	0.14

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.92%, Advisor Series – 1.83%, Series D – 1.04% and Series F – 0.79%.

⁵ From October 16, 2014.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	57%	43%
Advisor Series	1.60%	57%	43%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



March 31, 2018

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Series O (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

S&P 500 Total Return Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	7.8	7.9	—	—	8.1
Benchmark	10.4	11.4	—	—	11.6
Advisor Series	7.9	8.0	—	—	8.2
Benchmark	10.4	11.4	—	—	11.6
Series D	8.7	8.8	—	—	9.1
Benchmark	10.4	11.4	—	—	11.6
Series F	9.0	9.1	—	—	9.4
Benchmark	10.4	11.4	—	—	11.6
Series O	9.8	10.0	—	—	10.3
Benchmark	10.4	11.4	—	—	11.6

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

S&P 500 Total Return Index (CAD) This index is a capitalization-weighted index measuring the Canadian dollar performance of 500 widely held common stocks representing all major industries in the United States. The index gives investors a broad measure of the overall performance of the U.S. stock market.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Information Technology	22.6
Financials	15.3
Health Care	11.2
Consumer Discretionary	8.2
Consumer Staples	8.1
Industrials	7.9
Energy	5.0
Utilities	2.5
Materials	2.3
Real Estate	1.6
Telecommunication Services	0.8
Cash/Other	14.5

Top 25 Holdings*

	% of Net Asset Value
Cash & Cash Equivalents	11.7
Apple Inc.	3.8
Microsoft Corp.	3.7
Alphabet Inc., Class A	3.3
JPMorgan Chase & Co.	2.3
Johnson & Johnson	2.0
Bank of America Corp.	1.9
Berkshire Hathaway Inc., Class B	1.7
UnitedHealth Group Incorporated	1.7
Pfizer Inc.	1.5
Facebook Inc., Class A	1.5
Chevron Corp.	1.4
Intel Corp.	1.4
The Coca-Cola Co.	1.2
McDonald's Corp.	1.1
Home Depot Inc.	1.1
Lockheed Martin Corporation	1.0
Comcast Corp., Class A	1.0
Texas Instruments Inc.	1.0
Exxon Mobil Corp.	1.0
Cisco Systems Inc.	1.0
The Procter & Gamble Co.	0.9
Medtronic Plc.	0.9
AbbVie Inc.	0.9
ConocoPhillips	0.9
Top 25 Holdings	49.9

* The Fund invests substantially all of its assets directly in the RBC U.S. Equity Value Fund. The above are the Top 25 holdings of the RBC U.S. Equity Value Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



U.S. EQUITY FUND

**PHILLIPS, HAGER & NORTH U.S.
MULTI-STYLE ALL-CAP EQUITY CLASS**

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in a well-diversified portfolio of U.S. equity securities.

To achieve its investment objective, the Fund invests most of its assets in the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund (the “underlying fund”). The underlying fund invests in U.S. equity securities with the objective of building a portfolio that encompasses multiple investment styles. The underlying fund’s portfolio will be comprised of the following investment styles, which are managed by RBC GAM’s sub-advisors as separate portfolios within the underlying fund: U.S. Large Cap Growth, U.S. Mid Cap Growth, U.S. Large Cap Value, U.S. Mid Cap Value, U.S. Small Cap Core and U.S. Small Cap Value.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value rose to \$37 million as of March 31, 2018, from \$33 million as of March 31, 2017. The increase was due mainly to investment returns.

Over the past year, the Fund’s Series A shares gained 9.5%, which underperformed the 10.3% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Uncertainty returned to financial markets in early 2018 following a long period of robust returns and minimal volatility. U.S. equity markets posted strong gains over the 12-month period, supported by a solid economic backdrop and robust earnings growth. Corporate profits rose meaningfully, bolstered by U.S. tax cuts, and are expected to advance considerably in 2018. The expanding economy led the U.S. Federal Reserve (the “Fed”) to raise interest rates three times during the period.

The Small Cap Core strategy underperformed versus its benchmark, the Russell 2000 Index, during the period due primarily to adverse stock selection in the Industrials, Financials and Consumer Discretionary sectors. From a sector-allocation standpoint, a significant underweight position in the poorly performing Real Estate sector added to performance, while an underweight position in Health Care held back returns.

The Mid Cap Value component underperformed its benchmark, the Russell Mid Cap Value Index, due to adverse stock selection. Unfavourable stock picks in the Consumer Discretionary, Financials and Industrials sectors had the largest negative impact on performance. Overall, sector-allocation bets had a neutral impact on returns. A moderate overweight position in the Energy sector hurt returns, partially offset by the positive impact of an overweight allocation to the strong-performing Information Technology sector.

The Large Cap Growth sleeve outperformed versus its Russell Large Cap Growth benchmark during the period. Both sector-allocation and security-selection decisions contributed positively to returns. An underweight position in the Consumer Staples sector had a positive impact on performance, while an underweight position in Energy was negative for returns. From a security-selection standpoint, favourable stock picks in the Consumer Staples and Industrials sectors bolstered performance.

Recent Developments

The portfolio manager expects the global economy to grow at its fastest pace since the financial crisis, allowing central banks to continue dialing back monetary accommodation. While the portfolio manager’s base case is for U.S. stocks to rise modestly over 2018, there are several scenarios that could lead to declines, including a policy mistake by the Fed or protectionist trade moves by the U.S. government.



March 31, 2018

The portfolio manager deems recent steps by the Trump administration to place tariffs on aluminum and steel imports to not be helpful, as they raise inflation and could lead to retaliation by trading partners. An escalation of tensions with North Korea would also likely result in a spike in volatility and lower equity valuations. The odds of a recession remain fairly low, according to the portfolio manager's indicators, but with higher valuations and the Fed intent on normalizing interest rates, the risks have increased and earnings growth remains key for return prospects.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



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FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
Series A													
Mar. 31, 2018	21.95	0.38	(0.42)	1.94	0.18	2.08	—	—	—	—	—	24.03	
Mar. 31, 2017	18.71	0.30	(0.37)	1.40	1.72	3.05	—	—	—	—	—	21.95	
Mar. 31, 2016	18.85	0.28	(0.38)	2.16	(2.27)	(0.21)	—	—	—	—	—	18.71	
Mar. 31, 2015	15.00	0.20	(0.33)	2.28	1.84	3.99	—	—	—	—	—	18.85	
Mar. 31, 2014	11.87	0.20	(0.27)	1.52	2.02	3.47	—	—	(0.28)	—	(0.28)	15.00	
Advisor Series													
Mar. 31, 2018	21.98	0.38	(0.42)	1.94	(0.13)	1.77	—	—	—	—	—	24.06	
Mar. 31, 2017	18.73	0.30	(0.37)	1.41	1.58	2.92	—	—	—	—	—	21.98	
Mar. 31, 2016	18.86	0.28	(0.37)	2.17	(2.27)	(0.19)	—	—	—	—	—	18.73	
Mar. 31, 2015	15.01	0.20	(0.32)	2.28	1.83	3.99	—	—	—	—	—	18.86	
Mar. 31, 2014	11.87	0.20	(0.26)	1.52	2.02	3.48	—	—	(0.28)	—	(0.28)	15.01	
Series D													
Mar. 31, 2018	22.98	0.40	(0.23)	2.04	0.13	2.34	—	—	—	—	—	25.37	
Mar. 31, 2017	19.42	0.32	(0.21)	1.48	1.91	3.50	—	—	—	—	—	22.98	
Mar. 31, 2016	19.39	0.28	(0.22)	2.22	(2.34)	(0.06)	—	—	—	—	—	19.42	
Mar. 31, 2015	15.29	0.20	(0.19)	2.33	1.88	4.22	—	—	—	—	—	19.39	
Mar. 31, 2014	11.99	0.21	(0.15)	1.55	2.05	3.66	—	—	(0.28)	—	(0.28)	15.29	
Series F													
Mar. 31, 2018	23.26	0.40	(0.18)	2.06	0.18	2.46	—	—	—	—	—	25.74	
Mar. 31, 2017	19.61	0.33	(0.17)	1.55	2.41	4.12	—	—	—	—	—	23.26	
Mar. 31, 2016	19.54	0.29	(0.18)	2.25	(2.36)	—	—	—	—	—	—	19.61	
Mar. 31, 2015	15.38	0.20	(0.15)	2.36	1.90	4.31	—	—	—	—	—	19.54	
Mar. 31, 2014	12.04	0.20	(0.12)	1.53	2.03	3.64	—	—	(0.28)	—	(0.28)	15.38	
Series O													
Mar. 31, 2018	24.29	0.42	(0.01)	2.16	0.07	2.64	—	—	—	—	—	27.07	
Mar. 31, 2017	20.33	0.32	(0.01)	1.47	1.60	3.38	—	—	—	—	—	24.29	
Mar. 31, 2016	20.08	0.29	(0.01)	2.25	(2.37)	0.16	—	—	—	—	—	20.33	
Mar. 31, 2015	15.66	0.21	(0.01)	2.39	1.92	4.51	—	—	—	—	—	20.08	
Mar. 31, 2014	12.16	0.20	(0.01)	1.54	2.04	3.77	—	—	(0.28)	—	(0.28)	15.66	

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	24.03	7 341	306	1.87	1.88	5.73	0.06
Mar. 31, 2017	21.95	7 929	361	1.93 ⁴	1.94	4.97	0.07
Mar. 31, 2016	18.71	12 677	678	2.08	2.09	17.46	0.12
Mar. 31, 2015	18.85	13 369	709	2.08	2.10	11.56	0.17
Mar. 31, 2014	15.00	8 886	592	2.11	2.12	7.64	0.18
Advisor Series							
Mar. 31, 2018	24.06	156	6	1.88	1.89	5.73	0.06
Mar. 31, 2017	21.98	183	8	1.92 ⁴	1.93	4.97	0.07
Mar. 31, 2016	18.73	269	14	2.04	2.05	17.46	0.12
Mar. 31, 2015	18.86	359	19	2.04	2.06	11.56	0.17
Mar. 31, 2014	15.01	224	15	2.04	2.05	7.64	0.18
Series D							
Mar. 31, 2018	25.37	16 162	637	1.01	1.02	5.73	0.06
Mar. 31, 2017	22.98	15 794	687	1.06 ⁴	1.07	4.97	0.07
Mar. 31, 2016	19.42	15 701	809	1.19	1.20	17.46	0.12
Mar. 31, 2015	19.39	14 619	754	1.18	1.20	11.56	0.17
Mar. 31, 2014	15.29	9 496	621	1.19	1.20	7.64	0.18
Series F							
Mar. 31, 2018	25.74	8 490	330	0.79	0.80	5.73	0.06
Mar. 31, 2017	23.26	6 594	284	0.83 ⁴	0.84	4.97	0.07
Mar. 31, 2016	19.61	2 613	133	0.98	0.99	17.46	0.12
Mar. 31, 2015	19.54	2 700	138	0.97	0.99	11.56	0.17
Mar. 31, 2014	15.38	2 615	170	0.95	0.96	7.64	0.18
Series O							
Mar. 31, 2018	27.07	4 474	165	0.09	0.10	5.73	0.06
Mar. 31, 2017	24.29	2 518	104	0.09	0.10	4.97	0.07
Mar. 31, 2016	20.33	5 840	287	0.09	0.10	17.46	0.12
Mar. 31, 2015	20.08	1 233	61	0.09	0.11	11.56	0.17
Mar. 31, 2014	15.66	557	36	0.09	0.10	7.64	0.18

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 1.89%, Advisor Series – 1.89%, Series D – 1.03% and Series F – 0.81%.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.60%	57%	43%
Advisor Series	1.60%	57%	43%
Series D	0.85%	25%	75%
Series F	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

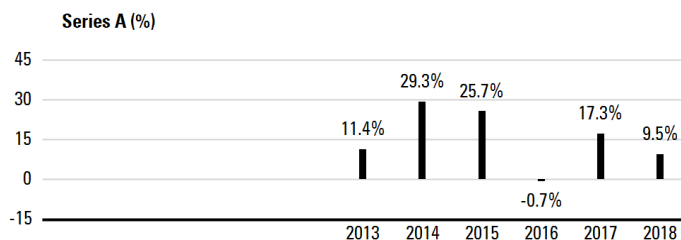
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

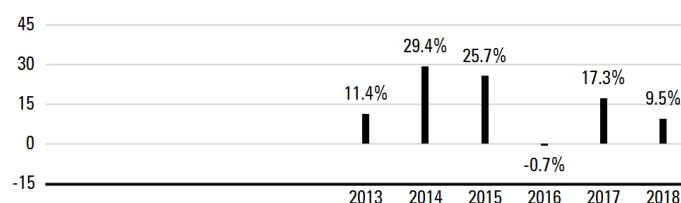
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

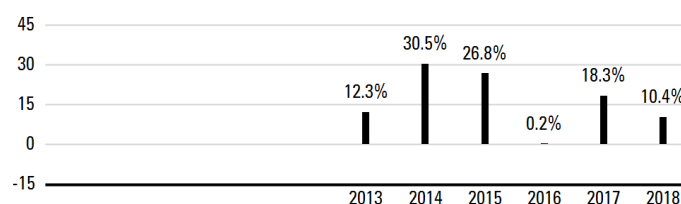
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



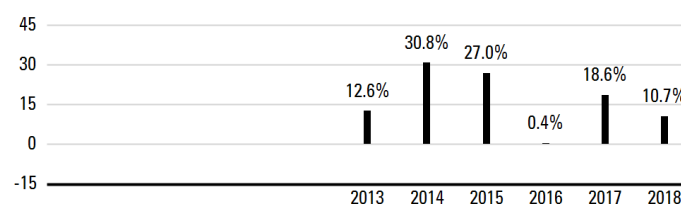
Advisor Series (%)



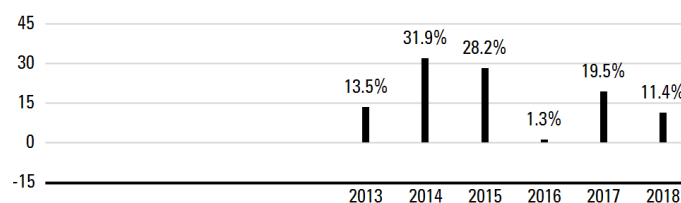
Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

Russell 3000 Total Return Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	9.5	8.4	15.7	—	15.5
Benchmark	10.3	10.9	18.5	—	19.3
Advisor Series	9.5	8.4	15.7	—	15.5
Benchmark	10.3	10.9	18.5	—	19.3
Series D	10.4	9.4	16.7	—	16.5
Benchmark	10.3	10.9	18.5	—	19.3
Series F	10.7	9.6	17.0	—	16.8
Benchmark	10.3	10.9	18.5	—	19.3
Series O	11.4	10.5	17.9	—	17.7
Benchmark	10.3	10.9	18.5	—	19.3

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares and all outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

INDEX DESCRIPTION

Russell 3000 Total Return Index (CAD) This index measures the Canadian dollar performance of the largest 3,000 U.S. companies representing approximately 98% of the U.S. equity market. The index provides a broader barometer of the equity market than the S&P 500 Index.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Information Technology	25.9
Financials	15.0
Consumer Discretionary	13.3
Health Care	12.5
Industrials	11.0
Consumer Staples	7.8
Energy	4.5
Materials	2.9
Real Estate	2.4
Utilities	2.0
Telecommunication Services	1.4
Cash/Other	1.3

Top 25 Holdings*

	% of Net Asset Value
Apple Inc.	3.1
Microsoft Corp.	3.1
Amazon.com, Inc.	2.0
Home Depot Inc.	1.6
Facebook Inc., Class A	1.5
Boeing Co.	1.3
Mastercard Inc.	1.2
JPMorgan Chase & Co.	1.2
Cash & Cash Equivalents	1.2
Bank of America Corp.	1.2
Alphabet Inc., Class C	1.1
Citigroup Inc.	1.1
Exxon Mobil Corp.	1.0
Johnson & Johnson	1.0
Berkshire Hathaway Inc., Class B	0.9
Lockheed Martin Corporation	0.9
Intuit Inc.	0.9
Accenture Plc., Class A	0.9
Cisco Systems Inc.	0.8
UnitedHealth Group Incorporated	0.8
Pfizer Inc.	0.8
Alphabet Inc., Class A	0.8
Philip Morris International Inc.	0.8
Walmart Inc.	0.8
Verizon Communications Inc.	0.7
Top 25 Holdings	30.7

* The Fund invests substantially all of its assets directly in the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund. The above are the Top 25 holdings of the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



U.S. EQUITY FUND

RBC U.S. MID-CAP VALUE EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. mid-cap companies that are deemed to be undervalued in order to provide broad exposure to economic growth opportunities in the equity markets.

To achieve its investment objective, the Fund invests most of its assets in the RBC U.S. Mid-Cap Value Equity Fund (the “underlying fund”). The underlying fund’s investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook. The portfolio manager diversifies the underlying fund across industries in the U.S. market and selects companies based on strong management, focused business models and the potential for future growth in earnings and cash flow.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value fell to \$2 million as of March 31, 2018, from \$6 million as of March 31, 2017. The decrease was due mainly to net redemptions.

Over the past year, the Fund’s Series A shares lost 5.3%, which underperformed the 3.2% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

The S&P 500 Index climbed for much of the 12-month period, extending a decade of gains, supported by strong corporate earnings and legislation that lowered the corporate-tax rate. Returns were then crimped by global financial-market declines in the first quarter of 2018 on concern about the potential for rising global interest rates and fears of a trade war between the U.S. and China. The U.S. Federal Reserve hiked short-term rates in March and raised its economic-growth forecast as inflationary pressures intensified.

The Fund’s underperformance was due to stock selection, while sector-allocation decisions had a neutral impact. Relative returns were held back by stock selection in the Financials, Consumer Discretionary and Industrials sectors, offsetting the positive impact of stock selection in the Information Technology and Real Estate sectors. Overweight exposure to the relatively poor-performing Energy sector weighed on returns. However, the Fund’s overweight position in the Information Technology sector contributed to relative performance.

Individual stocks that held back returns included shoe retailer Foot Locker, and consumer products manufacturer Newell Brands. Stocks that had a positive impact on performance included semiconductor manufacturer Lam Research and petroleum refiner Andeavor.

Recent Developments

The portfolio manager expects the Fund to benefit from changes made in the final quarter of 2017, which include reducing the relative size of bets in specific sectors and other steps that should make the Fund less volatile relative to its benchmark.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada (“Royal Bank”) and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund’s day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.



March 31, 2018

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Mar. 31, 2018	11.54	0.07	(0.23)	0.19	(0.77)	(0.74)	—	—	—	—	—	10.93
Mar. 31, 2017	9.78	0.08	(0.22)	(0.02)	1.91	1.75	—	—	—	—	—	11.54
Mar. 31, 2016	10.61	0.13	(0.22)	0.95	(2.79)	(1.93)	—	—	—	—	—	9.78
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.54	0.50	—	—	—	—	—	10.61
Advisor Series												
Mar. 31, 2018	11.56	0.07	(0.22)	0.18	(0.88)	(0.85)	—	—	—	—	—	10.95
Mar. 31, 2017	9.79	0.08	(0.22)	(0.02)	1.86	1.70	—	—	—	—	—	11.56
Mar. 31, 2016	10.61	0.14	(0.21)	1.01	(2.95)	(2.01)	—	—	—	—	—	9.79
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.51	0.47	—	—	—	—	—	10.61
Series D												
Mar. 31, 2018	11.76	0.07	(0.14)	0.18	(0.71)	(0.60)	—	—	—	—	—	11.23
Mar. 31, 2017	9.88	0.08	(0.14)	(0.02)	1.71	1.63	—	—	—	—	—	11.76
Mar. 31, 2016	10.63	0.16	(0.14)	1.17	(3.43)	(2.24)	—	—	—	—	—	9.88
Mar. 31, 2015 ³	10.00 [†]	—	(0.03)	—	0.54	0.51	—	—	—	—	—	10.63
Series F												
Mar. 31, 2018	11.83	0.07	(0.11)	0.18	(0.77)	(0.63)	—	—	—	—	—	11.32
Mar. 31, 2017	9.91	0.08	(0.11)	(0.02)	2.02	1.97	—	—	—	—	—	11.83
Mar. 31, 2016	10.63	0.09	(0.10)	0.63	(1.84)	(1.22)	—	—	—	—	—	9.91
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.55	0.53	—	—	—	—	—	10.63
Series O												
Mar. 31, 2018	12.08	0.08	(0.01)	0.21	(0.69)	(0.41)	—	—	—	—	—	11.67
Mar. 31, 2017	10.03	0.09	—	(0.02)	1.98	2.05	—	—	—	—	—	12.08
Mar. 31, 2016	10.65	0.26	—	1.88	(5.54)	(3.40)	—	—	—	—	—	10.03
Mar. 31, 2015 ³	10.00 [†]	—	—	—	0.74	0.74	—	—	—	—	—	10.65

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	10.93	496	45	2.12	2.18	23.11	0.23
Mar. 31, 2017	11.54	1 117	97	2.16 ⁴	2.22	41.39	0.32
Mar. 31, 2016	9.78	564	58	2.30	2.41	88.94	0.33
Mar. 31, 2015 ⁵	10.61	43	4	2.30	2.30	—	0.27
Advisor Series							
Mar. 31, 2018	10.95	346	32	2.11	2.17	23.11	0.23
Mar. 31, 2017	11.56	643	56	2.10 ⁴	2.16	41.39	0.32
Mar. 31, 2016	9.79	336	34	2.21	2.32	88.94	0.33
Mar. 31, 2015 ⁵	10.61	57	5	2.30	2.30	—	0.27
Series D							
Mar. 31, 2018	11.23	171	15	1.30	1.36	23.11	0.23
Mar. 31, 2017	11.76	340	29	1.32 ⁴	1.38	41.39	0.32
Mar. 31, 2016	9.88	129	13	1.42	1.53	88.94	0.33
Mar. 31, 2015 ⁵	10.63	66	6	1.45	1.45	—	0.27
Series F							
Mar. 31, 2018	11.32	1 436	127	1.06	1.12	23.11	0.23
Mar. 31, 2017	11.83	3 621	306	1.06 ⁴	1.12	41.39	0.32
Mar. 31, 2016	9.91	2 591	261	1.17	1.28	88.94	0.33
Mar. 31, 2015 ⁵	10.63	42	4	1.17	1.17	—	0.27
Series O							
Mar. 31, 2018	11.67	1	—	0.14	0.20	23.11	0.23
Mar. 31, 2017	12.08	1	—	0.14	0.20	41.39	0.32
Mar. 31, 2016	10.03	1	—	0.14	0.25	88.94	0.33
Mar. 31, 2015 ⁵	10.65	153	14	0.14	0.14	—	0.27

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.15%, Advisor Series – 2.09%, Series D – 1.31% and Series F – 1.04%.

⁵ From October 16, 2014.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



March 31, 2018

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Series O (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

Russell Midcap Value Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	-5.3	1.0	—	—	2.8
Benchmark	3.2	7.8	—	—	8.4
Advisor Series	-5.3	1.1	—	—	2.9
Benchmark	3.2	7.8	—	—	8.4
Series D	-4.5	1.9	—	—	3.7
Benchmark	3.2	7.8	—	—	8.4
Series F	-4.3	2.1	—	—	4.0
Benchmark	3.2	7.8	—	—	8.4
Series O	-3.4	3.1	—	—	5.0
Benchmark	3.2	7.8	—	—	8.4

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

Russell Midcap Value Index (CAD) This index measures the performance of the mid-cap value segment of the U.S. equity universe.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Financials	20.3
Consumer Discretionary	14.4
Information Technology	11.4
Industrials	11.0
Real Estate	9.7
Energy	8.3
Utilities	8.3
Health Care	7.3
Materials	4.9
Consumer Staples	2.8
Cash/Other	1.6

Top 25 Holdings*

	% of Net Asset Value
National General Holdings Corp.	3.9
Jazz Pharmaceuticals Plc.	2.8
Synchrony Financial	2.7
Steel Dynamics Inc.	2.3
Citizens Financial Group Inc.	2.3
Microsemi Corp.	2.2
Mohawk Industries Inc.	2.1
Signature Bank	2.0
Invitation Homes Inc. Real Estate Investment Trust	1.9
SVB Financial Group	1.9
Envision Healthcare Corp.	1.8
The J.M. Smucker Company	1.8
Chemical Financial Corp.	1.8
Patrick Industries Inc.	1.7
Cypress Semiconductor Corp.	1.7
Andeavor	1.7
Texas Capital Bancshares Inc.	1.7
Dycom Industries Inc.	1.6
Brunswick Corp.	1.6
Foot Locker Inc.	1.6
Edison International	1.6
CMS Energy Corp.	1.6
Alaska Airgroup Inc.	1.6
Centene Corp.	1.5
Cash & Cash Equivalents	1.5
Top 25 Holdings	48.9

* The Fund invests substantially all of its assets directly in the RBC U.S. Mid-Cap Value Equity Fund. The above are the Top 25 holdings of the RBC U.S. Mid-Cap Value Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



U.S. EQUITY FUND

RBC U.S. SMALL-CAP CORE EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. small-cap companies in order to provide broad exposure to economic growth opportunities in the equity markets.

To achieve its investment objective, the Fund invests most of its assets in the RBC U.S. Small-Cap Core Equity Fund (the “underlying fund”). The underlying fund’s investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook. The portfolio manager diversifies the underlying fund across industries in the U.S. market and selects companies based on strong management, focused business models and the potential for future growth in earnings and cash flow.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value fell to \$1 million as of March 31, 2018, from \$2 million as of March 31, 2017. The decrease was due to net redemptions.

Over the past year, the Fund’s Series A shares gained 3.7%, which underperformed the 8.3% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

U.S. stocks climbed for much of the 12-month period, extending a decade of gains, supported by strong corporate earnings and legislation that lowered the corporate-tax rate. Returns were then crimped by global financial-market declines in the first quarter of 2018 on concern about the potential for rising global interest rates and fears of a trade war between the U.S. and China. The U.S. Federal Reserve hiked short-term rates in March and raised its economic-growth forecast as inflationary pressures intensified.

The Fund underperformed its benchmark during the period due primarily to adverse stock selection while overall sector allocation headwinds also weighed modestly on performance. Poor stock selection was concentrated in the economically sensitive Industrials and Consumer Discretionary sectors as investors reverted to a more defensive posture. This more than offset favourable stock selection in the Energy and Telecommunication Services sectors.

Individual stocks that had a positive impact on returns included MKS Instruments, the worldwide leader in technology solutions for environmental monitoring, defence and security, life sciences, and industrial manufacturing; and Patrick Industries, a manufacturer of component products for recreational vehicles and manufactured housing. The Fund’s significant underweight position in the relatively poor-performing Real Estate sector added to returns. However, a significant underweight position in the Health Care sector held back returns.

Recent Developments

The U.S. economy continues to expand, and in the view of the portfolio manager, can continue to do so given strong fundamental data and fiscal stimulus. The portfolio manager believes that faster economic growth generally benefits small-cap companies, as they are more tied than larger companies to the pace of economic growth.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada (“Royal Bank”) and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund’s day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.



March 31, 2018

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RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

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Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Mar. 31, 2018	12.24	0.07	(0.26)	0.67	(0.15)	0.33	—	—	—	—	—	12.69
Mar. 31, 2017	9.74	0.09	(0.24)	1.13	1.34	2.32	—	—	—	—	—	12.24
Mar. 31, 2016	10.73	0.13	(0.22)	(0.24)	(0.82)	(1.15)	—	—	—	—	—	9.74
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.77	0.73	—	—	—	—	—	10.73
Advisor Series												
Mar. 31, 2018	12.24	0.07	(0.26)	0.67	—	0.48	—	—	—	—	—	12.68
Mar. 31, 2017	9.74	0.09	(0.25)	1.15	1.33	2.32	—	—	—	—	—	12.24
Mar. 31, 2016	10.73	0.15	(0.22)	(0.27)	(0.91)	(1.25)	—	—	—	—	—	9.74
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.64	0.60	—	—	—	—	—	10.73
Series D												
Mar. 31, 2018	12.46	0.07	(0.16)	0.64	(0.80)	(0.25)	—	—	—	—	—	13.03
Mar. 31, 2017	9.84	0.09	(0.16)	1.15	0.80	1.88	—	—	—	—	—	12.46
Mar. 31, 2016	10.75	0.14	(0.14)	(0.26)	(0.87)	(1.13)	—	—	—	—	—	9.84
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.72	0.70	—	—	—	—	—	10.75
Series F												
Mar. 31, 2018	12.57	0.07	(0.13)	0.66	0.03	0.63	—	—	—	—	—	13.18
Mar. 31, 2017	9.89	0.07	(0.12)	0.84	0.49	1.28	—	—	—	—	—	12.57
Mar. 31, 2016	10.75	0.15	(0.09)	(0.27)	(0.91)	(1.12)	—	—	—	—	—	9.89
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.87	0.85	—	—	—	—	—	10.75
Series O												
Mar. 31, 2018	12.80	0.07	(0.01)	0.68	0.09	0.83	—	—	—	—	—	13.54
Mar. 31, 2017	9.99	0.10	(0.02)	1.23	2.16	3.47	—	—	—	—	—	12.80
Mar. 31, 2016	10.77	0.13	—	(0.24)	(0.81)	(0.92)	—	—	—	—	—	9.99
Mar. 31, 2015 ³	10.00 [†]	—	—	—	0.84	0.84	—	—	—	—	—	10.77

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	12.69	108	9	2.15	2.29	37.14	0.07
Mar. 31, 2017	12.24	270	22	2.15 ⁴	2.37	108.90	0.04
Mar. 31, 2016	9.74	109	11	2.29	2.70	42.27	0.06
Mar. 31, 2015 ⁵	10.73	7	1	2.30	2.30	—	0.08
Advisor Series							
Mar. 31, 2018	12.68	152	12	2.18	2.32	37.14	0.07
Mar. 31, 2017	12.24	127	10	2.21 ⁴	2.43	108.90	0.04
Mar. 31, 2016	9.74	91	9	2.27	2.68	42.27	0.06
Mar. 31, 2015 ⁵	10.73	74	7	2.30	2.30	—	0.08
Series D							
Mar. 31, 2018	13.03	90	7	1.32	1.46	37.14	0.07
Mar. 31, 2017	12.46	276	22	1.32 ⁴	1.54	108.90	0.04
Mar. 31, 2016	9.84	26	3	1.45	1.86	42.27	0.06
Mar. 31, 2015 ⁵	10.75	20	2	1.45	1.45	—	0.08
Series F							
Mar. 31, 2018	13.18	902	68	1.05	1.19	37.14	0.07
Mar. 31, 2017	12.57	1 085	86	1.02 ⁴	1.24	108.90	0.04
Mar. 31, 2016	9.89	1	—	1.10	1.51	42.27	0.06
Mar. 31, 2015 ⁵	10.75	1	—	1.17	1.17	—	0.08
Series O							
Mar. 31, 2018	13.54	130	10	0.15	0.29	37.14	0.07
Mar. 31, 2017	12.80	197	15	0.14	0.36	108.90	0.04
Mar. 31, 2016	9.99	477	48	0.14	0.55	42.27	0.06
Mar. 31, 2015 ⁵	10.77	214	20	0.14	0.14	—	0.08

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.14%, Advisor Series – 2.19%, Series D – 1.31% and Series F – 1.01%.

⁵ From October 16, 2014.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



March 31, 2018

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Series O (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

Russell 2000 Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	3.7	5.7	—	—	7.8
Benchmark	8.3	9.0	—	—	10.6
Advisor Series	3.6	5.7	—	—	7.8
Benchmark	8.3	9.0	—	—	10.6
Series D	4.5	6.6	—	—	8.7
Benchmark	8.3	9.0	—	—	10.6
Series F	4.8	7.0	—	—	9.1
Benchmark	8.3	9.0	—	—	10.6
Series O	5.7	7.9	—	—	10.0
Benchmark	8.3	9.0	—	—	10.6

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

Russell 2000 Index (CAD) This index measures the Canadian dollar performance of the small-cap segment of the U.S. equity universe and includes 2,000 of the smallest securities based on market capitalization.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
Industrials	27.3
Consumer Discretionary	21.9
Financials	18.6
Information Technology	11.1
Health Care	8.1
Materials	5.2
Energy	4.1
Utilities	1.3
Telecommunication Services	1.1
Real Estate	0.7
Consumer Staples	0.3
Cash/Other	0.3

Top 25 Holdings*

	% of Net Asset Value
Patrick Industries Inc.	4.7
Compass Diversified Holdings	3.8
Columbus McKinnon Corp.	3.7
Grand Canyon Education Inc.	3.5
MKS Instruments Inc.	3.4
ACCO Brands Corp.	2.9
Emergent Biosolutions Inc.	2.8
LCI Industries	2.7
The Greenbrier Co. Inc.	2.6
NN Inc.	2.3
Chemical Financial Corp.	2.2
InterDigital Inc.	2.2
Pacific Premier Bancorp Inc.	2.1
Amerisafe Inc.	2.1
Ring Energy Inc.	2.1
Wintrust Financial Corp.	2.1
Gray Television Inc.	2.1
United Community Banks Inc.	2.0
Globus Medical Inc., Class A	1.9
Texas Capital Bancshares Inc.	1.9
Nexstar Media Group Inc.	1.9
Astronics Corp.	1.8
Universal Electronics Inc.	1.8
Callon Petroleum Co.	1.7
Coherent Inc.	1.7
Top 25 Holdings	62.0

* The Fund invests substantially all of its assets directly in the RBC U.S. Small-Cap Core Equity Fund. The above are the Top 25 holdings of the RBC U.S. Small-Cap Core Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



INTERNATIONAL EQUITY FUND

RBC INTERNATIONAL EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing in stocks of companies outside of North America in order to provide exposure to economies that may be at different stages of the business cycle or offer growth opportunities unavailable in U.S. and Canadian markets.

To achieve its investment objective, the Fund invests most of its assets in the RBC International Equity Fund (the “underlying fund”). The underlying fund focuses on companies that are primarily in Europe, Australasia and the Far East.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value rose to \$7 million as of March 31, 2018, from \$5 million as of March 31, 2017. The increase was due to a mix of net inflows and investment returns.

Over the past year, the Fund’s Series A shares gained 12.1%, which outperformed the 11.0% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Financial markets in the developed areas of Europe and Asia climbed in 2017 driven by the emergence of synchronized economic growth, particularly in the second half of the year, before volatility emerged in the first quarter of 2018. The calm and steady rise in financial markets came to an abrupt end in the last days of January 2018 in a sell-off that could be traced to fears that valuations were excessive and that a possible trade war between the U.S. and China would crimp regional economies. Inflation firmed somewhat in Europe, but deflation remained a threat in Japan.

Stock selection had a larger impact on the Fund’s relative performance than sector allocation during the period. Individual stock picks in the Information Technology and Health Care sectors were the strongest, while stock picks in Consumer Discretionary and Telecommunication Services were the weakest. Stock selection was especially strong in China, Taiwan, Hong Kong, Denmark, France and the U.K.

Tencent, one of Asia’s major technology companies, was the top contributor to the Fund’s relative returns over the period, with many of its investments expected to generate substantial near-term revenue. Danish pharmaceutical Novo Nordisk had good results during the year and received regulatory approval for its hemophilia B drug. Irish airline Ryanair was also among the top contributors to Fund performance.

The Swiss pharmaceutical company Roche Holding hurt relative returns the most amid increased competition and looming patent expirations. Other stocks that held back performance included Irish gaming company Paddy Power Betfair and BT Group, the U.K. telecommunications company.

There were no major changes to the portfolio during the period. The Chinese financial conglomerate, Ping An, was added to the Fund, along with Japanese brewer Asahi.

Recent Developments

The escalating tariff contest between the U.S. and China has rekindled concerns about the sustainability of growth in Europe and Japan. While the value of goods affected by the tariffs is fairly small so far, any escalation into a trade war would be likely to stymie the coordinated global recovery and tip some economies into recession. Political polarization is also a risk in Europe. On the positive side, regional earnings and economic-growth forecasts are rising.

In Asia, fundamentals are holding up in the face of the U.S.-Chinese tensions. Inflation remains subdued and unemployment low. The portfolio manager expects monetary stimulus in Japan to continue. However, U.S. protectionism and fiscal deficits could lead to continued yen appreciation, which would be negative for Japanese corporations.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Mar. 31, 2018	10.92	0.22	(0.25)	0.11	1.24	1.32	—	—	—	—	—	12.24
Mar. 31, 2017	10.42	0.22	(0.23)	(0.04)	0.52	0.47	—	—	—	—	—	10.92
Mar. 31, 2016	10.38	0.22	(0.24)	0.04	(0.37)	(0.35)	—	—	—	—	—	10.42
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.22	0.18	—	—	—	—	—	10.38
Advisor Series												
Mar. 31, 2018	10.96	0.23	(0.24)	0.11	1.25	1.35	—	—	—	—	—	12.30
Mar. 31, 2017	10.44	0.21	(0.21)	(0.04)	1.42	1.38	—	—	—	—	—	10.96
Mar. 31, 2016	10.39	0.29	(0.23)	0.05	(0.49)	(0.38)	—	—	—	—	—	10.44
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.34	0.30	—	—	—	—	—	10.39
Series D												
Mar. 31, 2018	11.15	0.23	(0.15)	0.11	1.17	1.36	—	—	—	—	—	12.60
Mar. 31, 2017	10.54	0.22	(0.14)	(0.04)	0.57	0.61	—	—	—	—	—	11.15
Mar. 31, 2016	10.40	0.24	(0.14)	0.04	(0.40)	(0.26)	—	—	—	—	—	10.54
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.18	0.16	—	—	—	—	—	10.40
Series F												
Mar. 31, 2018	11.22	0.23	(0.12)	0.11	1.13	1.35	—	—	—	—	—	12.72
Mar. 31, 2017	10.58	0.22	(0.11)	(0.04)	1.08	1.15	—	—	—	—	—	11.22
Mar. 31, 2016	10.41	0.21	(0.11)	0.04	(0.36)	(0.22)	—	—	—	—	—	10.58
Mar. 31, 2015 ³	10.00 [†]	—	(0.01)	—	0.34	0.33	—	—	—	—	—	10.41
Series O												
Mar. 31, 2018	11.46	0.24	—	0.12	1.30	1.66	—	—	—	—	—	13.11
Mar. 31, 2017	10.70	0.23	—	(0.04)	0.57	0.76	—	—	—	—	—	11.46
Mar. 31, 2016	10.42	0.38	—	0.07	(0.65)	(0.20)	—	—	—	—	—	10.70
Mar. 31, 2015 ³	10.00 [†]	—	—	—	0.34	0.34	—	—	—	—	—	10.42

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	12.24	1 577	129	2.14	2.19	9.22	0.18
Mar. 31, 2017	10.92	1 307	120	2.16 ⁴	2.22	35.41	0.26
Mar. 31, 2016	10.42	1 086	104	2.26	2.38	18.94	0.28
Mar. 31, 2015 ⁵	10.38	188	18	2.27	2.27	—	0.40
Advisor Series							
Mar. 31, 2018	12.30	180	15	2.04	2.09	9.22	0.18
Mar. 31, 2017	10.96	155	14	2.04 ⁴	2.10	35.41	0.26
Mar. 31, 2016	10.44	13	1	2.13	2.25	18.94	0.28
Mar. 31, 2015 ⁵	10.39	3	—	2.27	2.27	—	0.40
Series D							
Mar. 31, 2018	12.60	2 311	183	1.26	1.31	9.22	0.18
Mar. 31, 2017	11.15	1 825	164	1.28	1.34	35.41	0.26
Mar. 31, 2016	10.54	2 104	200	1.29	1.41	18.94	0.28
Mar. 31, 2015 ⁵	10.40	363	35	1.30	1.30	—	0.40
Series F							
Mar. 31, 2018	12.72	2 633	207	0.99	1.04	9.22	0.18
Mar. 31, 2017	11.22	1 577	141	1.02	1.08	35.41	0.26
Mar. 31, 2016	10.58	297	28	1.03	1.15	18.94	0.28
Mar. 31, 2015 ⁵	10.41	49	5	1.02	1.02	—	0.40
Series O							
Mar. 31, 2018	13.11	1	—	0.05	0.10	9.22	0.18
Mar. 31, 2017	11.46	1	—	0.05	0.11	35.41	0.26
Mar. 31, 2016	10.70	1	—	0.05	0.17	18.94	0.28
Mar. 31, 2015 ⁵	10.42	150	14	0.05	0.05	—	0.40

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A and Advisor Series mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.14% and Advisor Series – 2.02%.

⁵ From October 16, 2014.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



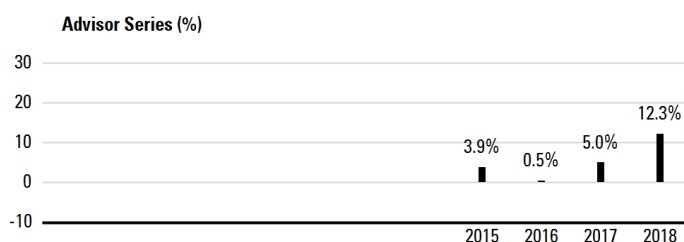
March 31, 2018

PAST PERFORMANCE

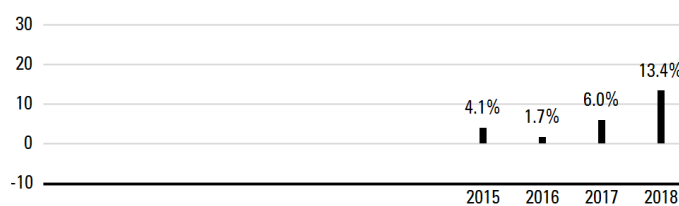
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Series O (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

MSCI EAFE Total Return Net Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	12.1	5.7	—	—	6.6
Benchmark	11.0	6.2	—	—	7.7
Advisor Series	12.3	5.8	—	—	6.7
Benchmark	11.0	6.2	—	—	7.7
Series D	13.1	6.6	—	—	7.5
Benchmark	11.0	6.2	—	—	7.7
Series F	13.4	6.9	—	—	7.9
Benchmark	11.0	6.2	—	—	7.7
Series O	14.5	8.0	—	—	8.9
Benchmark	11.0	6.2	—	—	7.7

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

MSCI EAFE Total Return Net Index (CAD) This index is a broad measure of the Canadian dollar performance of stocks from developed equity markets covering countries in Europe, Australasia and the Far East. The net total return index reinvests dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
United Kingdom	23.5
Japan	18.7
Germany	9.1
Australia	7.3
Netherlands	7.1
Ireland	5.3
Sweden	4.6
Denmark	4.5
Switzerland	3.9
France	2.3
Finland	2.2
Taiwan	1.6
Other Countries	8.0
Cash/Other	1.9

Top 25 Holdings*

	% of Net Asset Value
Unilever Plc.	3.2
Royal Dutch Shell Plc., A Shares	3.0
Novo Nordisk A/S	2.9
Relx N.V.	2.6
CSL Ltd.	2.6
London Stock Exchange Group Plc.	2.5
SoftBank Group Corp.	2.4
Ryanair Holdings Plc. ADR	2.4
Mitsubishi UFJ Financial Group Inc.	2.3
Tencent Holdings Ltd.	2.2
Sampo OYJ	2.2
Heineken N.V.	2.1
Yahoo! Japan Corp.	2.0
Henkel KGaA, Preferred Non-Voting	2.0
Roche Holdings AG Genusscheine	2.0
Nitori Co. Ltd.	1.9
Bridgestone Corp.	1.8
Suzuki Motor Co. Ltd.	1.8
Paddy Power Betfair Plc.	1.8
Lloyds TSB Group Plc.	1.7
Asahi Group Holdings Ltd.	1.7
Fresenius Medical Care AG & Co. KGaA	1.7
The Sage Group Plc.	1.7
Cash & Cash Equivalents	1.7
Sysmex Corp.	1.6
Top 25 Holdings	53.8

* The Fund invests substantially all of its assets directly in the RBC International Equity Fund. The above are the Top 25 holdings of the RBC International Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



INTERNATIONAL EQUITY FUND

PHILLIPS, HAGER & NORTH OVERSEAS EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing in a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside North America, including countries in Europe and the Far East, including Japan and Australia.

To achieve its investment objective, the Fund will invest most of its assets in the Phillips, Hager & North Overseas Equity Fund (the "underlying fund"). The underlying fund invests in companies that are attractively valued, possess sound fundamentals and have a strong market position.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund's overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the "new risk classification methodology") in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds' risk ratings were changed. RBC GAM reviews each fund's risk rating on an annual basis or if there has been a material change to a fund's investment objectives or investment strategies. Any changes to a fund's risk rating are the result of RBC GAM's annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund's risk rating during the reporting period.

Results of Operations

The Fund's net asset value rose to \$64 million as of March 31, 2018, from \$52 million as of March 31, 2017. The increase was due mainly to investment returns.

Over the past year, the Fund's Series A shares gained 19.9%, which outperformed the 11.0% rise in the benchmark. The Fund's return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Equity markets posted gains in 2017 as most global economies expanded simultaneously, particularly in the second half of the year, before volatility emerged in the first quarter of 2018. All major global economies performed strongly in 2017, and inflation firmed. The Trump administration won passage of its first pieces of meaningful legislation

late in 2017, when the president signed a tax-reform bill into law. The calm and steady rise in financial markets came to an abrupt end in the last days of January 2018 in a sell-off that could be traced in part to concerns about whether market valuations had gotten too high. These concerns, combined with rising bond yields, particularly in the U.S., led some investors to reappraise their equity holdings. The newfound atmosphere of caution was given additional impetus at the end of the period, with the U.S. and China threatening to raise tariffs on each other's goods.

Stock selection drove performance during the period, with holdings in the Industrials and Financials sectors contributing the most to the Fund's returns. At the stock level, relative returns were led by the Japanese manufacturer of precision motors, Nidec, which benefited from strong operations, and the South African media company, Naspers, which benefited when shares held in the Chinese internet company Tencent rose.

Recent Developments

The escalating tariff contest between the U.S. and China has rekindled concerns about the sustainability of global economic growth. While the value of goods affected by the tariffs is fairly small so far, any escalation into a trade war would be likely to stymie the coordinated global recovery and tip some economies into recession. This would certainly be true for countries that rely more on goods as opposed to services and countries late in the economic cycle, such as the U.S.

The new-found unease among investors has led to increased volatility in financial markets, which should be good for those specializing in selecting individual stocks. The Fund has in place a process that the portfolio manager believes will identify stocks that are likely to offer attractive returns relative to the market as a whole.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.



March 31, 2018

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series A												
Mar. 31, 2018	16.97	0.41	(0.39)	0.29	3.26	3.57	—	—	—	—	—	20.34
Mar. 31, 2017	16.02	0.46	(0.34)	0.45	0.35	0.92	—	—	—	—	—	16.97
Mar. 31, 2016	16.57	0.38	(0.36)	0.26	(0.92)	(0.64)	—	—	—	—	—	16.02
Mar. 31, 2015	14.46	0.59	(0.32)	0.32	1.69	2.28	—	—	—	—	—	16.57
Mar. 31, 2014	11.47	0.41	(0.29)	0.14	2.73	2.99	—	—	—	—	—	14.46
Advisor Series												
Mar. 31, 2018	17.03	0.41	(0.39)	0.29	2.97	3.28	—	—	—	—	—	20.42
Mar. 31, 2017	16.07	0.46	(0.33)	0.45	0.33	0.91	—	—	—	—	—	17.03
Mar. 31, 2016	16.61	0.38	(0.35)	0.25	(0.91)	(0.63)	—	—	—	—	—	16.07
Mar. 31, 2015	14.48	0.58	(0.31)	0.32	1.68	2.27	—	—	—	—	—	16.61
Mar. 31, 2014	11.47	0.42	(0.26)	0.14	2.84	3.14	—	—	—	—	—	14.48
Series D												
Mar. 31, 2018	17.78	0.43	(0.23)	0.30	3.19	3.69	—	—	—	—	—	21.50
Mar. 31, 2017	16.63	0.48	(0.20)	0.47	0.38	1.13	—	—	—	—	—	17.78
Mar. 31, 2016	17.05	0.39	(0.22)	0.26	(0.95)	(0.52)	—	—	—	—	—	16.63
Mar. 31, 2015	14.74	0.61	(0.19)	0.33	1.75	2.50	—	—	—	—	—	17.05
Mar. 31, 2014	11.58	0.42	(0.16)	0.14	2.82	3.22	—	—	—	—	—	14.74
Series F												
Mar. 31, 2018	18.00	0.43	(0.19)	0.30	2.97	3.51	—	—	—	—	—	21.82
Mar. 31, 2017	16.80	0.49	(0.16)	0.47	0.77	1.57	—	—	—	—	—	18.00
Mar. 31, 2016	17.18	0.39	(0.18)	0.26	(0.95)	(0.48)	—	—	—	—	—	16.80
Mar. 31, 2015	14.83	0.62	(0.16)	0.34	1.77	2.57	—	—	—	—	—	17.18
Mar. 31, 2014	11.63	0.43	(0.13)	0.15	2.86	3.31	—	—	—	—	—	14.83
Series O												
Mar. 31, 2018	18.95	0.46	(0.01)	0.32	3.56	4.33	—	—	—	—	—	23.16
Mar. 31, 2017	17.52	0.51	(0.01)	0.50	0.62	1.62	—	—	—	—	—	18.95
Mar. 31, 2016	17.74	0.40	(0.01)	0.27	(0.98)	(0.32)	—	—	—	—	—	17.52
Mar. 31, 2015	15.16	0.63	(0.01)	0.35	1.81	2.78	—	—	—	—	—	17.74
Mar. 31, 2014	11.77	0.43	(0.01)	0.15	2.88	3.45	—	—	—	—	—	15.16

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	20.34	9 056	445	2.11	2.11	6.39	0.21
Mar. 31, 2017	16.97	10 403	613	2.16 ⁴	2.17	12.03	0.19
Mar. 31, 2016	16.02	14 534	907	2.25	2.26	8.36	0.17
Mar. 31, 2015	16.57	15 036	908	2.25	2.26	12.97	0.42
Mar. 31, 2014	14.46	8 054	557	2.27	2.28	7.87	0.39
Advisor Series							
Mar. 31, 2018	20.42	863	42	2.09	2.09	6.39	0.21
Mar. 31, 2017	17.03	542	32	2.14 ⁴	2.15	12.03	0.19
Mar. 31, 2016	16.07	956	60	2.19	2.20	8.36	0.17
Mar. 31, 2015	16.61	653	39	2.17	2.18	12.97	0.42
Mar. 31, 2014	14.48	298	21	2.14	2.15	7.87	0.39
Series D							
Mar. 31, 2018	21.50	27 241	1 267	1.21	1.21	6.39	0.21
Mar. 31, 2017	17.78	22 122	1 244	1.25 ⁴	1.26	12.03	0.19
Mar. 31, 2016	16.63	21 849	1 314	1.34	1.35	8.36	0.17
Mar. 31, 2015	17.05	19 072	1 119	1.34	1.35	12.97	0.42
Mar. 31, 2014	14.74	14 655	994	1.34	1.35	7.87	0.39
Series F							
Mar. 31, 2018	21.82	12 390	568	0.99	0.99	6.39	0.21
Mar. 31, 2017	18.00	5 554	309	1.02 ⁴	1.03	12.03	0.19
Mar. 31, 2016	16.80	1 895	113	1.14	1.15	8.36	0.17
Mar. 31, 2015	17.18	1 293	75	1.14	1.15	12.97	0.42
Mar. 31, 2014	14.83	1 450	98	1.11	1.12	7.87	0.39
Series O							
Mar. 31, 2018	23.16	14 303	617	0.11	0.11	6.39	0.21
Mar. 31, 2017	18.95	13 519	713	0.12	0.13	12.03	0.19
Mar. 31, 2016	17.52	11 373	649	0.12	0.13	8.36	0.17
Mar. 31, 2015	17.74	5 117	288	0.13	0.14	12.97	0.42
Mar. 31, 2014	15.16	4 473	295	0.12	0.13	7.87	0.39

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.14%, Advisor Series – 2.11%, Series D – 1.24% and Series F – 1.02%.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

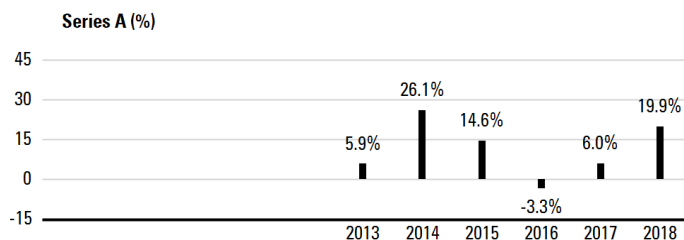
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

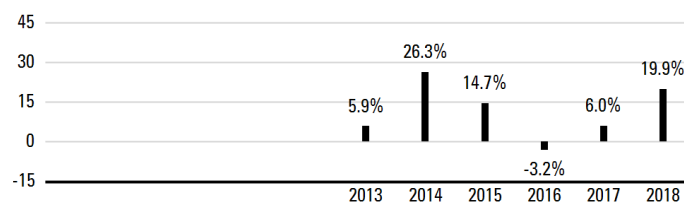
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Year-by-Year Returns (%)

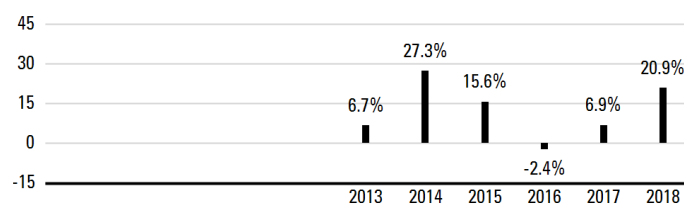
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



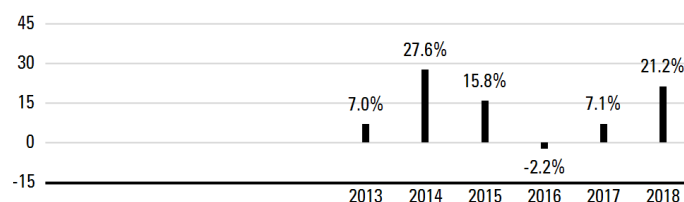
Advisor Series (%)



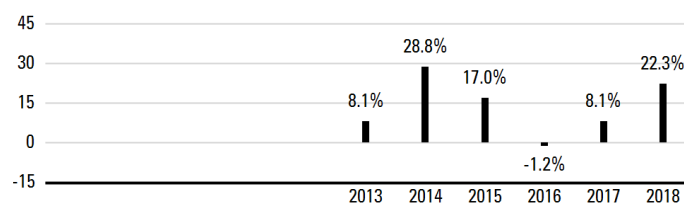
Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

MSCI EAFE Total Return Net Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	19.9	7.1	12.2	—	12.0
Benchmark	11.0	6.2	11.7	—	12.9
Advisor Series	19.9	7.1	12.2	—	12.1
Benchmark	11.0	6.2	11.7	—	12.9
Series D	20.9	8.0	13.2	—	13.0
Benchmark	11.0	6.2	11.7	—	12.9
Series F	21.2	8.3	13.4	—	13.3
Benchmark	11.0	6.2	11.7	—	12.9
Series O	22.3	9.3	14.5	—	14.4
Benchmark	11.0	6.2	11.7	—	12.9

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares and all outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

INDEX DESCRIPTION

MSCI EAFE Total Return Net Index (CAD) This index is a broad measure of the Canadian dollar performance of stocks from developed equity markets covering countries in Europe, Australasia and the Far East. The net total return index reinvests dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix – Sectors

	% of Net Asset Value
Financials	23.0
Industrials	17.3
Health Care	13.6
Materials	13.5
Consumer Staples	9.8
Consumer Discretionary	9.0
Information Technology	5.3
Energy	4.6
Utilities	1.4
Telecommunication Services	1.2
Cash/Other	1.3

Investment Mix – Countries/Regions

	% of Net Asset Value
Europe ex. United Kingdom Equities	36.3
United Kingdom Equities	21.6
Japan Equities	20.4
Pacific ex. Japan Equities	13.0
India Equities	4.6
Middle East & Africa Equities	2.8
Cash/Other	1.3



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at March 31, 2018

Top 25 Holdings*

	% of Net Asset Value
Unilever Plc.	5.0
Anheuser-Busch InBev S.A./N.V.	4.9
Roche Holdings AG Genusscheine	4.9
Deutsche Post AG	4.9
Nidec Corp.	4.4
AIA Group Ltd.	4.4
Astellas Pharma Inc.	4.3
InterContinental Hotels Group Plc.	4.0
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	3.6
St. James's Place Plc.	3.5
ING Groep N.V.	3.2
Rio Tinto Plc.	3.2
Komatsu Ltd.	3.0
Naspers Ltd.	2.8
Partners Group Holding AG	2.7
Croda International Plc.	2.7
Shin-Etsu Chemical Co. Ltd.	2.6
UBS Group AG	2.5
HDFC Bank Ltd.	2.4
Oil Search Ltd.	2.4
Linde AG	2.3
Novo Nordisk A/S	2.3
Sysmex Corp.	2.2
Paddy Power Betfair Plc.	2.2
Royal Dutch Shell Plc., B Shares	2.2
Top 25 Holdings	82.6

* The Fund invests substantially all of its assets directly in the Phillips, Hager & North Overseas Equity Fund. The above are the Top 25 holdings of the Phillips, Hager & North Overseas Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



INTERNATIONAL EQUITY FUND

RBC EUROPEAN EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in European stocks in order to provide exposure to growth opportunities in the European economy and diversification benefits beyond North America.

To achieve its investment objective, the Fund invests most of its assets in the RBC European Equity Fund (the “underlying fund”). The portfolio manager of the underlying fund reviews the economic outlook for Europe and then selects stocks based on fundamental, technical and quantitative inputs. The underlying fund is managed to limit risk by spreading investments across different industries. The underlying fund may also invest in debt securities issued or guaranteed by European governments and international agencies.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value rose to \$48 million as of March 31, 2018, from \$30 million as of March 31, 2017. The increase was due mainly to net inflows.

Over the past year, the Fund’s Series A shares gained 9.8%, which underperformed the 10.7% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Europe’s economy was characterized by the emergence of synchronized growth in 2017, particularly in the second half of the year, and into 2018. Analysts raised their profit estimates for the first time since 2011. Bolstering the outlook was an apparent decline in populist momentum in the early part of the period after the French and Dutch electorates steered toward anti-populist political parties. However, later elections in Germany and Italy showed that there remains a political split within Europe that is also reflected in Spain, where Catalonia voted to secede. Political developments did not affect financial markets to any great extent, as investors continued to pay more attention to rising corporate profitability and economic growth. Faster growth and inflation and a brightening labour outlook prompted the European Central Bank to say in October that it would consider scaling back bond purchases. Business confidence climbed steadily throughout the year, peaking in December, while inflation hovered around 1.5%.

Geographically, stock markets in Norway, Italy and Denmark were the strongest performers. The weakest were Ireland, Switzerland and Sweden. At the sector level, Energy and Materials were the strongest performers. Telecommunication Services and Health Care were the worst-performing sectors in the market, but strong stock selection in the Health Care sector was a positive for the Fund’s returns. Weak stock selection in the Information Technology and Consumer Discretionary sectors was negative for returns.

The Irish airline Ryanair and the Danish pharmaceutical company Novo Nordisk were the top individual stock contributors to the Fund’s relative performance. Roche Holding, the Swiss health-care company, had the most negative impact on returns.

Recent Developments

Volatility returned to the European markets in the first quarter of 2018 as fears of a global trade war between the U.S. and China were accompanied by signs of a slowdown in European growth. European growth is not improving as quickly as many investors had thought, dampening the appetite for stocks that tend to benefit from faster economic growth.

Significant competing head and tail winds remain, with valuation polarization and political instability competing with positive EPS and GDP forecasts (although these tend to be lagging indicators). Question marks remain over the final composition of the Italian government and also the ability of the French president, Emmanuel Macron, to push through labour reforms.



March 31, 2018

The portfolio manager is, as always, cognizant of the wider macro environment, both for its challenges and opportunities. Nevertheless, the Fund's focus remains on the discipline of long-term investing in companies with strong competitive positions, low capital intensity, sustainable and/or improving profitability, and the right management strategy and governance structures.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Mar. 31, 2018	10.52	0.31	(0.24)	0.46	0.59	1.12	—	—	—	—	—	11.55
Mar. 31, 2017	10.42	0.19	(0.22)	(0.25)	0.23	(0.05)	—	—	—	—	—	10.52
Mar. 31, 2016	10.36	0.75	(0.24)	(0.15)	(1.71)	(1.35)	—	—	—	—	—	10.42
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.06	0.02	—	—	—	—	—	10.36
Advisor Series												
Mar. 31, 2018	10.52	0.31	(0.23)	0.46	0.57	1.11	—	—	—	—	—	11.56
Mar. 31, 2017	10.42	0.20	(0.22)	(0.27)	0.70	0.41	—	—	—	—	—	10.52
Mar. 31, 2016	10.37	0.45	(0.24)	(0.09)	(1.02)	(0.90)	—	—	—	—	—	10.42
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.10	0.06	—	—	—	—	—	10.37
Series D												
Mar. 31, 2018	10.73	0.31	(0.14)	0.46	0.35	0.98	—	—	—	—	—	11.89
Mar. 31, 2017	10.53	0.20	(0.13)	(0.26)	0.49	0.30	—	—	—	—	—	10.73
Mar. 31, 2016	10.38	0.79	(0.14)	(0.15)	(1.80)	(1.30)	—	—	—	—	—	10.53
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.08	0.06	—	—	—	—	—	10.38
Series F												
Mar. 31, 2018	10.80	0.30	(0.11)	0.45	0.34	0.98	—	—	—	—	—	12.00
Mar. 31, 2017	10.57	0.19	(0.10)	(0.26)	0.18	0.01	—	—	—	—	—	10.80
Mar. 31, 2016	10.39	0.32	(0.11)	(0.06)	(0.73)	(0.58)	—	—	—	—	—	10.57
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.08	0.06	—	—	—	—	—	10.39
Series I												
Mar. 31, 2018	10.85	0.31	(0.09)	0.46	0.45	1.13	—	—	—	—	—	12.07
Mar. 31, 2017	10.60	0.19	(0.08)	(0.26)	0.11	(0.04)	—	—	—	—	—	10.85
Mar. 31, 2016	10.39	0.24	(0.08)	(0.05)	(0.55)	(0.44)	—	—	—	—	—	10.60
Mar. 31, 2015 ³	10.00 [†]	—	(0.01)	—	0.19	0.18	—	—	—	—	—	10.39
Series O												
Mar. 31, 2018	11.03	0.32	—	0.48	0.53	1.33	—	—	—	—	—	12.36
Mar. 31, 2017	10.69	0.20	—	(0.27)	0.41	0.34	—	—	—	—	—	11.03
Mar. 31, 2016	10.40	1.98	(0.01)	(0.38)	(4.52)	(2.93)	—	—	—	—	—	10.69
Mar. 31, 2015 ³	10.00 [†]	—	—	—	0.19	0.19	—	—	—	—	—	10.40

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	11.55	1 259	109	2.11	2.12	9.38	0.19
Mar. 31, 2017	10.52	1 666	158	2.15 ⁴	2.16	33.80	0.27
Mar. 31, 2016	10.42	3 437	330	2.24	2.25	13.36	0.18
Mar. 31, 2015 ⁵	10.36	799	77	2.27	2.27	0.46	0.43
Advisor Series							
Mar. 31, 2018	11.56	1 455	126	2.04	2.05	9.38	0.19
Mar. 31, 2017	10.52	1 816	173	2.15 ⁴	2.16	33.80	0.27
Mar. 31, 2016	10.42	767	74	2.28	2.29	13.36	0.18
Mar. 31, 2015 ⁵	10.37	11	1	2.27	2.27	0.46	0.43
Series D							
Mar. 31, 2018	11.89	568	48	1.24	1.25	9.38	0.19
Mar. 31, 2017	10.73	420	39	1.27	1.28	33.80	0.27
Mar. 31, 2016	10.53	422	40	1.29	1.30	13.36	0.18
Mar. 31, 2015 ⁵	10.38	69	7	1.31	1.31	0.46	0.43
Series F							
Mar. 31, 2018	12.00	21 875	1 823	0.96	0.97	9.38	0.19
Mar. 31, 2017	10.80	10 814	1 001	0.97	0.98	33.80	0.27
Mar. 31, 2016	10.57	9 833	930	0.99	1.00	13.36	0.18
Mar. 31, 2015 ⁵	10.39	103	10	1.03	1.03	0.46	0.43
Series I							
Mar. 31, 2018	12.07	22 754	1 885	0.79	0.80	9.38	0.19
Mar. 31, 2017	10.85	15 086	1 390	0.80	0.81	33.80	0.27
Mar. 31, 2016	10.60	21 042	1 985	0.78	0.79	13.36	0.18
Mar. 31, 2015 ⁵	10.39	1	—	0.85	0.85	0.46	0.43
Series O							
Mar. 31, 2018	12.36	1	—	0.05	0.06	9.38	0.19
Mar. 31, 2017	11.03	1	—	0.05	0.06	33.80	0.27
Mar. 31, 2016	10.69	1	—	0.03	0.04	13.36	0.18
Mar. 31, 2015 ⁵	10.40	150	14	0.05	0.05	0.46	0.43

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A and Advisor Series mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.12% and Advisor Series – 2.14%.

⁵ From October 16, 2014.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%
Series I	0.60%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

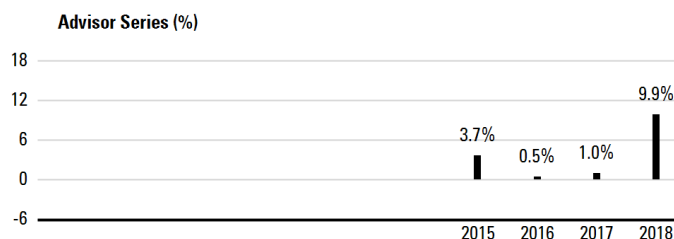
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

MSCI Europe Total Return Net Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	9.8	3.7	—	—	4.6
Benchmark	10.7	5.4	—	—	6.4
Advisor Series	9.9	3.7	—	—	4.7
Benchmark	10.7	5.4	—	—	6.4
Series D	10.7	4.6	—	—	5.6
Benchmark	10.7	5.4	—	—	6.4
Series F	11.1	4.9	—	—	5.9
Benchmark	10.7	5.4	—	—	6.4
Series I	11.2	5.1	—	—	6.1
Benchmark	10.7	5.4	—	—	6.4
Series O	12.1	5.9	—	—	6.9
Benchmark	10.7	5.4	—	—	6.4

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F, Series I and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015. Series I mutual fund shares have been capped and are no longer available for purchase by new investors effective June 30, 2016.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

MSCI Europe Total Return Net Index (CAD) This index is a broad measure of the Canadian dollar performance of major stock markets in Europe. The net total return index reinvests dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
United Kingdom	35.6
Germany	13.2
Netherlands	10.2
Ireland	7.9
Denmark	7.2
Switzerland	5.8
Sweden	5.3
Finland	3.6
France	3.5
Spain	2.4
Italy	1.8
Cash/Other	3.5

Top 25 Holdings*

	% of Net Asset Value
Unilever Plc.	4.9
Novo Nordisk A/S	4.8
Royal Dutch Shell Plc., A Shares	4.6
Relx N.V.	4.1
Sampo OYJ	3.6
London Stock Exchange Group Plc.	3.6
Ryanair Holdings Plc. ADR	3.5
Cash & Cash Equivalents	3.3
Heineken N.V.	3.3
Roche Holdings AG Genussscheine	2.9
Henkel KGaA, Preferred Non-Voting	2.9
The Sage Group Plc.	2.8
Paddy Power Betfair Plc.	2.8
Lloyds TSB Group Plc.	2.6
Schroders Plc.	2.6
Continental AG	2.5
Bayer AG	2.4
LVMH Louis Vuitton Moët-Hennessy	2.4
Diageo Plc.	2.1
Barratt Developments Plc.	2.1
Antofagasta Plc.	2.1
Ashtead Group Plc.	2.0
SAP SE	1.9
Fresenius Medical Care AG & Co. KGaA	1.8
Nordbanken Holding AB	1.8
Top 25 Holdings	73.4

* The Fund invests substantially all of its assets directly in the RBC European Equity Fund. The above are the Top 25 holdings of the RBC European Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



INTERNATIONAL EQUITY FUND

RBC EMERGING MARKETS EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of companies located in or active in emerging markets.

To achieve its investment objective, the Fund invests most of its assets in the RBC Emerging Markets Equity Fund (the “underlying fund”). The underlying fund invests in securities of companies located or active in emerging-market countries, including, but not limited to: China, Brazil, South Korea, Taiwan, India, South Africa, Russia, Mexico, Israel, Malaysia, Indonesia, Turkey, Chile, Thailand and Poland. The portfolio is diversified by sector and emerging-market country to help reduce risk. Individual stocks are selected based on the intrinsic value of each company, liquidity and overall portfolio risk.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

Effective October 25, 2017, the Fund’s risk rating changed from high to medium-to-high.

Results of Operations

The Fund’s net asset value rose to \$204 million as of March 31, 2018, from \$102 million as of March 31, 2017. The increase was due mainly to net inflows.

Over the past year, the Fund’s Series A shares gained 15.9%, which underperformed the 20.8% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Emerging-market equities performed strongly for most of the period, with performance driven by a concentrated group of Chinese technology companies. At the start of 2018, however, emerging markets fell with the broad decline in global stocks amid concerns about rising interest rates and a pick-up in inflation in the U.S., as well as the threat of a trade war between the U.S. and China. There were positive developments in the political environment for a number of emerging markets. In South Africa, Cyril Ramaphosa replaced scandal-tainted Jacob Zuma as president, a move that was seen as positive for economic reform in the country. Brazil also performed strongly after former president Lula was found guilty on corruption charges, making his participation in the 2018 elections unlikely. Chilean equities benefited as pro-growth candidate Sebastián Piñera won presidential elections. Meanwhile, Mexican stocks suffered from escalating tensions relating to the North American Free Trade Agreement renegotiation process.

The Fund’s underperformance was due to below-benchmark positions in the Information Technology sector and China, both of which rallied strongly. A lack of exposure to Tencent, a Chinese internet company, and China Construction Bank hurt returns. Returns were bolstered by holdings in South African companies including the bank FirstRand; the internet company Naspers; and Clicks, a pharmacy retailer. The Fund’s positioning in Consumer Discretionary and Financials helped mitigate some of the losses.

Recent Developments

The portfolio manager believes that the outlook for emerging-market equities is positive given improving economic growth prospects in developed markets, the strengthening of emerging-market currencies versus the U.S. dollar, strong earnings momentum and attractive relative valuations. While returns in 2017 were dominated by a small number of companies in the Information Technology sector, the portfolio manager believes that more stocks will benefit from faster earnings growth in 2018. The portfolio manager also expects positive political developments, with many emerging-market countries implementing meaningful economic and political reforms.

Effective October 2, 2017, the administration fees for Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund were reduced.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
											Total	
Series A												
Mar. 31, 2018	16.38	0.32	(0.38)	0.05	2.61	2.60	—	—	—	—	—	18.98
Mar. 31, 2017	14.22	0.25	(0.33)	0.21	2.04	2.17	—	—	—	—	—	16.38
Mar. 31, 2016	15.52	0.42	(0.32)	0.18	(1.64)	(1.36)	—	—	—	—	—	14.22
Mar. 31, 2015	12.61	0.28	(0.30)	0.17	2.79	2.94	—	—	—	—	—	15.52
Mar. 31, 2014	11.85	0.27	(0.26)	0.07	0.81	0.89	—	—	—	—	—	12.61
Advisor Series												
Mar. 31, 2018	16.39	0.31	(0.38)	0.05	2.47	2.45	—	—	—	—	—	18.99
Mar. 31, 2017	14.22	0.25	(0.33)	0.21	2.25	2.38	—	—	—	—	—	16.39
Mar. 31, 2016	15.52	0.42	(0.32)	0.18	(1.64)	(1.36)	—	—	—	—	—	14.22
Mar. 31, 2015	12.61	0.28	(0.30)	0.17	2.74	2.89	—	—	—	—	—	15.52
Mar. 31, 2014	11.86	0.26	(0.26)	0.07	0.80	0.87	—	—	—	—	—	12.61
Series D												
Mar. 31, 2018	17.24	0.33	(0.22)	0.05	2.37	2.53	—	—	—	—	—	20.17
Mar. 31, 2017	14.82	0.26	(0.19)	0.22	2.04	2.33	—	—	—	—	—	17.24
Mar. 31, 2016	16.03	0.44	(0.19)	0.19	(1.71)	(1.27)	—	—	—	—	—	14.82
Mar. 31, 2015	12.89	0.29	(0.17)	0.18	2.87	3.17	—	—	—	—	—	16.03
Mar. 31, 2014	12.00	0.28	(0.15)	0.08	0.84	1.05	—	—	—	—	—	12.89
Series F												
Mar. 31, 2018	17.47	0.33	(0.18)	0.05	2.54	2.74	—	—	—	—	—	20.49
Mar. 31, 2017	14.98	0.26	(0.16)	0.22	2.29	2.61	—	—	—	—	—	17.47
Mar. 31, 2016	16.15	0.44	(0.15)	0.19	(1.70)	(1.22)	—	—	—	—	—	14.98
Mar. 31, 2015	12.96	0.29	(0.14)	0.18	2.88	3.21	—	—	—	—	—	16.15
Mar. 31, 2014	12.03	0.26	(0.11)	0.07	0.81	1.03	—	—	—	—	—	12.96
Series O												
Mar. 31, 2018	18.32	0.36	(0.01)	0.06	2.97	3.38	—	—	—	—	—	21.67
Mar. 31, 2017	15.56	0.28	(0.01)	0.23	2.17	2.67	—	—	—	—	—	18.32
Mar. 31, 2016	16.63	0.46	(0.01)	0.20	(1.78)	(1.13)	—	—	—	—	—	15.56
Mar. 31, 2015	13.22	0.30	—	0.19	2.98	3.47	—	—	—	—	—	16.63
Mar. 31, 2014	12.16	0.28	(0.01)	0.08	0.85	1.20	—	—	—	—	—	13.22

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	18.98	8 199	432	2.36⁴	2.36	1.13	0.11
Mar. 31, 2017	16.38	7 198	439	2.45	2.45	11.05	0.16
Mar. 31, 2016	14.22	8 034	565	2.46	2.47	18.71	0.17
Mar. 31, 2015	15.52	8 132	524	2.46	2.47	7.32	0.21
Mar. 31, 2014	12.61	4 465	354	2.48	2.49	7.91	0.25
Advisor Series							
Mar. 31, 2018	18.99	7 722	407	2.33⁴	2.33	1.13	0.11
Mar. 31, 2017	16.39	3 024	184	2.44	2.44	11.05	0.16
Mar. 31, 2016	14.22	1 601	113	2.43	2.44	18.71	0.17
Mar. 31, 2015	15.52	1 692	109	2.46	2.47	7.32	0.21
Mar. 31, 2014	12.61	528	42	2.50	2.51	7.91	0.25
Series D							
Mar. 31, 2018	20.17	4 924	244	1.40⁴	1.40	1.13	0.11
Mar. 31, 2017	17.24	2 279	132	1.50	1.50	11.05	0.16
Mar. 31, 2016	14.82	1 630	110	1.51	1.52	18.71	0.17
Mar. 31, 2015	16.03	1 703	106	1.50	1.51	7.32	0.21
Mar. 31, 2014	12.89	821	64	1.50	1.51	7.91	0.25
Series F							
Mar. 31, 2018	20.49	151 045	7 372	1.15⁴	1.15	1.13	0.11
Mar. 31, 2017	17.47	61 214	3 503	1.24	1.24	11.05	0.16
Mar. 31, 2016	14.98	24 094	1 608	1.23	1.24	18.71	0.17
Mar. 31, 2015	16.15	13 274	822	1.23	1.24	7.32	0.21
Mar. 31, 2014	12.96	5 446	420	1.22	1.23	7.91	0.25
Series O							
Mar. 31, 2018	21.67	31 864	1 471	0.28	0.28	1.13	0.11
Mar. 31, 2017	18.32	28 470	1 554	0.31	0.31	11.05	0.16
Mar. 31, 2016	15.56	31 144	2 001	0.31	0.32	18.71	0.17
Mar. 31, 2015	16.63	33 929	2 041	0.31	0.32	7.32	0.21
Mar. 31, 2014	13.22	24 555	1 857	0.31	0.32	7.91	0.25

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective October 2, 2017, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.33%, Advisor Series – 2.32%, Series D – 1.37% and Series F – 1.12%.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

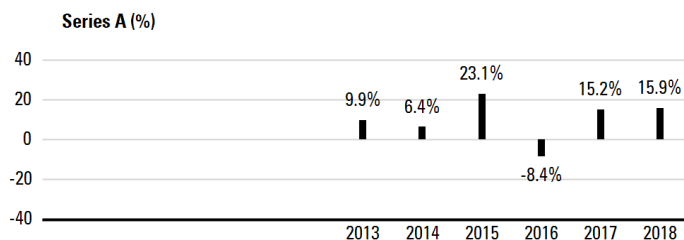
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

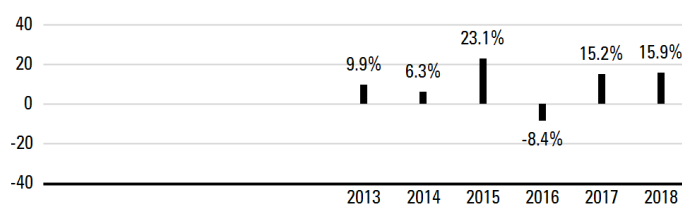
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

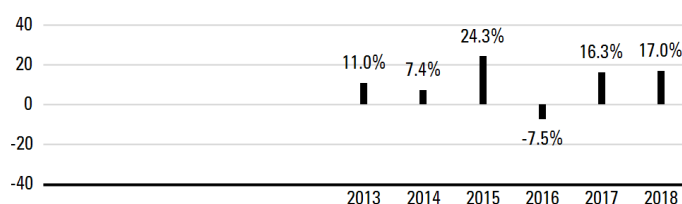
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



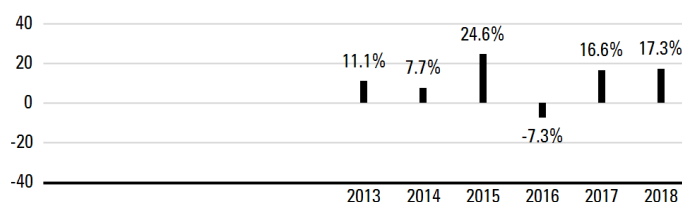
Advisor Series (%)



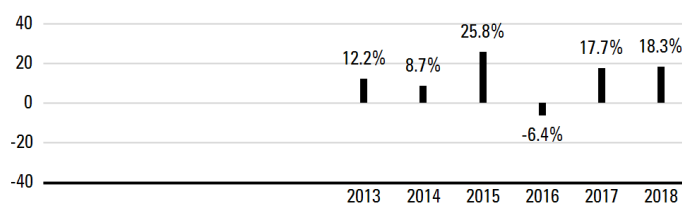
Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

MSCI Emerging Markets Total Return Net Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	15.9	6.9	9.9	—	10.8
Benchmark	20.8	9.5	10.1	—	10.6
Advisor Series	15.9	7.0	9.9	—	10.8
Benchmark	20.8	9.5	10.1	—	10.6
Series D	17.0	8.0	10.9	—	11.9
Benchmark	20.8	9.5	10.1	—	10.6
Series F	17.3	8.2	11.2	—	12.2
Benchmark	20.8	9.5	10.1	—	10.6
Series O	18.3	9.2	12.2	—	13.2
Benchmark	20.8	9.5	10.1	—	10.6

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

MSCI Emerging Markets Total Return Net Index (CAD) This index is a broad measure of the Canadian dollar performance of emerging-market equities. As of May 2010, the index consisted of the following 21 emerging-market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, South Korea, Taiwan, Thailand and Turkey. The net total return index reinvests dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
China	14.1
South Africa	13.2
India	12.2
Taiwan	12.2
South Korea	7.3
Hong Kong	6.5
Brazil	6.0
Indonesia	3.5
Peru	2.5
Philippines	2.5
Thailand	2.4
Turkey	1.6
Chile	1.2
Malaysia	1.1
Mexico	1.0
Other Countries	11.2
Cash/Other	1.5



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at March 31, 2018

Top 25 Holdings*

	% of Net Asset Value
Naspers Ltd.	5.7
Taiwan Semiconductor Manufacturing Co. Ltd.	5.3
Housing Development Finance Corp.	4.8
Tata Consultancy Services Ltd.	4.4
Alia Group Ltd.	4.1
Unilever Plc.	3.4
Antofagasta Plc.	2.9
FirstRand Ltd.	2.7
Shinhan Financial Group Co. Ltd.	2.6
Credicorp Ltd.	2.5
SM Investments Corp.	2.5
Banco do Brasil S.A.	2.3
China Mobile (Hong Kong) Ltd.	2.1
Alibaba Group Holding Ltd. ADR	2.1
Dr. Reddy's Laboratories Ltd. ADR	2.0
Uni-President Enterprises Corp.	2.0
Mondi Ltd.	1.9
PT Bank Central Asia Tbk	1.8
Fuyao Glass Industry Group Co. Ltd.	1.8
Ping An Insurance Group Company of China Ltd.	1.8
PT Kalbe Farma Tbk	1.7
Baidu.com Inc. ADR	1.7
ENKA Insaat ve Sanayi A.S.	1.7
Clicks Group Ltd.	1.7
Standard Foods Corp.	1.5
Top 25 Holdings	67.0

* The Fund invests substantially all of its assets directly in the RBC Emerging Markets Equity Fund.
The above are the Top 25 holdings of the RBC Emerging Markets Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



GLOBAL EQUITY FUND

RBC GLOBAL EQUITY CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

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March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of a diversified mix of companies operating around the world and across a range of sectors.

To achieve its investment objective, the Fund invests most of its assets in the RBC Global Equity Fund (the “underlying fund”). The portfolio manager of the underlying fund uses primarily fundamental research to assess the economic outlook for regions around the world, including expected growth, market valuations and economic trends. The underlying fund may invest in American Depositary Receipts and may invest as much as 10% of its assets in units of other mutual funds managed by RBC GAM or an affiliate.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value rose to \$5 million as of March 31, 2018, from \$4 million as of March 31, 2017. The increase was due to a mix of investment returns and net inflows.

Over the past year, the Fund’s Series A shares gained 20.7%, which outperformed the 9.8% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Equity markets posted gains in 2017 as most global economies expanded simultaneously, particularly in the second half of the year, before volatility emerged in the first quarter of 2018. All major global economies performed strongly in 2017, and inflation firmed. The Trump administration won passage of its first pieces of meaningful legislation late in 2017, when the president signed a tax-reform bill into law. The calm and steady rise in financial markets came to an abrupt end in the last days of January 2018 in a sell-off that could be traced in part to concerns about whether market valuations had become too high. These concerns, combined with rising bond yields, particularly in the U.S., led some investors to reappraise their equity holdings. The new-found atmosphere of caution was given additional impetus at the end of the period, with the U.S. and China threatening to raise tariffs on each other’s goods.

Stock selection drove performance during the period, with holdings in the Consumer Staples, Industrials and Health Care sectors contributing the most to the Fund’s returns. At the stock level, returns were led by the U.S. cosmetics company Estée Lauder, which posted healthy Asian sales growth, and Kite Pharma, a U.S. pharmaceutical company that was acquired at a substantial premium.

Recent Developments

The escalating tariff contest between the U.S. and China has rekindled concerns about the sustainability of global economic growth. While the value of goods affected by the tariffs is fairly small so far, any escalation into a trade war would be likely to stymie the coordinated global recovery and tip some economies into recession. This would certainly be true for countries that rely more on goods as opposed to services and countries late in the economic cycle, such as the U.S.

The new-found unease among investors has led to increased volatility in financial markets, which should be good for those specializing in selecting individual stocks. The Fund has in place a process that the portfolio manager believes will identify stocks that are likely to offer attractive returns relative to the market as a whole.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada (“Royal Bank”) and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund’s day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.



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RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital			
Series A													
Mar. 31, 2018	11.54	0.21	(0.26)	0.93	1.62	2.50	—	—	—	—	—	13.93	
Mar. 31, 2017	10.21	0.19	(0.22)	0.05	1.24	1.26	—	—	—	—	—	11.54	
Mar. 31, 2016	10.24	0.18	(0.22)	0.16	(0.77)	(0.65)	—	—	—	—	—	10.21	
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.22	0.18	—	—	—	—	—	10.24	
Advisor Series													
Mar. 31, 2018	11.52	0.21	(0.27)	0.92	1.52	2.38	—	—	—	—	—	13.89	
Mar. 31, 2017	10.20	0.19	(0.23)	0.05	1.31	1.32	—	—	—	—	—	11.52	
Mar. 31, 2016	10.25	0.15	(0.23)	0.14	(0.65)	(0.59)	—	—	—	—	—	10.20	
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.29	0.25	—	—	—	—	—	10.25	
Series D													
Mar. 31, 2018	11.73	0.21	(0.17)	0.93	1.44	2.41	—	—	—	—	—	14.26	
Mar. 31, 2017	10.30	0.19	(0.14)	0.05	1.41	1.51	—	—	—	—	—	11.73	
Mar. 31, 2016	10.26	0.15	(0.15)	0.14	(0.66)	(0.52)	—	—	—	—	—	10.30	
Mar. 31, 2015 ³	10.00 [†]	—	(0.03)	—	0.19	0.16	—	—	—	—	—	10.26	
Series F													
Mar. 31, 2018	11.80	0.21	(0.13)	0.95	1.60	2.63	—	—	—	—	—	14.39	
Mar. 31, 2017	10.34	0.19	(0.11)	0.05	1.41	1.54	—	—	—	—	—	11.80	
Mar. 31, 2016	10.27	0.13	(0.12)	0.12	(0.56)	(0.43)	—	—	—	—	—	10.34	
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.25	0.23	—	—	—	—	—	10.27	
Series O													
Mar. 31, 2018	12.07	0.22	(0.01)	0.98	1.59	2.78	—	—	—	—	—	14.85	
Mar. 31, 2017	10.46	0.19	—	0.05	1.37	1.61	—	—	—	—	—	12.07	
Mar. 31, 2016	10.28	0.23	—	0.21	(1.00)	(0.56)	—	—	—	—	—	10.46	
Mar. 31, 2015 ³	10.00 [†]	—	—	—	0.32	0.32	—	—	—	—	—	10.28	

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	13.93	1 042	75	2.00	2.06	30.90	0.13
Mar. 31, 2017	11.54	780	68	2.03 ⁴	2.10	17.93	0.20
Mar. 31, 2016	10.21	743	73	2.14	2.26	27.21	0.25
Mar. 31, 2015 ⁵	10.24	583	57	2.25	2.25	—	0.24
Advisor Series							
Mar. 31, 2018	13.89	629	45	2.13	2.19	30.90	0.13
Mar. 31, 2017	11.52	535	46	2.13 ⁴	2.20	17.93	0.20
Mar. 31, 2016	10.20	513	50	2.26	2.38	27.21	0.25
Mar. 31, 2015 ⁵	10.25	12	1	2.27	2.27	—	0.24
Series D							
Mar. 31, 2018	14.26	2 059	144	1.24	1.30	30.90	0.13
Mar. 31, 2017	11.73	775	66	1.29 ⁴	1.36	17.93	0.20
Mar. 31, 2016	10.30	562	55	1.41	1.53	27.21	0.25
Mar. 31, 2015 ⁵	10.26	85	8	1.42	1.42	—	0.24
Series F							
Mar. 31, 2018	14.39	1 660	115	1.00	1.06	30.90	0.13
Mar. 31, 2017	11.80	1 772	150	1.03 ⁴	1.10	17.93	0.20
Mar. 31, 2016	10.34	556	54	1.12	1.24	27.21	0.25
Mar. 31, 2015 ⁵	10.27	38	4	1.14	1.14	—	0.24
Series O							
Mar. 31, 2018	14.85	1	—	0.05	0.11	30.90	0.13
Mar. 31, 2017	12.07	1	—	0.05	0.12	17.93	0.20
Mar. 31, 2016	10.46	1	—	0.06	0.18	27.21	0.25
Mar. 31, 2015 ⁵	10.28	148	14	0.05	0.05	—	0.24

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.01%, Advisor Series – 2.11%, Series D – 1.27% and Series F – 1.02%.

⁵ From October 16, 2014.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Advisor Series (%)



Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

MSCI World Total Return Net Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	20.7	10.8	—	—	11.0
Benchmark	9.8	8.6	—	—	9.4
Advisor Series	20.6	10.7	—	—	10.9
Benchmark	9.8	8.6	—	—	9.4
Series D	21.6	11.6	—	—	11.8
Benchmark	9.8	8.6	—	—	9.4
Series F	21.9	11.9	—	—	12.1
Benchmark	9.8	8.6	—	—	9.4
Series O	23.1	13.0	—	—	13.2
Benchmark	9.8	8.6	—	—	9.4

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

MSCI World Total Return Net Index (CAD) This index is the capitalization-weighted index measuring the Canadian dollar performance of selected companies listed on stock exchanges in countries around the world. The net total return index reinvests dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
United States	55.3
United Kingdom	6.9
Japan	6.1
Switzerland	4.7
Netherlands	3.9
Taiwan	3.4
Germany	3.0
India	2.7
Belgium	2.6
South Africa	2.0
France	1.2
Other Countries	7.1
Cash/Other	1.1

Top 25 Holdings*

	% of Net Asset Value
UnitedHealth Group Incorporated	3.8
EOG Resources Inc.	3.7
Estée Lauder Companies Inc., Class A	3.5
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	3.4
Amazon.com, Inc.	3.4
TJX Companies Inc.	3.3
Intuit Inc.	3.2
Roche Holdings AG Genussscheine	3.2
Microsoft Corp.	3.2
Fortive Corp.	3.2
Danaher Corp.	3.1
Nidec Corp.	3.1
Deutsche Post AG	3.0
Alphabet Inc., Class A	2.8
First Republic Bank	2.7
SVB Financial Group	2.6
Anheuser-Busch InBev S.A./N.V.	2.6
Unilever N.V.	2.6
AIA Group Ltd.	2.5
Blackstone Group LP	2.4
Gartner Inc.	2.2
Mohawk Industries Inc.	2.2
InterContinental Hotels Group Plc.	2.2
Croda International Plc.	2.2
Naspers Ltd.	2.0
Top 25 Holdings	72.1

* The Fund invests substantially all of its assets directly in the RBC Global Equity Fund. The above are the Top 25 holdings of the RBC Global Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



GLOBAL EQUITY FUND

**RBC QUBE LOW VOLATILITY GLOBAL
EQUITY CLASS**

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of global companies. The Fund uses a quantitative approach and seeks to achieve a reduced level of volatility of returns compared with the broader global equity market.

To achieve its investment objective, the Fund invests most of its assets in the RBC QUBE Low Volatility Global Equity Fund (the “underlying fund”). The underlying fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager of the underlying fund will diversify across industries within the global market.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

Effective October 25, 2017, the Fund’s risk rating changed from medium to low-to-medium.

Results of Operations

The Fund’s net asset value rose to \$54 million as of March 31, 2018, from \$48 million as of March 31, 2017. The increase was due to a mix of net inflows and investment returns.

Over the past year, the Fund’s Series A shares gained 4.4%, which underperformed the 9.8% rise in the benchmark. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Global equity markets remained strong over the 12-month period on the back of robust corporate earnings and a supportive policy backdrop. They experienced a broad-based sell-off in February, driven by fears of inflation and rising U.S. Treasury yields as the labour market tightened. Volatility increased in the final quarter of the fiscal year given concerns of rising U.S. protectionism and a potential trade war between the U.S. and China. The economic expansion was synchronized globally, and especially robust for Europe and export-dependent Asian markets.

In the Utilities sector, a position in PG&E held back the Fund’s returns. A position in the Health Care sector also weighed on the Fund’s performance, with the pharmaceutical company Merck having a negative impact during the period.

In the Information Technology sector, the Fund’s positions in Applied Materials, Intuit and Texas Instruments added significantly to returns. The Energy sector also aided performance, with a big contribution from a holding in Valero Energy.

Recent Developments

Earnings expectations and investor optimism are high as global synchronized growth continues in developed and emerging markets. Credit markets support economic growth as interest rates remain low internationally. More recently, protectionist trade moves by U.S. President Trump have shaken markets, and increasing international retaliation is likely if the administration continues to engage in more restrictive trade policy. An escalation of protectionist policy could accelerate inflation and likely stunt global growth.

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada (“Royal Bank”) and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund’s day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.



March 31, 2018

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Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
Series A													
Mar. 31, 2018	11.75	0.30	(0.25)	0.51	—	0.56	—	—	—	—	—	12.27	
Mar. 31, 2017	10.78	0.30	(0.23)	0.40	0.46	0.93	—	(0.01)	—	—	(0.01)	11.75	
Mar. 31, 2016	10.15	0.30	(0.23)	0.29	0.52	0.88	—	—	—	—	—	10.78	
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.25	0.21	—	—	—	—	—	10.15	
Advisor Series													
Mar. 31, 2018	11.74	0.30	(0.25)	0.51	(0.01)	0.55	—	—	—	—	—	12.25	
Mar. 31, 2017	10.78	0.29	(0.24)	0.39	0.56	1.00	—	(0.01)	—	—	(0.01)	11.74	
Mar. 31, 2016	10.15	0.25	(0.24)	0.23	0.42	0.66	—	—	—	—	—	10.78	
Mar. 31, 2015 ³	10.00 [†]	—	(0.04)	—	0.18	0.14	—	—	—	—	—	10.15	
Series D													
Mar. 31, 2018	11.96	0.30	(0.15)	0.52	(0.09)	0.58	—	(0.01)	—	—	(0.01)	12.59	
Mar. 31, 2017	10.88	0.30	(0.14)	0.40	0.57	1.13	—	(0.01)	—	—	(0.01)	11.96	
Mar. 31, 2016	10.16	0.28	(0.14)	0.26	0.47	0.87	—	—	—	—	—	10.88	
Mar. 31, 2015 ³	10.00 [†]	—	(0.03)	—	0.23	0.20	—	—	—	—	—	10.16	
Series F													
Mar. 31, 2018	12.01	0.30	(0.12)	0.52	(0.06)	0.64	—	(0.03)	—	—	(0.03)	12.65	
Mar. 31, 2017	10.91	0.29	(0.11)	0.39	0.66	1.23	—	(0.02)	—	—	(0.02)	12.01	
Mar. 31, 2016	10.17	0.23	(0.12)	0.21	0.38	0.70	—	(0.01)	—	—	(0.01)	10.91	
Mar. 31, 2015 ³	10.00 [†]	—	(0.02)	—	0.26	0.24	—	—	—	—	—	10.17	
Series O													
Mar. 31, 2018	12.24	0.31	—	0.54	(0.06)	0.79	—	(0.11)	—	—	(0.11)	12.93	
Mar. 31, 2017	11.02	0.29	—	0.40	0.76	1.45	—	(0.03)	—	—	(0.03)	12.24	
Mar. 31, 2016	10.19	0.25	—	0.24	0.43	0.92	—	(0.04)	—	—	(0.04)	11.02	
Mar. 31, 2015 ³	10.00 [†]	—	—	—	0.41	0.41	—	—	—	—	—	10.19	

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.

³ From October 16, 2014.

[†] Initial offering net asset value per mutual fund share.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	12.27	9 972	813	2.06	2.07	12.43	0.06
Mar. 31, 2017	11.75	11 396	970	2.08 ⁴	2.09	32.15	0.07
Mar. 31, 2016	10.78	8 967	832	2.18	2.20	24.38	0.08
Mar. 31, 2015 ⁵	10.15	4 141	408	2.27	2.27	—	0.07
Advisor Series							
Mar. 31, 2018	12.25	2 773	226	2.11	2.12	12.43	0.06
Mar. 31, 2017	11.74	3 065	261	2.14 ⁴	2.15	32.15	0.07
Mar. 31, 2016	10.78	1 483	138	2.25	2.27	24.38	0.08
Mar. 31, 2015 ⁵	10.15	147	14	2.27	2.27	—	0.07
Series D							
Mar. 31, 2018	12.59	8 512	676	1.23	1.24	12.43	0.06
Mar. 31, 2017	11.96	7 453	623	1.26 ⁴	1.27	32.15	0.07
Mar. 31, 2016	10.88	4 514	415	1.36	1.38	24.38	0.08
Mar. 31, 2015 ⁵	10.16	629	62	1.41	1.41	—	0.07
Series F							
Mar. 31, 2018	12.65	15 427	1 220	0.99	1.00	12.43	0.06
Mar. 31, 2017	12.01	9 245	770	1.02 ⁴	1.03	32.15	0.07
Mar. 31, 2016	10.91	3 481	319	1.12	1.14	24.38	0.08
Mar. 31, 2015 ⁵	10.17	61	6	1.13	1.13	—	0.07
Series O							
Mar. 31, 2018	12.93	16 973	1 313	0.05	0.06	12.43	0.06
Mar. 31, 2017	12.24	16 649	1 361	0.05	0.06	32.15	0.07
Mar. 31, 2016	11.02	6 270	569	0.05	0.07	24.38	0.08
Mar. 31, 2015 ⁵	10.19	411	40	0.05	0.05	—	0.07

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A, Advisor Series, Series D and Series F mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.06%, Advisor Series – 2.12%, Series D – 1.24% and Series F – 1.00%.

⁵ From October 16, 2014.

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	54%	46%
Advisor Series	1.75%	54%	46%
Series D	1.00%	23%	77%
Series F	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, investment advisory services, general administration and profit.



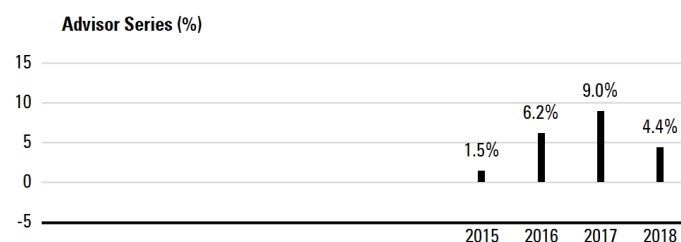
March 31, 2018

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



Series F (%)



Series O (%)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmark:

MSCI World Total Return Net Index (CAD)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	4.4	6.6	—	—	6.7
Benchmark	9.8	8.6	—	—	9.4
Advisor Series	4.4	6.5	—	—	6.6
Benchmark	9.8	8.6	—	—	9.4
Series D	5.3	7.4	—	—	7.6
Benchmark	9.8	8.6	—	—	9.4
Series F	5.6	7.7	—	—	7.8
Benchmark	9.8	8.6	—	—	9.4
Series O	6.6	8.8	—	—	8.9
Benchmark	9.8	8.6	—	—	9.4

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 26, 2015.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTION

MSCI World Total Return Net Index (CAD) This index is the capitalization-weighted index measuring the Canadian dollar performance of selected companies listed on stock exchanges in countries around the world. The net total return index reinvests dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix

	% of Net Asset Value
United States	54.2
Japan	13.9
Canada	8.1
Switzerland	4.4
Hong Kong	3.8
Belgium	2.9
Israel	2.9
Singapore	1.3
United Kingdom	1.3
Other Countries	7.1
Cash/Other	0.1

Top 25 Holdings*

	% of Net Asset Value
Consolidated Edison Inc.	3.0
The Coca-Cola Co.	2.9
Royal Bank of Canada	2.6
Duke Energy Corp.	2.5
Colruyt S.A.	2.3
NTT DoCoMo Inc.	2.3
Johnson & Johnson	2.1
UnitedHealth Group Incorporated	2.1
Canadian National Railway Co.	2.1
BCE Inc.	2.0
The Procter & Gamble Co.	1.9
PepsiCo Inc.	1.9
CLP Holdings Ltd.	1.8
Roche Holdings AG Genusscheine	1.8
Danaher Corp.	1.7
Citigroup Inc.	1.7
Xcel Energy Inc.	1.7
Texas Instruments Inc.	1.6
Valero Energy Corp.	1.6
Intuit Inc.	1.6
Loews Corp.	1.5
Starbucks Corp.	1.5
Phillips 66 Company	1.4
Mastercard Inc.	1.4
Astellas Pharma Inc.	1.4
Top 25 Holdings	48.4

* The Fund invests substantially all of its assets directly in the RBC QUBE Low Volatility Global Equity Fund. The above are the Top 25 holdings of the RBC QUBE Low Volatility Global Equity Fund.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.



GLOBAL EQUITY FUND

RBC GLOBAL RESOURCES CLASS

March 31, 2018

Portfolio Manager RBC Global Asset Management Inc. ("RBC GAM")

The Board of Directors of RBC Corporate Class Inc. approved this annual management report of fund performance on June 13, 2018.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. 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 risks and uncertainties, both about the Fund and 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 made in relation to the Fund. 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. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/reports or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



March 31, 2018

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing in equity securities of companies around the world in any or all of the Energy, Materials, Industrials and Utilities sectors.

To achieve its investment objective, the Fund invests most of its assets in the RBC Global Resources Fund (the “underlying fund”). The underlying fund pursues global companies with a leading market position, high and sustainable profitability, sound finances and attractive valuations relative to peers and the market. The Fund will focus on mid- to large-cap stocks, but will also invest in smaller companies.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Effective October 25, 2017, RBC GAM adopted the risk classification methodology under National Instrument 81-102 – *Investment Funds* (the “new risk classification methodology”) in respect of the RBC Corporate Class Funds. Pursuant to the new risk classification methodology, certain RBC Corporate Class Funds’ risk ratings were changed. RBC GAM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of RBC GAM’s annual review and the adoption of the new risk classification methodology.

There were no changes to the Fund’s risk rating during the reporting period.

Results of Operations

The Fund’s net asset value was unchanged at \$3 million as of March 31, 2018, compared with March 31, 2017.

Over the past year, the Fund’s Series A shares gained 2.2%, which underperformed the 4.6% rise in the benchmark. The broad-based index rose 9.8%. The Fund’s return is after the deduction of fees and expenses, while the benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Prices for energy-related commodities were generally strong during the 12-month period, extending a trend in place since 2016. An oil-price rebound, which started with global production cuts and was bolstered by global economic growth, sent crude-oil prices over US\$60 per barrel to a 2½-year high in the final quarter of the fiscal year. U.S. natural-gas prices traded near the US\$3 level, as supply and demand were more balanced and inventories sufficient.

Precious-metals prices were volatile, but generally increased over the year. President Trump’s tax cuts contributed to a weaker U.S. dollar given that it will increase the U.S. fiscal deficit significantly, and the Trump administration’s trade-protection steps contributed to a weaker U.S. dollar. Late in the period, the Trump administration’s imposition of trade tariffs on Chinese retaliation spooked equity markets. The move also boosted the price of gold, which tends to benefit from financial-market volatility. Prices of industrial metals rose significantly during the period, with copper and zinc climbing 15% and 18%, respectively, as supply remained tight given strengthening global demand.

An underweight position in the Energy sector resulted in the Fund’s underperformance, offset somewhat by the Materials sector overweight. Overweight positions that contributed to the Fund’s relative returns included Kirkland Lake Gold, and the base-metal producers BHP, First Quantum Minerals and Arizona Mining. Significant overweight positions in Pioneer Natural Resources, Laredo Petroleum and Patterson-UTI Energy had a negative impact on performance.

Recent Developments

The portfolio manager believes that OPEC officials will continue to support prices by maintaining supplies at levels that closely offset demand. Extending supply limits has the potential to drive oil prices higher and thereby boost petroleum companies’ exploration budgets.

While demand for zinc continues to exceed supply, some investors are concerned that prices could decline if producers respond next year by increasing output. Copper markets are relatively balanced, with disruptions offsetting supply coming into the market in the near-term. Copper prices could strengthen in the near-term, as production declines and global demand growth continues. Precious-metals reserves and spending on exploration are in decline, which could lead to increased merger-and-acquisition activity in 2018.



March 31, 2018

Related-Party Transactions

Manager and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of mutual fund shares of the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are the principal distributors of, or distribute certain series of the mutual fund shares of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the mutual fund shares of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



March 31, 2018

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements. For financial years beginning on or after April 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to April 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to April 1, 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Corporate Class Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Mutual Fund Share (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²					Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total		
Series A													
Mar. 31, 2018	9.98	—	(0.22)	0.22	0.21	0.21	—	—	—	—	—	10.20	
Mar. 31, 2017	8.03	—	(0.21)	0.44	1.94	2.17	—	—	—	—	—	9.98	
Mar. 31, 2016	9.24	—	(0.19)	(0.23)	(0.82)	(1.24)	—	—	—	—	—	8.03	
Mar. 31, 2015	10.02	—	(0.22)	0.24	(0.49)	(0.47)	—	—	—	—	—	9.24	
Mar. 31, 2014	8.88	—	(0.22)	0.01	1.46	1.25	—	—	—	—	—	10.02	
Advisor Series													
Mar. 31, 2018	10.00	—	(0.21)	0.22	0.01	0.02	—	—	—	—	—	10.22	
Mar. 31, 2017	8.04	—	(0.21)	0.44	1.98	2.21	—	—	—	—	—	10.00	
Mar. 31, 2016	9.25	—	(0.18)	(0.23)	(0.82)	(1.23)	—	—	—	—	—	8.04	
Mar. 31, 2015	10.02	—	(0.21)	0.23	(0.47)	(0.45)	—	—	—	—	—	9.25	
Mar. 31, 2014	8.88	—	(0.23)	0.01	1.43	1.21	—	—	—	—	—	10.02	
Series D													
Mar. 31, 2018	10.51	—	(0.14)	0.23	0.18	0.27	—	—	—	—	—	10.84	
Mar. 31, 2017	8.38	—	(0.13)	0.46	1.35	1.68	—	—	—	—	—	10.51	
Mar. 31, 2016	9.55	—	(0.11)	(0.24)	(0.85)	(1.20)	—	—	—	—	—	8.38	
Mar. 31, 2015	10.25	—	(0.12)	0.24	(0.50)	(0.38)	—	—	—	—	—	9.55	
Mar. 31, 2014	8.99	—	(0.13)	0.01	1.49	1.37	—	—	—	—	—	10.25	
Series F													
Mar. 31, 2018	10.69	—	(0.11)	0.24	0.17	0.30	—	—	—	—	—	11.05	
Mar. 31, 2017	8.49	—	(0.10)	0.47	1.80	2.17	—	—	—	—	—	10.69	
Mar. 31, 2016	9.64	—	(0.08)	(0.24)	(0.85)	(1.17)	—	—	—	—	—	8.49	
Mar. 31, 2015	10.32	—	(0.09)	0.25	(0.51)	(0.35)	—	—	—	—	—	9.64	
Mar. 31, 2014	9.02	—	(0.11)	0.01	1.44	1.34	—	—	—	—	—	10.32	
Series O													
Mar. 31, 2018	11.21	—	(0.01)	0.25	0.25	0.49	—	—	—	—	—	11.71	
Mar. 31, 2017	8.82	—	(0.01)	0.43	3.76	4.18	—	—	—	—	—	11.21	
Mar. 31, 2016	9.93	—	—	(0.25)	(0.90)	(1.15)	—	—	—	—	—	8.82	
Mar. 31, 2015	10.53	—	—	0.25	(0.52)	(0.27)	—	—	—	—	—	9.93	
Mar. 31, 2014	9.12	—	(0.03)	0.01	1.53	1.51	—	—	—	—	—	10.53	

¹ Net assets and distributions are based on the actual number of mutual fund shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of mutual fund shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per mutual fund share.

² Distributions are reinvested in additional mutual fund shares of the Fund or paid in cash.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Mutual Fund Share (\$)	Net Asset Value (\$000s)	Number of Mutual Fund Shares Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Mar. 31, 2018	10.20	925	91	2.20	2.29	19.76	0.32
Mar. 31, 2017	9.98	911	91	2.21 ⁴	2.29	29.97	0.31
Mar. 31, 2016	8.03	1 085	135	2.28	2.40	29.44	0.28
Mar. 31, 2015	9.24	1 243	135	2.26	2.45	22.22	0.22
Mar. 31, 2014	10.02	671	67	2.26	2.49	26.76	0.30
Advisor Series							
Mar. 31, 2018	10.22	353	35	2.15	2.24	19.76	0.32
Mar. 31, 2017	10.00	261	26	2.20 ⁴	2.28	29.97	0.31
Mar. 31, 2016	8.04	272	34	2.24	2.36	29.44	0.28
Mar. 31, 2015	9.25	201	22	2.19	2.38	22.22	0.22
Mar. 31, 2014	10.02	79	8	2.28	2.51	26.76	0.30
Series D							
Mar. 31, 2018	10.84	862	80	1.28	1.37	19.76	0.32
Mar. 31, 2017	10.51	846	80	1.28	1.36	29.97	0.31
Mar. 31, 2016	8.38	526	63	1.30	1.42	29.44	0.28
Mar. 31, 2015	9.55	296	31	1.27	1.46	22.22	0.22
Mar. 31, 2014	10.25	149	15	1.26	1.49	26.76	0.30
Series F							
Mar. 31, 2018	11.05	839	76	0.98	1.07	19.76	0.32
Mar. 31, 2017	10.69	851	80	0.99	1.07	29.97	0.31
Mar. 31, 2016	8.49	510	60	0.97	1.09	29.44	0.28
Mar. 31, 2015	9.64	133	14	0.95	1.14	22.22	0.22
Mar. 31, 2014	10.32	62	6	0.96	1.19	26.76	0.30
Series O							
Mar. 31, 2018	11.71	1	—	0.05	0.14	19.76	0.32
Mar. 31, 2017	11.21	1	—	0.05	0.13	29.97	0.31
Mar. 31, 2016	8.82	145	16	0.06	0.18	29.44	0.28
Mar. 31, 2015	9.93	416	42	0.05	0.24	22.22	0.22
Mar. 31, 2014	10.53	327	31	0.05	0.28	26.76	0.30

¹ The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to shareholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ Effective June 30, 2016, the management fees were changed in respect of Series A and Advisor Series mutual fund shares of the Fund. If the changes to the management fees would have been in effect throughout the financial year, the adjusted MER for each series of the Fund would be: Series A – 2.19% and Advisor Series – 2.17%.



March 31, 2018

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager and portfolio manager of the Fund. Management fees of each series of the Fund are calculated at the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.75%	62%	38%
Advisor Series	1.75%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	—	100%

Series O – no management fees are paid by the Fund with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

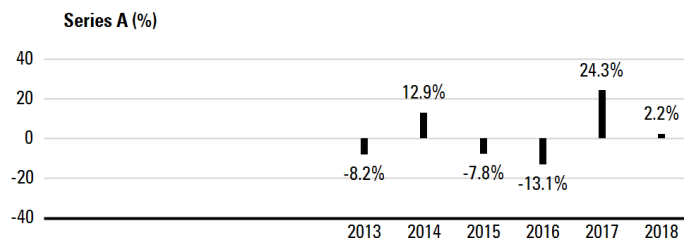
* Includes all costs related to management, investment advisory services, general administration and profit.

PAST PERFORMANCE

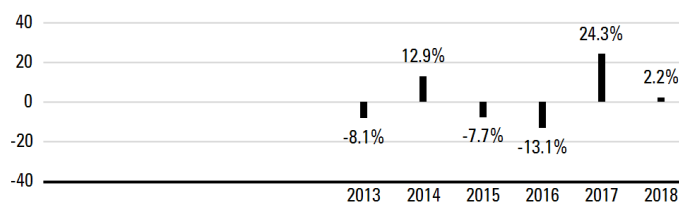
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

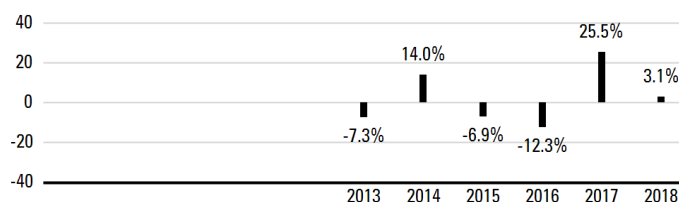
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.



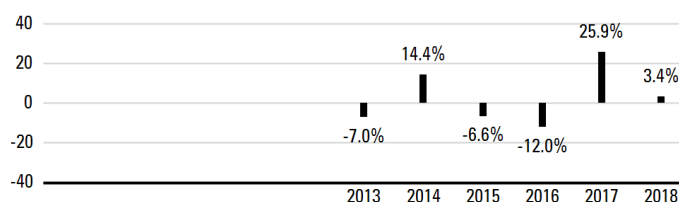
Advisor Series (%)



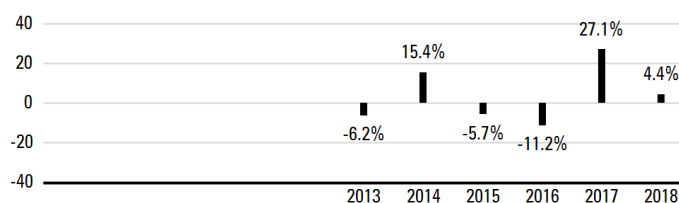
Series D (%)



Series F (%)



Series O (%)





March 31, 2018

PAST PERFORMANCE (cont.)

Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on March 31, 2018, compared with the following benchmarks:

The blended benchmark (the "Benchmark") is composed of:

- 65% MSCI World Index – Energy (CAD)
- 35% MSCI World Index – Materials (CAD)

The broad-based index is the MSCI World Total Return Net Index (CAD).

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	2.2	3.3	2.8	—	0.3
Benchmark	4.6	3.7	6.5	—	6.3
Broad-based index	9.8	8.6	15.1	—	15.9
Advisor Series	2.2	3.4	2.8	—	0.3
Benchmark	4.6	3.7	6.5	—	6.3
Broad-based index	9.8	8.6	15.1	—	15.9
Series D	3.1	4.3	3.8	—	1.3
Benchmark	4.6	3.7	6.5	—	6.3
Broad-based index	9.8	8.6	15.1	—	15.9
Series F	3.4	4.6	4.1	—	1.6
Benchmark	4.6	3.7	6.5	—	6.3
Broad-based index	9.8	8.6	15.1	—	15.9
Series O	4.4	5.6	5.1	—	2.6
Benchmark	4.6	3.7	6.5	—	6.3
Broad-based index	9.8	8.6	15.1	—	15.9

The returns of each series may vary because of differences in management fees and expenses. The Benchmark and broad-based index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark and broad-based index.

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares have been available for sale to shareholders since January 1, 2012.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTIONS

MSCI World Index – Energy (CAD) This sub-index is a measure of the Canadian dollar performance of the stocks in the Energy sector in the MSCI World Index.

MSCI World Index – Materials (CAD) This sub-index is a measure of the Canadian dollar performance of stocks in the Materials sector in the MSCI World Index.

MSCI World Total Return Net Index (CAD) This index is the capitalization-weighted index measuring the Canadian dollar performance of selected companies listed on stock exchanges in countries around the world. The net total return index reinvests dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2018

Investment Mix – Sectors

	% of Net Asset Value
Oil, Gas and Consumable Fuels	47.7
Metals and Mining	24.4
Chemicals	16.1
Energy Equipment and Services	3.6
Construction Materials	2.2
Containers and Packaging	2.0
Paper and Forest Products	1.4
Diversified Financials	0.6
Cash/Other	2.0

Investment Mix – Countries/Regions

	% of Net Asset Value
United States	46.9
United Kingdom	19.2
Canada	18.7
Other Countries	13.2
Cash/Other	2.0



March 31, 2018

SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at March 31, 2018

Top 25 Holdings*

	% of Net Asset Value
Royal Dutch Shell Plc., A Shares	6.7
Chevron Corp.	6.1
Rio Tinto Plc.	5.7
Total S.A.	3.9
BHP Billiton Plc.	3.8
EOG Resources Inc.	3.8
Diamondback Energy Inc.	3.5
ConocoPhillips	3.1
Concho Resources Inc.	3.1
Galp Energia SGPS S.A.	2.8
Halliburton Co.	2.6
Cash & Cash Equivalents	2.2
Praxair Inc.	2.0
Exxon Mobil Corp.	2.0
Marathon Petroleum Corp.	1.8
Glencore Plc.	1.7
Valero Energy Corp.	1.5
Encana Corp.	1.5
Parex Resources Inc.	1.3
PPG Industries Inc.	1.3
Canadian Natural Resources Ltd.	1.3
Air Liquide S.A.	1.3
Nutrien Ltd.	1.3
Eastman Chemical Company	1.3
Sherwin-Williams Co.	1.2
Top 25 Holdings	66.8

* The Fund invests substantially all of its assets directly in the RBC Global Resources Fund. The above are the Top 25 holdings of the RBC Global Resources Fund.


The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.

The accompanying financial statements have been prepared by RBC Global Asset Management Inc. ("RBC GAM") as manager of the RBC Corporate Class Funds (the "Funds") and approved by the Board of Directors of RBC Corporate Class Inc. We are responsible for the information contained within the financial statements.

We have maintained appropriate procedures and controls to ensure that timely and reliable financial information is produced. The financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") (and they include certain amounts that are based on estimates and judgments). The significant accounting policies, which we believe are appropriate for the Funds, are described in Note 3 to the financial statements.

PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, have performed an independent audit of the financial statements in accordance with IFRS. Their report is set out on the next page.



Damon G. Williams, FSA, FCIA, CFA

Chief Executive Officer

RBC Global Asset Management Inc.

June 14, 2018



Heidi Johnston, CPA, CA

Chief Financial Officer

RBC GAM Funds

To the Shareholders of the following classes of RBC Corporate Class Inc.:

RBC Short Term Income Class	RBC Canadian Equity Income Class	Phillips, Hager & North Overseas Equity Class
RBC \$U.S. Short Term Income Class	RBC Canadian Mid-Cap Equity Class	RBC European Equity Class
BlueBay Global Convertible Bond Class (Canada)	RBC North American Value Class	RBC Emerging Markets Equity Class
BlueBay \$U.S. Global Convertible Bond Class (Canada)	RBC U.S. Dividend Class	RBC Global Equity Class
Phillips, Hager & North Monthly Income Class	RBC U.S. Equity Class	RBC QUBE Low Volatility Global Equity Class
RBC Balanced Growth & Income Class	RBC QUBE Low Volatility U.S. Equity Class	RBC Global Resources Class
RBC Canadian Dividend Class	RBC U.S. Equity Value Class	(collectively referred to as the "Funds")
RBC Canadian Equity Class	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Class	
RBC QUBE Low Volatility Canadian Equity Class	RBC U.S. Mid-Cap Value Equity Class	
Phillips, Hager & North Canadian Equity Value Class	RBC U.S. Small-Cap Core Equity Class	
	RBC International Equity Class	

We have audited the accompanying March 31, 2018 annual financial statements of each of the Funds, which comprise the statements of financial position, comprehensive income, cash flows and changes in net assets attributable to holders of redeemable mutual fund shares as at and for the periods indicated in note 2, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of each of the Funds in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements of each of the Funds based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements

in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in each of our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of each of the Funds present fairly, in all material respects, the financial position, financial performance and cash flows of each of the Funds as at and for the periods indicated in note 2, in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
June 14, 2018



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC SHORT TERM INCOME CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
975 649	RBC Canadian Money Market Fund*	\$ 9 756	\$ 9 756	
TOTAL MUTUAL FUND UNITS		<u>\$ 9 756</u>	9 756	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(6)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 9 750</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 9 756	\$ 12 029
Cash	–	63
Due from investment dealers	30	–
Subscriptions receivable	–	1
TOTAL ASSETS	9 786	12 093
LIABILITIES		
Bank overdraft	13	–
Due to investment dealers	–	60
Redemptions payable	19	246
Accounts payable and accrued expenses	4	6
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	36	312
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 9 750	\$ 11 781
Investments at cost	\$ 9 756	\$ 12 029
NAV		
SERIES A	\$ 4 622	\$ 5 796
ADVISOR SERIES	\$ 237	\$ 518
SERIES H	\$ –	\$ –
SERIES D	\$ 2 502	\$ 2 064
SERIES F	\$ 1 639	\$ 2 826
SERIES I	\$ –	\$ –
SERIES O	\$ 750	\$ 577
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 10.32	\$ 10.26
ADVISOR SERIES	\$ 10.29	\$ 10.23
SERIES H	\$ –	\$ –
SERIES D	\$ 10.32	\$ 10.26
SERIES F	\$ 10.35	\$ 10.28
SERIES I	\$ –	\$ –
SERIES O	\$ 10.68	\$ 10.56

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Other income received from underlying funds	\$ 122	\$ 192
TOTAL INCOME (LOSS)	122	192
EXPENSES (see notes – Fund Specific Information)		
Management fees	46	87
Administration fees	3	12
Board of Directors fees	1	3
Independent Review Committee costs	3	2
GST/HST	5	9
Expenses reimbursed by manager	(3)	(4)
TOTAL EXPENSES	55	109
INCREASE (DECREASE) IN NAV	\$ 67	\$ 83
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 30	\$ 31
ADVISOR SERIES	\$ 2	\$ 4
SERIES H	\$ –	\$ 16
SERIES D	\$ 15	\$ 7
SERIES F	\$ 14	\$ 12
SERIES I	\$ –	\$ 1
SERIES O	\$ 6	\$ 12
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.06	\$ 0.03
ADVISOR SERIES	\$ 0.05	\$ 0.03
SERIES H	\$ –	\$ 0.01
SERIES D	\$ 0.06	\$ 0.04
SERIES F	\$ 0.06	\$ 0.04
SERIES I	\$ –	\$ 0.01
SERIES O	\$ 0.12	\$ 0.09



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 67	\$ 83
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(122)	(192)
Net realized loss (gain) on investments	—	—
Change in unrealized loss (gain) on investments	—	—
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(2)	(11)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(4 560)	(5 865)
Proceeds from sale and maturity of investments	6 865	34 576
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2 248	28 591
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	5 568	9 129
Cash paid on redemption of redeemable mutual fund shares	(7 892)	(37 632)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (2 324)	\$ (28 503)
Net increase (decrease) in cash for the period	(76)	88
Cash (bank overdraft), beginning of period	63	(25)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (13)	\$ 63
Interest received (paid)	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 796	\$ 10 973	\$ 518	\$ 936	\$ –	\$ 19 773	\$ 2 064	\$ 2 100
INCREASE (DECREASE) IN NAV	30	31	2	4	–	16	15	7
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	278	2 834	1 215	1 804	–	–	2 238	1 406
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(1 482)	(8 042)	(1 498)	(2 226)	–	(19 789)	(1 815)	(1 449)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(1 204)	(5 208)	(283)	(422)	–	(19 789)	423	(43)
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	(1 174)	(5 177)	(281)	(418)	–	(19 773)	438	(36)
NAV AT END OF PERIOD	\$ 4 622	\$ 5 796	\$ 237	\$ 518	\$ –	\$ –	\$ 2 502	\$ 2 064

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 826	\$ 2 683	\$ –	\$ 792	\$ 577	\$ 3 165	\$ 11 781	\$ 40 422
INCREASE (DECREASE) IN NAV	14	12	–	1	6	12	67	83
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	773	2 667	–	–	1 362	817	5 866	9 528
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(1 974)	(2 536)	–	(793)	(1 195)	(3 417)	(7 964)	(38 252)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(1 201)	131	–	(793)	167	(2 600)	(2 098)	(28 724)
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	(1 187)	143	–	(792)	173	(2 588)	(2 031)	(28 641)
NAV AT END OF PERIOD	\$ 1 639	\$ 2 826	\$ –	\$ –	\$ 750	\$ 577	\$ 9 750	\$ 11 781

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide current income and liquidity consistent with short-term money market rates, and to preserve the value of an investment.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC Canadian Money Market Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

	March 31 2018	March 31 2017
Rating		
R-1 (H)	76.9	73.6
R-1 (M)	13.9	18.6
R-1 (L)	9.2	7.8
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Commercial Paper	63.2	60.4
Bankers Acceptances and Bank Obligations	30.5	33.2
Provincial Obligations	6.2	6.3
Cash/Other	0.1	0.1
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	March 31 2018	March 31 2017
Term to maturity		
0 – 1 month	40.4	38.2
1 – 3 months	40.3	39.1
3 – 6 months	14.2	15.2
6 – 12 months	5.1	7.5
Total	100.0	100.0

Due to the short-term nature of the Fund's investments, the Fund has minimal sensitivity to changes in interest rates.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	9 756	–	–	9 756
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	9 756	–	–	9 756
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	12 029	–	–	12 029
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	12 029	–	–	12 029
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.75%	0.08%
Advisor Series	0.75%	0.08%
Series D	0.60%	0.03%
Series F	0.50%	0.03%
Series O	n/a*	0.02%

* Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



March 31, 2018

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	50	50
Advisor Series	50	50
Series D	50	50
Series F	50	50
Value of all mutual fund shares	2	2

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Canadian Money				
Market Fund	100.1	0.5	102.1	0.7

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	565	1 074
Issued number of mutual fund shares	27	276
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(144)	(785)
Ending number of mutual fund shares	448	565
Advisor Series		
Opening mutual fund shares	51	92
Issued number of mutual fund shares	118	177
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(146)	(218)
Ending number of mutual fund shares	23	51

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening mutual fund shares	201	205
Issued number of mutual fund shares	218	138
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(177)	(142)
Ending number of mutual fund shares	242	201
Series F		
Opening mutual fund shares	275	262
Issued number of mutual fund shares	74	260
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(191)	(247)
Ending number of mutual fund shares	158	275
Series O		
Opening mutual fund shares	55	302
Issued number of mutual fund shares	128	78
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(113)	(325)
Ending number of mutual fund shares	70	55



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
RBC \$U.S. SHORT TERM INCOME CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
86 457	RBC \$U.S. Money Market Fund*	\$ 865	\$ 865	
TOTAL MUTUAL FUND UNITS		<u>\$ 865</u>	<u>865</u>	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>—</u>	<u>—</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 865</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 865	\$ 280
Cash	—	1
TOTAL ASSETS	865	281
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 865	\$ 281
Investments at cost	\$ 865	\$ 280
NAV		
SERIES A	\$ 148	\$ 72
SERIES D	\$ 10	\$ 2
SERIES F	\$ 706	\$ 59
SERIES O	\$ 1	\$ 148
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 10.20	\$ 10.08
SERIES D	\$ 10.20	\$ 10.08
SERIES F	\$ 10.21	\$ 10.08
SERIES O	\$ 10.24	\$ 10.09

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (2)	\$ —
Other income received from underlying funds	10	2
TOTAL INCOME (LOSS)	8	2
EXPENSES (see notes – Fund Specific Information)		
Management fees	1	—
Independent Review Committee costs	2	2
Expenses reimbursed by manager	(2)	(2)
TOTAL EXPENSES	1	—
INCREASE (DECREASE) IN NAV	\$ 7	\$ 2
INCREASE (DECREASE) IN NAV		
SERIES A	\$ —	\$ —
SERIES D	\$ —	\$ —
SERIES F	\$ 6	\$ 1
SERIES O	\$ 1	\$ 1
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.13	\$ 0.08
SERIES D	\$ 0.14	\$ 0.07
SERIES F	\$ 0.13	\$ 0.08
SERIES O	\$ 0.13	\$ 0.08



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 7	\$ 2
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(10)	(2)
Net realized loss (gain) on investments	—	—
Change in unrealized loss (gain) on investments	—	—
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	—	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(3 530)	(209)
Proceeds from sale and maturity of investments	2 955	81
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(578)	(128)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	3 548	209
Cash paid on redemption of redeemable mutual fund shares	(2 971)	(80)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 577	\$ 129
Net increase (decrease) in cash for the period	(1)	1
Cash (bank overdraft), beginning of period	1	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ 1
Interest received (paid)	\$ (2)	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Series D		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 72	\$ 1	\$ 2	\$ 1	\$ 59	\$ 1
INCREASE (DECREASE) IN NAV	—	—	—	—	6	1
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	99	73	24	2	3 425	134
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(23)	(2)	(16)	(1)	(2 784)	(77)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	76	71	8	1	641	57
Distributions from net income	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	76	71	8	1	647	58
NAV AT END OF PERIOD	\$ 148	\$ 72	\$ 10	\$ 2	\$ 706	\$ 59

For the periods ended March 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 148	\$ 147	\$ 281	\$ 150
INCREASE (DECREASE) IN NAV	1	1	7	2
Early redemption fees	—	—	—	—
Proceeds from redeemable mutual fund shares issued	—	—	3 548	209
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—
Redemption of redeemable mutual fund shares	(148)	—	(2 971)	(80)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(148)	—	577	129
Distributions from net income	—	—	—	—
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(147)	1	584	131
NAV AT END OF PERIOD	\$ 1	\$ 148	\$ 865	\$ 281

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide current income and liquidity consistent with short-term U.S. money market rates, to preserve the value of an investment, and to generate U.S. dollar returns, thereby providing investors with potential for currency diversification.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC \$U.S. Money Market Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	March 31 2018	March 31 2017
R-1 (H)	81.8	73.6
R-1 (M)	11.1	20.3
R-1 (L)	7.1	6.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	March 31 2018	March 31 2017
Commercial Paper	75.9	78.6
Provincial Obligations	14.8	14.7
Bankers Acceptances and Bank Obligations	8.8	6.6
Federal Obligations	0.4	–
Cash/Other	0.1	0.1
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	March 31 2018	March 31 2017
0 – 1 month	39.2	27.9
1 – 3 months	59.1	60.7
3 – 6 months	1.7	11.4
6 – 12 months	–	–
Total	100.0	100.0

Due to the short-term nature of the Fund's investments, the Fund has minimal sensitivity to changes in interest rates.

Please see the generic notes at the back of the financial statements.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	865	–	–	865
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	865	–	–	865
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	280	–	–	280
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	280	–	–	280
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.85%	0.03%
Series D	0.60%	0.03%
Series F	0.50%	0.03%
Series O	n/a*	0.02%

* Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



March 31, 2018

**Investments by related parties
(USD000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Series D	100	100
Series F	100	100
Series O	100	14 700
Value of all mutual fund shares	4	151

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC \$U.S. Money				
Market Fund	100.0	0.3	99.6	0.2

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

	2018	2017
For the periods ended March 31 (see note 2 in the generic notes)		
Series A		
Opening mutual fund shares	7	—
Issued number of mutual fund shares	10	7
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(2)	—
Ending number of mutual fund shares	15	7

	2018	2017
For the periods ended March 31 (see note 2 in the generic notes)		
Series D		
Opening mutual fund shares	—	—
Issued number of mutual fund shares	3	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(2)	—
Ending number of mutual fund shares	1	—
Series F		
Opening mutual fund shares	6	—
Issued number of mutual fund shares	336	14
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(273)	(8)
Ending number of mutual fund shares	69	6
Series O		
Opening mutual fund shares	15	15
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(15)	—
Ending number of mutual fund shares	—	15



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
BLUEBAY GLOBAL CONVERTIBLE BOND CLASS (CANADA)

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
7 553 765	BlueBay Global Convertible Bond Fund (Canada)*	\$ 91 316	\$ 94 773	
TOTAL MUTUAL FUND UNITS		<u>\$ 91 316</u>	94 773	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(84)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 94 689</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 94 773	\$ 101 174
Cash	37	–
Due from investment dealers	100	350
Subscriptions receivable	228	1
TOTAL ASSETS	95 138	101 525
LIABILITIES		
Bank overdraft	–	26
Redemptions payable	287	426
Distributions payable	66	46
Accounts payable and accrued expenses	96	115
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	449	613
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 94 689	\$ 100 912
Investments at cost	\$ 91 316	\$ 95 675
NAV		
SERIES A	\$ 4 705	\$ 6 521
ADVISOR SERIES	\$ 14 107	\$ 20 986
ADVISOR T5 SERIES	\$ 1 142	\$ 1 581
SERIES T5	\$ 454	\$ 606
SERIES H	\$ 10 931	\$ 11 953
SERIES D	\$ 2 496	\$ 2 449
SERIES F	\$ 35 927	\$ 35 252
SERIES FT5	\$ 15 834	\$ 10 478
SERIES I	\$ 8 827	\$ 10 824
SERIES O	\$ 266	\$ 262
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 10.94	\$ 10.94
ADVISOR SERIES	\$ 10.94	\$ 10.94
ADVISOR T5 SERIES	\$ 8.96	\$ 9.42
SERIES T5	\$ 8.97	\$ 9.42
SERIES H	\$ 11.05	\$ 11.03
SERIES D	\$ 11.27	\$ 11.19
SERIES F	\$ 11.33	\$ 11.24
SERIES FT5	\$ 9.28	\$ 9.67
SERIES I	\$ 11.45	\$ 11.33
SERIES O	\$ 11.83	\$ 11.62

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (3)	\$ (12)
Other income received from underlying funds	156	229
Capital gains received from underlying funds	2 504	1 731
Net realized gain (loss) on investments	1 189	1 427
Change in unrealized gain (loss) on investments	(2 042)	6 286
TOTAL INCOME (LOSS)	1 804	9 661
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 112	1 467
Administration fees	19	25
Board of Directors fees	11	15
Independent Review Committee costs	3	2
GST/HST	122	165
Expenses reimbursed by manager	(3)	(5)
TOTAL EXPENSES	1 264	1 669
INCREASE (DECREASE) IN NAV	\$ 540	\$ 7 992
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 17	\$ 517
ADVISOR SERIES	\$ 77	\$ 1 546
ADVISOR T5 SERIES	\$ 4	\$ 117
SERIES T5	\$ 2	\$ 32
SERIES H	\$ 13	\$ 923
SERIES D	\$ 15	\$ 170
SERIES F	\$ 309	\$ 2 719
SERIES FT5	\$ (31)	\$ 948
SERIES I	\$ 130	\$ 999
SERIES O	\$ 4	\$ 21
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.04	\$ 0.65
ADVISOR SERIES	\$ 0.05	\$ 0.63
ADVISOR T5 SERIES	\$ 0.03	\$ 0.56
SERIES T5	\$ 0.02	\$ 0.42
SERIES H	\$ 0.01	\$ 0.64
SERIES D	\$ 0.07	\$ 0.73
SERIES F	\$ 0.10	\$ 0.70
SERIES FT5	\$ (0.02)	\$ 0.63
SERIES I	\$ 0.15	\$ 0.78
SERIES O	\$ 0.21	\$ 0.86

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 540	\$ 7 992
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(2 660)	(1 960)
Net realized loss (gain) on investments	(1 189)	(1 427)
Change in unrealized loss (gain) on investments	2 042	(6 286)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(19)	(63)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(11 550)	(3 475)
Proceeds from sale and maturity of investments	20 008	62 648
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	7 172	57 429
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	23 324	20 375
Cash paid on redemption of redeemable mutual fund shares	(29 817)	(77 031)
Distributions paid to holders of redeemable mutual fund shares	(616)	(804)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (7 109)	\$ (57 460)
Net increase (decrease) in cash for the period	63	(31)
Cash (bank overdraft), beginning of period	(26)	5
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 37	\$ (26)
Interest received (paid)	\$ (3)	\$ (12)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 6 521	\$ 11 757	\$ 20 986	\$ 33 418	\$ 1 581	\$ 2 271	\$ 606	\$ 1 584
INCREASE (DECREASE) IN NAV	17	517	77	1 546	4	117	2	32
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	380	1 999	803	1 598	38	303	—	92
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	17	24	7	13
Redemption of redeemable mutual fund shares	(2 213)	(7 752)	(7 759)	(15 576)	(433)	(1 034)	(136)	(1 079)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(1 833)	(5 753)	(6 956)	(13 978)	(378)	(707)	(129)	(974)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	(65)	(100)	(25)	(36)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	(65)	(100)	(25)	(36)
NET INCREASE (DECREASE) IN NAV	(1 816)	(5 236)	(6 879)	(12 432)	(439)	(690)	(152)	(978)
NAV AT END OF PERIOD	\$ 4 705	\$ 6 521	\$ 14 107	\$ 20 986	\$ 1 142	\$ 1 581	\$ 454	\$ 606

For the periods ended March 31 (see note 2 in the generic notes)	Series H		Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 11 953	\$ 16 461	\$ 2 449	\$ 2 735	\$ 35 252	\$ 50 665	\$ 10 478	\$ 16 320
INCREASE (DECREASE) IN NAV	13	923	15	170	309	2 719	(31)	948
Early redemption fees	—	—	—	—	1	—	—	—
Proceeds from redeemable mutual fund shares issued	955	2 618	344	229	13 287	12 906	9 752	6 818
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	48	53
Redemption of redeemable mutual fund shares	(1 990)	(8 049)	(312)	(685)	(12 922)	(31 038)	(3 795)	(12 932)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(1 035)	(5 431)	32	(456)	366	(18 132)	6 005	(6 061)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	(618)	(729)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	(618)	(729)
NET INCREASE (DECREASE) IN NAV	(1 022)	(4 508)	47	(286)	675	(15 413)	5 356	(5 842)
NAV AT END OF PERIOD	\$ 10 931	\$ 11 953	\$ 2 496	\$ 2 449	\$ 35 927	\$ 35 252	\$ 15 834	\$ 10 478

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 10 824	\$ 15 351	\$ 262	\$ 274	\$ 100 912	\$ 150 836
INCREASE (DECREASE) IN NAV	130	999	4	21	540	7 992
Early redemption fees	—	—	—	—	1	—
Proceeds from redeemable mutual fund shares issued	135	1 486	13	98	25 707	28 147
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	72	90
Redemption of redeemable mutual fund shares	(2 262)	(7 012)	(13)	(131)	(31 835)	(85 288)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(2 127)	(5 526)	—	(33)	(6 055)	(57 051)
Distributions from net income	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	(708)	(865)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	(708)	(865)
NET INCREASE (DECREASE) IN NAV	(1 997)	(4 527)	4	(12)	(6 223)	(49 924)
NAV AT END OF PERIOD	\$ 8 827	\$ 10 824	\$ 266	\$ 262	\$ 94 689	\$ 100 912

The accompanying notes are an integral part of these financial statements.



March 31, 2018

Series H and Series I mutual fund shares have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series H and Series I mutual fund shares of the Fund can continue to make additional investments into these series. In addition, RBC GAM may maintain capacity for certain investors, including other related funds, that may invest in these series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide total returns consisting of interest income and modest capital appreciation through exposure to global convertible bonds.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the BlueBay Global Convertible Bond Fund (Canada). The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	March 31 2018	March 31 2017
A	9.5	8.7
BBB	5.4	5.8
BB	4.6	9.7
B	8.9	8.2
Unrated	71.6	67.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	March 31 2018	March 31 2017
United States	28.3	31.8
Japan	17.3	15.0
China	14.1	9.0
Germany	5.5	6.1
United Kingdom	5.0	5.9
France	2.6	1.2
Hong Kong	2.6	2.7
Taiwan	2.2	2.7
Malaysia	2.1	1.7
Netherlands	2.1	2.3
Norway	2.1	2.2

Please see the generic notes at the back of the financial statements.

Investment mix	March 31 2018	March 31 2017
United Arab Emirates	1.5	1.0
Singapore	1.4	1.3
South Africa	1.0	3.0
Other Countries	4.3	6.0
Cash/Other	7.9	8.1
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	March 31 2018	March 31 2017
Less than 1 year	6.1	9.0
1 – 5 years	65.4	55.4
5 – 10 years	24.7	29.1
> 10 years	3.8	6.5
Total	100.0	100.0

As at March 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.0% (March 31, 2017 – 3.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the underlying fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	94 773	–	–	94 773
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	94 773	–	–	94 773
% of total portfolio	100.0	–	–	100.0



March 31, 2018

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	101 174	—	—	101 174
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	101 174	—	—	101 174
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.65%	0.02%
Advisor Series	1.65%	0.02%
Advisor T5 Series	1.65%	0.02%
Series T5	1.65%	0.02%
Series H	1.45%	0.02%
Series D	1.05%	0.02%
Series F	0.90%	0.02%
Series FT5	0.90%	0.02%
Series I	0.70%	0.02%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A, Advisor Series, Advisor T5 Series and Series T5 mutual fund shares were reduced to 1.65% from 1.70%; for Series D mutual fund shares were reduced to 1.05% from 1.10%; and for Series F and Series FT5 mutual fund shares were reduced to 0.90% from 0.95%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except mutual fund share amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Advisor Series	100	100
Advisor T5 Series	121	115
Series T5	121	115
Series H	100	100

Please see the generic notes at the back of the financial statements.

	March 31 2018	March 31 2017
Series D	100	100
Series F	100	100
Series FT5	120	114
Series I	100	100
Series O	100	100
Value of all mutual fund shares	11	11

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018 NAV	March 31 2018 Ownership	March 31 2017 NAV	March 31 2017 Ownership
BlueBay Global Convertible Bond Fund (Canada)	100.1	8.7	100.3	9.2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	596	1 142
Issued number of mutual fund shares	34	192
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(200)	(738)
Ending number of mutual fund shares	430	596

Advisor Series		
Opening mutual fund shares	1 919	3 247
Issued number of mutual fund shares	72	153
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(701)	(1 481)
Ending number of mutual fund shares	1 290	1 919

Advisor T5 Series		
Opening mutual fund shares	168	244
Issued number of mutual fund shares	4	31
Reinvested number of mutual fund shares	2	3
Redeemed number of mutual fund shares	(46)	(110)
Ending number of mutual fund shares	128	168



March 31, 2018

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series T5		
Opening mutual fund shares	64	170
Issued number of mutual fund shares	1	10
Reinvested number of mutual fund shares	1	1
Redeemed number of mutual fund shares	(15)	(117)
Ending number of mutual fund shares	51	64
Series H		
Opening mutual fund shares	1 084	1 590
Issued number of mutual fund shares	85	252
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(179)	(758)
Ending number of mutual fund shares	990	1 084
Series D		
Opening mutual fund shares	219	262
Issued number of mutual fund shares	29	21
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(27)	(64)
Ending number of mutual fund shares	221	219
Series F		
Opening mutual fund shares	3 137	4 833
Issued number of mutual fund shares	1 165	1 199
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(1 130)	(2 895)
Ending number of mutual fund shares	3 172	3 137
Series FT5		
Opening mutual fund shares	1 083	1 718
Issued number of mutual fund shares	1 014	712
Reinvested number of mutual fund shares	5	6
Redeemed number of mutual fund shares	(396)	(1 353)
Ending number of mutual fund shares	1 706	1 083
Series I		
Opening mutual fund shares	955	1 455
Issued number of mutual fund shares	12	140
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(196)	(640)
Ending number of mutual fund shares	771	955
Series O		
Opening mutual fund shares	23	26
Issued number of mutual fund shares	1	9
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(1)	(12)
Ending number of mutual fund shares	23	23

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
BLUEBAY \$U.S. GLOBAL CONVERTIBLE BOND CLASS (CANADA)

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
49 742	BlueBay \$U.S. Global Convertible Bond Fund (Canada)*	\$ 506	\$ 521	
TOTAL MUTUAL FUND UNITS		<u>\$ 506</u>	<u>521</u>	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>—</u>	<u>—</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 521</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 521	\$ 213
Cash	1	–
TOTAL ASSETS	522	213
LIABILITIES		
Accounts payable and accrued expenses	1	–
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	1	–
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES (“NAV”)	\$ 521	\$ 213
Investments at cost	\$ 506	\$ 196
NAV		
SERIES A	\$ 164	\$ 1
ADVISOR SERIES	\$ 1	\$ 1
SERIES D	\$ 1	\$ 1
SERIES F	\$ 354	\$ 49
SERIES O	\$ 1	\$ 161
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 10.86	\$ 10.82
ADVISOR SERIES	\$ 10.87	\$ 10.82
SERIES D	\$ 11.04	\$ 10.91
SERIES F	\$ 11.04	\$ 10.92
SERIES O	\$ 11.29	\$ 11.05

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (1)	\$ –
Other income received from underlying funds	2	–
Capital gains received from underlying funds	–	2
Net realized gain (loss) on investments	8	1
Change in unrealized gain (loss) on investments	(2)	12
TOTAL INCOME (LOSS)	7	15
EXPENSES (see notes – Fund Specific Information)		
Management fees	5	1
Independent Review Committee costs	2	2
Expenses reimbursed by manager	(2)	(2)
TOTAL EXPENSES	5	1
INCREASE (DECREASE) IN NAV	\$ 2	\$ 14
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (2)	\$ –
ADVISOR SERIES	\$ –	\$ –
SERIES D	\$ –	\$ –
SERIES F	\$ –	\$ 3
SERIES O	\$ 4	\$ 11
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ (0.19)	\$ 0.57
ADVISOR SERIES	\$ 0.05	\$ 0.57
SERIES D	\$ 0.12	\$ 0.65
SERIES F	\$ 0.02	\$ 0.62
SERIES O	\$ 0.59	\$ 0.76



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2	\$ 14
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(2)	(2)
Net realized loss (gain) on investments	(8)	(1)
Change in unrealized loss (gain) on investments	2	(12)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	1	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(519)	(45)
Proceeds from sale and maturity of investments	219	52
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(305)	6
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	519	45
Cash paid on redemption of redeemable mutual fund shares	(213)	(51)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 306	\$ (6)
Net increase (decrease) in cash for the period	1	—
Cash (bank overdraft), beginning of period	—	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1	\$ —
 Interest received (paid)	 \$ (1)	 \$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 49	\$ 97
INCREASE (DECREASE) IN NAV	(2)	—	—	—	—	—	—	3
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	165	—	—	—	—	—	354	—
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	—	—	—	—	—	—	(49)	(51)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	165	—	—	—	—	—	305	(51)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	163	—	—	—	—	—	305	(48)
NAV AT END OF PERIOD	\$ 164	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 354	\$ 49

For the periods ended March 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 161	\$ 150	\$ 213	\$ 250
INCREASE (DECREASE) IN NAV	4	11	2	14
Early redemption fees	—	—	—	—
Proceeds from redeemable mutual fund shares issued	—	—	519	—
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—
Redemption of redeemable mutual fund shares	(164)	—	(213)	(51)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(164)	—	306	(51)
Distributions from net income	—	—	—	—
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(160)	11	308	(37)
NAV AT END OF PERIOD	\$ 1	\$ 161	\$ 521	\$ 213

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide U.S. dollar total returns comprised of interest income and modest capital appreciation through exposure to global convertible bonds.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the BlueBay \$U.S. Global Convertible Bond Fund (Canada). The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	March 31 2018	March 31 2017
A	6.8	9.6
BBB	7.6	6.4
BB	4.2	9.2
B	9.1	5.1
Unrated	72.3	69.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	March 31 2018	March 31 2017
United States	26.2	25.9
Japan	18.9	16.5
China	11.8	9.7
Germany	5.7	6.9
United Kingdom	4.5	5.9
Hong Kong	3.1	3.2
France	2.7	1.3
Malaysia	2.3	3.2
Norway	2.2	1.9
Taiwan	2.1	4.5
United Arab Emirates	2.0	1.2
Singapore	1.9	1.8
Netherlands	1.3	1.3
Philippines	1.0	1.5
South Africa	1.0	2.9
Other Countries	4.5	4.4
Cash/Other	8.8	7.9
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	March 31 2018	March 31 2017
Less than 1 year	7.4	8.0
1 – 5 years	65.0	59.6
5 – 10 years	23.6	25.9
> 10 years	4.0	6.5
Total	100.0	100.0

As at March 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.8% (March 31, 2017 – 3.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the underlying fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	521	–	–	521
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	521	–	–	521
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	213	–	–	213
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	213	–	–	213
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.65%	0.02%
Advisor Series	1.65%	0.02%
Series D	1.05%	0.02%
Series F	0.90%	0.02%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.65% from 1.70%; for Series D mutual fund shares were reduced to 1.05% from 1.10%; and for Series F mutual fund shares were reduced to 0.90% from 0.95%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(USD000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series O	100	14 600
Value of all mutual fund shares	6	166

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay \$U.S. Global Convertible Bond Fund (Canada)	100.0	0.9	100.0	0.5

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	—	—
Issued number of mutual fund shares	15	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	—
Ending number of mutual fund shares	15	—

Advisor Series		
Opening mutual fund shares	—	—
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	—
Ending number of mutual fund shares	—	—

Series D		
Opening mutual fund shares	—	—
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	—
Ending number of mutual fund shares	—	—

Series F		
Opening mutual fund shares	4	9
Issued number of mutual fund shares	32	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(4)	(5)
Ending number of mutual fund shares	32	4

Series O		
Opening mutual fund shares	15	15
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(15)	—
Ending number of mutual fund shares	—	15



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
PHILLIPS, HAGER & NORTH MONTHLY INCOME CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
9 448 066	Phillips, Hager & North Monthly Income Fund*	\$ 104 167	\$ 102 184	
TOTAL MUTUAL FUND UNITS		<u>\$ 104 167</u>	102 184	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(57)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 102 127</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 102 184	\$ 121 525
Cash	35	–
Due from investment dealers	150	500
Subscriptions receivable	3	108
TOTAL ASSETS	102 372	122 133
LIABILITIES		
Bank overdraft	–	23
Redemptions payable	70	321
Distributions payable	58	69
Accounts payable and accrued expenses	117	161
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	245	574
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 102 127	\$ 121 559
Investments at cost	\$ 104 167	\$ 120 600
NAV		
SERIES A	\$ 26 744	\$ 42 477
ADVISOR SERIES	\$ 8 088	\$ 9 214
ADVISOR T5 SERIES	\$ 5 110	\$ 6 665
SERIES T5	\$ 6 508	\$ 9 828
SERIES H	\$ 13 753	\$ 17 218
SERIES D	\$ 9 526	\$ 10 417
SERIES F	\$ 25 858	\$ 18 704
SERIES FT5	\$ 6 540	\$ 7 036
SERIES I	\$ –	\$ –
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 11.68	\$ 11.82
ADVISOR SERIES	\$ 11.65	\$ 11.79
ADVISOR T5 SERIES	\$ 9.58	\$ 10.14
SERIES T5	\$ 9.55	\$ 10.11
SERIES H	\$ 11.66	\$ 11.80
SERIES D	\$ 11.96	\$ 12.11
SERIES F	\$ 12.02	\$ 12.16
SERIES FT5	\$ 10.17	\$ 10.64
SERIES I	\$ –	\$ –

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (4)	\$ (5)
Other income received from underlying funds	4 457	4 258
Net realized gain (loss) on investments	(25)	(1 153)
Change in unrealized gain (loss) on investments	(2 908)	12 212
TOTAL INCOME (LOSS)	1 520	15 312
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 454	1 831
Administration fees	57	65
Board of Directors fees	12	15
Independent Review Committee costs	3	2
GST/HST	153	194
Expenses reimbursed by manager	(4)	(5)
TOTAL EXPENSES	1 675	2 102
INCREASE (DECREASE) IN NAV	\$ (155)	\$ 13 210
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (74)	\$ 5 342
ADVISOR SERIES	\$ (47)	\$ 1 031
ADVISOR T5 SERIES	\$ (28)	\$ 831
SERIES T5	\$ (47)	\$ 1 180
SERIES H	\$ (39)	\$ 2 021
SERIES D	\$ 38	\$ 1 084
SERIES F	\$ 3	\$ 1 130
SERIES FT5	\$ 39	\$ 499
SERIES I	\$ –	\$ 92
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ (0.03)	\$ 1.19
ADVISOR SERIES	\$ (0.07)	\$ 1.16
ADVISOR T5 SERIES	\$ (0.05)	\$ 1.01
SERIES T5	\$ (0.06)	\$ 1.02
SERIES H	\$ (0.03)	\$ 1.19
SERIES D	\$ 0.05	\$ 1.28
SERIES F	\$ –	\$ 1.19
SERIES FT5	\$ 0.06	\$ 1.07
SERIES I	\$ –	\$ 0.44



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (155)	\$ 13 210
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(4 457)	(4 258)
Net realized loss (gain) on investments	25	1 153
Change in unrealized loss (gain) on investments	2 908	(12 212)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(44)	(32)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 185)	(4 515)
Proceeds from sale and maturity of investments	22 400	33 582
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	19 492	26 928
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	6 221	20 535
Cash paid on redemption of redeemable mutual fund shares	(24 666)	(46 336)
Distributions paid to holders of redeemable mutual fund shares	(989)	(1 128)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (19 434)	\$ (26 929)
Net increase (decrease) in cash for the period	58	(1)
Cash (bank overdraft), beginning of period	(23)	(22)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 35	\$ (23)
Interest received (paid)	\$ (4)	\$ (5)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 42 477	\$ 61 964	\$ 9 214	\$ 11 200	\$ 6 665	\$ 9 442	\$ 9 828	\$ 14 142
INCREASE (DECREASE) IN NAV	(74)	5 342	(47)	1 031	(28)	831	(47)	1 180
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	952	4 203	1 290	1 620	41	686	608	754
Reinvestments of distributions to holders of redeemable mutual fund shares	145	671	42	143	54	59	146	234
Redemption of redeemable mutual fund shares	(16 600)	(28 994)	(2 365)	(4 627)	(1 316)	(3 966)	(3 629)	(5 936)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(15 503)	(24 120)	(1 033)	(2 864)	(1 221)	(3 221)	(2 875)	(4 948)
Distributions from net income	(156)	(709)	(46)	(153)	(54)	(146)	(69)	(204)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	(252)	(241)	(329)	(342)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(156)	(709)	(46)	(153)	(306)	(387)	(398)	(546)
NET INCREASE (DECREASE) IN NAV	(15 733)	(19 487)	(1 126)	(1 986)	(1 555)	(2 777)	(3 320)	(4 314)
NAV AT END OF PERIOD	\$ 26 744	\$ 42 477	\$ 8 088	\$ 9 214	\$ 5 110	\$ 6 665	\$ 6 508	\$ 9 828

For the periods ended March 31 (see note 2 in the generic notes)	Series H		Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 17 218	\$ 17 889	\$ 10 417	\$ 9 577	\$ 18 704	\$ 4 026	\$ 7 036	\$ 3 513
INCREASE (DECREASE) IN NAV	(39)	2 021	38	1 084	3	1 130	39	499
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	—	6 164	1 420	2 411	11 366	16 655	1 046	4 610
Reinvestments of distributions to holders of redeemable mutual fund shares	73	271	126	219	238	312	102	61
Redemption of redeemable mutual fund shares	(3 392)	(8 754)	(2 344)	(2 641)	(4 049)	(2 967)	(1 327)	(1 408)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(3 319)	(2 319)	(798)	(11)	7 555	14 000	(179)	3 263
Distributions from net income	(107)	(373)	(131)	(233)	(404)	(452)	(65)	(89)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	(291)	(150)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(107)	(373)	(131)	(233)	(404)	(452)	(356)	(239)
NET INCREASE (DECREASE) IN NAV	(3 465)	(671)	(891)	840	7 154	14 678	(496)	3 523
NAV AT END OF PERIOD	\$ 13 753	\$ 17 218	\$ 9 526	\$ 10 417	\$ 25 858	\$ 18 704	\$ 6 540	\$ 7 036

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series I		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ –	\$ 3 451	\$ 121 559	\$ 135 204
INCREASE (DECREASE) IN NAV	–	92	(155)	13 210
Early redemption fees	–	–	–	–
Proceeds from redeemable mutual fund shares issued	–	428	16 723	37 531
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	926	1 970
Redemption of redeemable mutual fund shares	–	(3 971)	(35 022)	(63 264)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	–	(3 543)	(17 373)	(23 763)
Distributions from net income	–	–	(1 032)	(2 359)
Distributions from net gains	–	–	–	–
Distributions from capital	–	–	(872)	(733)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	(1 904)	(3 092)
NET INCREASE (DECREASE) IN NAV	–	(3 451)	(19 432)	(13 645)
NAV AT END OF PERIOD	\$ –	\$ –	\$ 102 127	\$ 121 559

The accompanying notes are an integral part of these financial statements.



March 31, 2018

Series H mutual fund shares have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series H mutual fund shares of the Fund can continue to make additional investments into this series. In addition, RBC GAM may maintain capacity for certain investors, including other related funds, that may invest in this series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide monthly income that may consist of dividend income, interest income, realized capital gains and return of capital.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the Phillips, Hager & North Monthly Income Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 43.7% (March 31, 2017 – 42.0%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	March 31 2018	March 31 2017
AAA	33.3	24.6
AA	23.1	26.2
A	12.0	12.9
BBB	11.2	14.6
BB	9.8	8.6
B	8.9	9.6
CCC	1.6	3.2
Unrated	0.1	0.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	March 31 2018	March 31 2017
Canadian Equities	48.8	50.2
Bonds	33.8	32.3
Investment Funds	9.8	9.8
Preferred Equities	5.3	5.4
Cash/Other	2.3	2.3
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 33.8% (March 31, 2017 – 32.3%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	March 31 2018	March 31 2017
Less than 1 year	1.3	3.6
1 – 5 years	42.4	36.6
5 – 10 years	23.5	27.8
> 10 years	32.8	32.0
Total	100.0	100.0

As at March 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 7.5% (March 31, 2017 – 2.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.7	+ or - 0.6

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	102 184	—	—	102 184
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	102 184	—	—	102 184
% of total portfolio	100.0	—	—	100.0



March 31, 2018

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	121 525	—	—	121 525
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	121 525	—	—	121 525
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.65%	0.05%
Advisor Series	1.65%	0.05%
Advisor T5 Series	1.65%	0.05%
Series T5	1.65%	0.05%
Series H	1.50%	0.05%
Series D	0.90%	0.05%
Series F	0.65%	0.05%
Series FT5	0.65%	0.05%

Investments by related parties (\$000s except mutual fund share amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Advisor Series	107	107
Advisor T5 Series	131	124
Series T5	131	124
Series H	108	107
Series D	110	108
Series F	111	109
Series FT5	131	124
Value of all mutual fund shares	9	9

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Monthly Income Fund	100.1	5.0	100.0	5.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	3 594	5 699
Issued number of mutual fund shares	81	363
Reinvested number of mutual fund shares	12	57
Redeemed number of mutual fund shares	(1 397)	(2 525)
Ending number of mutual fund shares	2 290	3 594

Advisor Series		
Opening mutual fund shares	782	1 033
Issued number of mutual fund shares	107	142
Reinvested number of mutual fund shares	4	12
Redeemed number of mutual fund shares	(199)	(405)
Ending number of mutual fund shares	694	782

Advisor T5 Series		
Opening mutual fund shares	657	981
Issued number of mutual fund shares	5	68
Reinvested number of mutual fund shares	5	6
Redeemed number of mutual fund shares	(134)	(398)
Ending number of mutual fund shares	533	657

Series T5		
Opening mutual fund shares	972	1 472
Issued number of mutual fund shares	60	76
Reinvested number of mutual fund shares	15	24
Redeemed number of mutual fund shares	(366)	(600)
Ending number of mutual fund shares	681	972



March 31, 2018

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series H		
Opening mutual fund shares	1 459	1 642
Issued number of mutual fund shares	–	551
Reinvested number of mutual fund shares	6	23
Redeemed number of mutual fund shares	(285)	(757)
Ending number of mutual fund shares	1 180	1 459
Series D		
Opening mutual fund shares	861	862
Issued number of mutual fund shares	116	203
Reinvested number of mutual fund shares	11	18
Redeemed number of mutual fund shares	(192)	(222)
Ending number of mutual fund shares	796	861
Series F		
Opening mutual fund shares	1 539	361
Issued number of mutual fund shares	922	1 397
Reinvested number of mutual fund shares	20	26
Redeemed number of mutual fund shares	(330)	(245)
Ending number of mutual fund shares	2 151	1 539
Series FT5		
Opening mutual fund shares	661	352
Issued number of mutual fund shares	99	439
Reinvested number of mutual fund shares	10	6
Redeemed number of mutual fund shares	(127)	(136)
Ending number of mutual fund shares	643	661

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC BALANCED GROWTH & INCOME CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
1 175 596	BlueBay Global Monthly Income Bond Fund*	\$ 11 981	\$ 12 221	
2 095 844	Phillips, Hager & North Total Return Bond Fund*	24 086	23 414	
1 750 371	RBC Canadian Equity Income Fund*	48 845	52 373	
1 131 757	RBC Emerging Markets Dividend Fund*	13 285	17 140	
888 173	RBC European Dividend Fund*	10 663	10 607	
1 648 977	RBC Global Corporate Bond Fund*	16 228	16 133	
1 151 939	RBC Global High Yield Bond Fund*	12 365	12 285	
1 222 115	RBC U.S. Dividend Fund*	32 369	36 085	
TOTAL MUTUAL FUND UNITS		169 822	180 258	99.4
SHORT-TERM INVESTMENTS†		1 089	1 089	0.6
TOTAL INVESTMENTS		<u>\$ 170 911</u>	181 347	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(27)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 181 320</u>	100.0

* Investment in related party (see note 7 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.20% and mature on April 2, 2018.



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 181 347	\$ 134 207
Cash	–	1
Subscriptions receivable	804	756
TOTAL ASSETS	182 151	134 964
LIABILITIES		
Due to investment dealers	290	1 280
Redemptions payable	171	286
Distributions payable	168	125
Accounts payable and accrued expenses	202	166
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE		
MUTUAL FUND SHARES	831	1 857
NET ASSETS ATTRIBUTABLE TO		
HOLDERS OF REDEEMABLE MUTUAL FUND		
SHARES ("NAV")	\$ 181 320	\$ 133 107
Investments at cost	\$ 170 911	\$ 126 067
NAV		
SERIES A	\$ 34 262	\$ 33 375
ADVISOR SERIES	\$ 32 697	\$ 23 407
ADVISOR T5 SERIES	\$ 10 255	\$ 6 389
SERIES T5	\$ 6 393	\$ 8 349
SERIES H	\$ –	\$ –
SERIES F	\$ 69 951	\$ 42 958
SERIES FT5	\$ 27 761	\$ 18 628
SERIES I	\$ –	\$ –
SERIES O	\$ 1	\$ 1
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 11.16	\$ 10.73
ADVISOR SERIES	\$ 11.15	\$ 10.72
ADVISOR T5 SERIES	\$ 9.69	\$ 9.79
SERIES T5	\$ 9.67	\$ 9.77
SERIES H	\$ –	\$ –
SERIES F	\$ 11.25	\$ 10.80
SERIES FT5	\$ 10.02	\$ 10.00
SERIES I	\$ –	\$ –
SERIES O	\$ 11.40	\$ 10.88

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 7	\$ –
Other income received from underlying funds	5 169	3 370
Capital gains received from underlying funds	1 026	433
Net realized gain (loss) on investments	528	188
Net gain (loss) on foreign currencies and other net assets	2	1
Change in unrealized gain (loss) on investments	2 296	11 243
TOTAL INCOME (LOSS)	9 028	15 235
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 986	1 500
Administration fees	77	56
Board of Directors fees	17	14
Independent Review Committee costs	3	2
GST/HST	224	164
Expenses reimbursed by manager	(3)	(5)
TOTAL EXPENSES	2 304	1 731
INCREASE (DECREASE) IN NAV	\$ 6 724	\$ 13 504
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 1 275	\$ 4 053
ADVISOR SERIES	\$ 1 087	\$ 1 960
ADVISOR T5 SERIES	\$ 319	\$ 684
SERIES T5	\$ 304	\$ 1 215
SERIES H	\$ –	\$ 301
SERIES F	\$ 2 624	\$ 3 535
SERIES FT5	\$ 1 114	\$ 1 505
SERIES I	\$ –	\$ 251
SERIES O	\$ 1	\$ –
INCREASE (DECREASE) IN NAV		
PER MUTUAL FUND SHARE		
SERIES A	\$ 0.41	\$ 1.22
ADVISOR SERIES	\$ 0.40	\$ 1.24
ADVISOR T5 SERIES	\$ 0.37	\$ 1.15
SERIES T5	\$ 0.41	\$ 1.12
SERIES H	\$ –	\$ 0.22
SERIES F	\$ 0.52	\$ 1.37
SERIES FT5	\$ 0.47	\$ 1.29
SERIES I	\$ –	\$ 0.23
SERIES O	\$ 0.16	\$ 1.42



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 6 724	\$ 13 504
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(6 195)	(3 803)
Net realized loss (gain) on investments	(528)	(188)
Change in unrealized loss (gain) on investments	(2 296)	(11 243)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	36	33
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(269 550)	(202 499)
Proceeds from sale and maturity of investments	230 439	185 122
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(41 370)	(19 074)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	67 268	75 425
Cash paid on redemption of redeemable mutual fund shares	(24 009)	(55 086)
Distributions paid to holders of redeemable mutual fund shares	(1 890)	(1 265)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 41 369	\$ 19 074
Net increase (decrease) in cash for the period	(1)	—
Cash (bank overdraft), beginning of period	1	1
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ 1
Interest received (paid)	\$ 7	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 33 375	\$ 29 438	\$ 23 407	\$ 9 484	\$ 6 389	\$ 5 036	\$ 8 349	\$ 9 387
INCREASE (DECREASE) IN NAV	1 275	4 053	1 087	1 960	319	684	304	1 215
Early redemption fees	—	1	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	8 998	13 421	15 496	16 893	5 248	1 964	1 321	4 105
Reinvestments of distributions to holders of redeemable mutual fund shares	5	127	5	83	92	35	16	63
Redemption of redeemable mutual fund shares	(9 386)	(13 531)	(7 293)	(4 919)	(1 368)	(1 049)	(3 239)	(5 915)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(383)	18	8 208	12 057	3 972	950	(1 902)	(1 747)
Distributions from net income	(5)	(134)	(5)	(94)	(38)	(31)	(30)	(56)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	(387)	(250)	(328)	(450)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(5)	(134)	(5)	(94)	(425)	(281)	(358)	(506)
NET INCREASE (DECREASE) IN NAV	887	3 937	9 290	13 923	3 866	1 353	(1 956)	(1 038)
NAV AT END OF PERIOD	\$ 34 262	\$ 33 375	\$ 32 697	\$ 23 407	\$ 10 255	\$ 6 389	\$ 6 393	\$ 8 349

For the periods ended March 31 (see note 2 in the generic notes)	Series H		Series F		Series FT5		Series I	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ —	\$ 15 669	\$ 42 958	\$ 9 961	\$ 18 628	\$ 7 575	\$ —	\$ 14 106
INCREASE (DECREASE) IN NAV	—	301	2 624	3 535	1 114	1 505	—	251
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	—	840	34 443	36 013	13 119	13 442	—	650
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	444	191	99	53	—	—
Redemption of redeemable mutual fund shares	—	(16 810)	(9 902)	(6 467)	(4 014)	(3 381)	—	(15 007)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	—	(15 970)	24 985	29 737	9 204	10 114	—	(14 357)
Distributions from net income	—	—	(616)	(275)	(110)	(63)	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	(1 075)	(503)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	(616)	(275)	(1 185)	(566)	—	—
NET INCREASE (DECREASE) IN NAV	—	(15 669)	26 993	32 997	9 133	11 053	—	(14 106)
NAV AT END OF PERIOD	\$ —	\$ —	\$ 69 951	\$ 42 958	\$ 27 761	\$ 18 628	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) *(in \$000s)*

For the periods ended March 31 (see note 2 in the generic notes)	Series 0		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 1	\$ 133 107	\$ 100 657
INCREASE (DECREASE) IN NAV	1	—	6 724	13 504
Early redemption fees	—	—	—	1
Proceeds from redeemable mutual fund shares issued	159	—	78 784	87 328
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	661	552
Redemption of redeemable mutual fund shares	(160)	—	(35 362)	(67 079)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(1)	—	44 083	20 802
Distributions from net income	—	—	(804)	(653)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	(1 790)	(1 203)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	(2 594)	(1 856)
NET INCREASE (DECREASE) IN NAV	—	—	48 213	32 450
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 181 320	\$ 133 107

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide a combination of capital growth and modest income by investing primarily in a diversified portfolio of income-producing equity and fixed-income securities from anywhere around the world.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 35.3% (March 31, 2017 – 34.1%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	March 31 2018	March 31 2017
AAA	17.2	12.5
AA	13.9	15.9
A	14.6	14.9
BBB	21.4	24.0
BB	12.7	14.0
B	12.7	14.0
CCC	1.5	2.2
D	0.1	0.1
Unrated*	5.9	2.4
Total	100.0	100.0

* Mortgages, which represent 1.9% (March 31, 2017 – 3.0%) of the unrated above, are all Canada Mortgage and Housing Corporation ("CMHC") guaranteed mortgages, and therefore have the backing of an AAA rated issuer.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	March 31 2018	March 31 2017
Income Funds	35.3	34.1
Canadian Equity Funds	28.9	29.3
United States Equity Funds	19.9	20.5
International Equity Funds	15.3	15.8
Cash/Other	0.6	0.3
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 35.3% (March 31, 2017 – 34.1%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	March 31 2018	March 31 2017
Less than 1 year	1.9	1.8
1 – 5 years	36.1	33.1
5 – 10 years	36.9	40.4
> 10 years	25.1	24.7
Total	100.0	100.0

As at March 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (March 31, 2017 – 2.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual funds as at:

Currency	March 31 2018	March 31 2017
United States dollar	21.8	23.0
Euro	2.7	2.9
Hong Kong dollar	2.0	1.9
Pound sterling	1.6	1.8
South Korean won	1.3	1.5
Brazilian real	1.1	0.7
New Taiwan dollar	1.0	1.1
South African rand	0.9	0.5
Indian rupee	0.7	0.8
Swiss franc	0.7	0.9
Other currencies	4.2	3.5
Total	38.0	38.6

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.9% (March 31, 2017 – 2.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



March 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 35-month (March 31, 2017 – 23-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.6	+ or - 0.6

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	180 258	–	–	180 258
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 089	–	1 089
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	180 258	1 089	–	181 347
% of total portfolio	99.4	0.6	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	132 725	–	–	132 725
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 482	–	1 482
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	132 725	1 482	–	134 207
% of total portfolio	98.9	1.1	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.05%
Advisor Series	1.75%	0.05%
Advisor T5 Series	1.75%	0.05%
Series T5	1.75%	0.05%
Series F	0.75%	0.05%
Series FT5	0.75%	0.05%
Series O	n/a*	0.02%

* Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	101	101
Advisor Series	101	101
Advisor T5 Series	116	111
Series T5	116	111
Series F	103	102
Series FT5	116	111
Series O	105	103
Value of all mutual fund shares	8	8

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018 NAV	March 31 2018 Ownership	March 31 2017 NAV	March 31 2017 Ownership
BlueBay Global Monthly				
Income Bond Fund	6.7	0.7	6.5	0.6
Phillips, Hager & North				
Total Return Bond Fund	12.9	0.3	12.6	0.2
RBC Canadian Equity				
Income Fund	28.9	1.6	29.3	1.1
RBC Emerging Markets				
Dividend Fund	9.5	1.8	9.6	2.1



March 31, 2018

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC European				
Dividend Fund	5.8	6.6	6.2	6.7
RBC Global Corporate				
Bond Fund	8.9	0.2	8.5	0.1
RBC Global High Yield				
Bond Fund	6.8	0.3	6.5	0.3
RBC U.S. Dividend Fund	19.9	0.9	20.5	0.7

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

Series A

	2018	2017
Opening mutual fund shares	3 110	3 076
Issued number of mutual fund shares	814	1 342
Reinvested number of mutual fund shares	–	12
Redeemed number of mutual fund shares	(853)	(1 320)
Ending number of mutual fund shares	3 071	3 110

Advisor Series

Opening mutual fund shares	2 183	992
Issued number of mutual fund shares	1 412	1 659
Reinvested number of mutual fund shares	–	8
Redeemed number of mutual fund shares	(661)	(476)
Ending number of mutual fund shares	2 934	2 183

Advisor T5 Series

Opening mutual fund shares	653	552
Issued number of mutual fund shares	534	208
Reinvested number of mutual fund shares	9	4
Redeemed number of mutual fund shares	(138)	(111)
Ending number of mutual fund shares	1 058	653

Series T5

Opening mutual fund shares	854	1 029
Issued number of mutual fund shares	135	440
Reinvested number of mutual fund shares	2	7
Redeemed number of mutual fund shares	(330)	(622)
Ending number of mutual fund shares	661	854

Series F

Opening mutual fund shares	3 979	1 044
Issued number of mutual fund shares	3 083	3 546
Reinvested number of mutual fund shares	40	18
Redeemed number of mutual fund shares	(885)	(629)
Ending number of mutual fund shares	6 217	3 979

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series FT5		
Opening mutual fund shares	1 862	821
Issued number of mutual fund shares	1 296	1 390
Reinvested number of mutual fund shares	10	6
Redeemed number of mutual fund shares	(397)	(355)
Ending number of mutual fund shares	2 771	1 862
Series O		
Opening mutual fund shares	–	–
Issued number of mutual fund shares	14	–
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(14)	–
Ending number of mutual fund shares	–	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN DIVIDEND CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
2 960 037	RBC Private Canadian Dividend Pool*	\$ 111 239	\$ 133 187	
TOTAL MUTUAL FUND UNITS		<u>\$ 111 239</u>	133 187	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			10	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 133 197</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 133 187	\$ 136 788
Cash	18	48
Due from investment dealers	85	2 865
Subscriptions receivable	23	88
TOTAL ASSETS	133 313	139 789
LIABILITIES		
Redemptions payable	22	2 870
Accounts payable and accrued expenses	94	107
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	116	2 977
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 133 197	\$ 136 812
Investments at cost	\$ 111 239	\$ 112 180
NAV		
SERIES A	\$ 33 428	\$ 41 595
ADVISOR SERIES	\$ 10 135	\$ 10 100
SERIES H	\$ —	\$ —
SERIES D	\$ 18 662	\$ 17 432
SERIES F	\$ 32 282	\$ 25 917
SERIES I	\$ —	\$ —
SERIES O	\$ 38 690	\$ 41 768
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 14.17	\$ 14.38
ADVISOR SERIES	\$ 14.16	\$ 14.38
SERIES H	\$ —	\$ —
SERIES D	\$ 14.34	\$ 14.57
SERIES F	\$ 14.55	\$ 14.78
SERIES I	\$ —	\$ —
SERIES O	\$ 14.85	\$ 15.09

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (3)	\$ (2)
Other income received from underlying funds	4 258	3 795
Net realized gain (loss) on investments	1 781	2 004
Net gain (loss) on foreign currencies and other net assets	1	3
Change in unrealized gain (loss) on investments	(2 660)	14 582
TOTAL INCOME (LOSS)	3 377	20 382
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 049	1 064
Administration fees	46	42
Board of Directors fees	15	14
Independent Review Committee costs	3	2
GST/HST	111	111
Expenses reimbursed by manager	(4)	(4)
TOTAL EXPENSES	1 220	1 229
INCREASE (DECREASE) IN NAV	\$ 2 157	\$ 19 153
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 350	\$ 6 433
ADVISOR SERIES	\$ 55	\$ 1 371
SERIES H	\$ —	\$ 191
SERIES D	\$ 231	\$ 2 381
SERIES F	\$ 447	\$ 2 595
SERIES I	\$ —	\$ 74
SERIES O	\$ 1 074	\$ 6 108
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.14	\$ 2.01
ADVISOR SERIES	\$ 0.08	\$ 2.03
SERIES H	\$ —	\$ 0.31
SERIES D	\$ 0.18	\$ 2.12
SERIES F	\$ 0.23	\$ 2.23
SERIES I	\$ —	\$ 0.27
SERIES O	\$ 0.39	\$ 2.34



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 157	\$ 19 153
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(4 258)	(3 795)
Net realized loss (gain) on investments	(1 781)	(2 004)
Change in unrealized loss (gain) on investments	2 660	(14 582)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(13)	2
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(2 425)	(13 713)
Proceeds from sale and maturity of investments	12 185	12 417
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	8 525	(2 522)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	17 794	42 587
Cash paid on redemption of redeemable mutual fund shares	(24 455)	(38 575)
Distributions paid to holders of redeemable mutual fund shares	(1 894)	(1 609)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (8 555)	\$ 2 403
Net increase (decrease) in cash for the period	(30)	(119)
Cash (bank overdraft), beginning of period	48	167
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 18	\$ 48
Interest received (paid)	\$ (3)	\$ (2)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 41 595	\$ 41 246	\$ 10 100	\$ 7 735	\$ –	\$ 10 392	\$ 17 432	\$ 14 166
INCREASE (DECREASE) IN NAV	350	6 433	55	1 371	–	191	231	2 381
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	3 440	11 788	1 764	2 599	–	6	4 415	4 117
Reinvestments of distributions to holders of redeemable mutual fund shares	706	683	212	160	–	–	499	397
Redemption of redeemable mutual fund shares	(11 929)	(17 852)	(1 775)	(1 594)	–	(10 589)	(3 365)	(3 202)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(7 783)	(5 381)	201	1 165	–	(10 583)	1 549	1 312
Distributions from net income	(734)	(703)	(221)	(171)	–	–	(550)	(427)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(734)	(703)	(221)	(171)	–	–	(550)	(427)
NET INCREASE (DECREASE) IN NAV	(8 167)	349	35	2 365	–	(10 392)	1 230	3 266
NAV AT END OF PERIOD	\$ 33 428	\$ 41 595	\$ 10 135	\$ 10 100	\$ –	\$ –	\$ 18 662	\$ 17 432

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 25 917	\$ 7 199	\$ –	\$ 3 484	\$ 41 768	\$ 33 861	\$ 136 812	\$ 118 083
INCREASE (DECREASE) IN NAV	447	2 595	–	74	1 074	6 108	2 157	19 153
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	11 542	23 604	–	108	4 755	9 427	25 916	51 649
Reinvestments of distributions to holders of redeemable mutual fund shares	670	529	–	–	141	140	2 228	1 909
Redemption of redeemable mutual fund shares	(5 250)	(7 244)	–	(3 666)	(7 475)	(6 317)	(29 794)	(50 464)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	6 962	16 889	–	(3 558)	(2 579)	3 250	(1 650)	3 094
Distributions from net income	(1 044)	(766)	–	–	(1 573)	(1 451)	(4 122)	(3 518)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(1 044)	(766)	–	–	(1 573)	(1 451)	(4 122)	(3 518)
NET INCREASE (DECREASE) IN NAV	6 365	18 718	–	(3 484)	(3 078)	7 907	(3 615)	18 729
NAV AT END OF PERIOD	\$ 32 282	\$ 25 917	\$ –	\$ –	\$ 38 690	\$ 41 768	\$ 133 197	\$ 136 812

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to achieve long-term total returns consisting of regular dividend income, which benefits from the preferential tax treatment given to dividends from Canadian companies, and modest long-term capital growth.

All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC Private Canadian Dividend Pool. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Financials	43.7	42.9
Energy	18.4	20.8
Industrials	8.1	7.3
Utilities	4.8	4.6
Consumer Staples	4.1	4.2
Materials	3.9	3.7
Real Estate	3.8	3.3
Telecommunication Services	3.4	3.6
Consumer Discretionary	2.7	3.1
Health Care	0.2	0.4
Information Technology	–	0.3
Cash/Other	6.9	5.8
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.9	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	133 187	–	–	133 187
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	133 187	–	–	133 187
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	136 788	–	–	136 788
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	136 788	–	–	136 788
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.50%	0.04%
Advisor Series	1.50%	0.04%
Series D	0.85%	0.04%
Series F	0.60%	0.04%
Series I	0.60%	0.04%
Series O	n/a†	0.02%

* Effective June 30, 2016, the management fees for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

† Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



March 31, 2018

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	56	55
Advisor Series	56	55
Series D	57	56
Series F	173	168
Value of all mutual fund shares	5	5

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Private Canadian Dividend Pool	100.0	5.4	100.0	4.8

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	2 892	3 268
Issued number of mutual fund shares	236	887
Reinvested number of mutual fund shares	50	48
Redeemed number of mutual fund shares	(818)	(1 311)
Ending number of mutual fund shares	2 360	2 892
Advisor Series		
Opening mutual fund shares	702	613
Issued number of mutual fund shares	119	196
Reinvested number of mutual fund shares	15	11
Redeemed number of mutual fund shares	(120)	(118)
Ending number of mutual fund shares	716	702

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening mutual fund shares	1 197	1 107
Issued number of mutual fund shares	295	291
Reinvested number of mutual fund shares	35	27
Redeemed number of mutual fund shares	(226)	(228)
Ending number of mutual fund shares	1 301	1 197
Series F		
Opening mutual fund shares	1 753	555
Issued number of mutual fund shares	764	1 659
Reinvested number of mutual fund shares	46	36
Redeemed number of mutual fund shares	(345)	(497)
Ending number of mutual fund shares	2 218	1 753
Series I		
Opening mutual fund shares	–	268
Issued number of mutual fund shares	–	8
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	–	(276)
Ending number of mutual fund shares	–	–
Series O		
Opening mutual fund shares	2 768	2 555
Issued number of mutual fund shares	307	647
Reinvested number of mutual fund shares	10	9
Redeemed number of mutual fund shares	(479)	(443)
Ending number of mutual fund shares	2 606	2 768

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
582 348	RBC Private Canadian Equity Pool*	\$ 13 010	\$ 14 422	
TOTAL MUTUAL FUND UNITS		<u>\$ 13 010</u>	14 422	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			8	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 14 430</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 14 422	\$ 15 568
Cash	38	60
Subscriptions receivable	—	17
TOTAL ASSETS	14 460	15 645
LIABILITIES		
Due to investment dealers	—	25
Redemptions payable	23	18
Accounts payable and accrued expenses	7	10
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	30	53
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 14 430	\$ 15 592
Investments at cost	\$ 13 010	\$ 13 428
NAV		
SERIES A	\$ 1 391	\$ 1 920
ADVISOR SERIES	\$ 752	\$ 889
SERIES H	\$ —	\$ —
SERIES D	\$ 4 518	\$ 4 720
SERIES F	\$ 3 541	\$ 3 563
SERIES I	\$ —	\$ —
SERIES O	\$ 4 228	\$ 4 500
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 13.10	\$ 13.34
ADVISOR SERIES	\$ 13.10	\$ 13.34
SERIES H	\$ —	\$ —
SERIES D	\$ 13.40	\$ 13.66
SERIES F	\$ 13.68	\$ 13.94
SERIES I	\$ —	\$ —
SERIES O	\$ 13.93	\$ 14.20

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (2)	\$ —
Other income received from underlying funds	424	416
Capital gains received from underlying funds	20	—
Net realized gain (loss) on investments	582	250
Change in unrealized gain (loss) on investments	(728)	1 780
TOTAL INCOME (LOSS)	296	2 446
EXPENSES (see notes – Fund Specific Information)		
Management fees	99	109
Administration fees	4	7
Board of Directors fees	2	2
Independent Review Committee costs	3	2
GST/HST	10	12
Expenses reimbursed by manager	(3)	(3)
TOTAL EXPENSES	115	129
INCREASE (DECREASE) IN NAV	\$ 181	\$ 2 317
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 3	\$ 365
ADVISOR SERIES	\$ (1)	\$ 121
SERIES H	\$ —	\$ —
SERIES D	\$ 44	\$ 638
SERIES F	\$ 51	\$ 375
SERIES I	\$ —	\$ 27
SERIES O	\$ 84	\$ 791
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.03	\$ 1.87
ADVISOR SERIES	\$ (0.03)	\$ 1.82
SERIES H	\$ —	\$ 0.38
SERIES D	\$ 0.13	\$ 1.97
SERIES F	\$ 0.20	\$ 2.03
SERIES I	\$ —	\$ 0.42
SERIES O	\$ 0.21	\$ 2.24



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 181	\$ 2 317
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(444)	(416)
Net realized loss (gain) on investments	(582)	(250)
Change in unrealized loss (gain) on investments	728	(1 780)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(3)	(2)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(3 540)	(1 442)
Proceeds from sale and maturity of investments	4 959	2 928
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1 299	1 355
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	4 746	3 334
Cash paid on redemption of redeemable mutual fund shares	(5 842)	(4 270)
Distributions paid to holders of redeemable mutual fund shares	(225)	(213)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (1 321)	\$ (1 149)
Net increase (decrease) in cash for the period	(22)	206
Cash (bank overdraft), beginning of period	60	(146)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 38	\$ 60
Interest received (paid)	\$ (2)	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 920	\$ 2 927	\$ 889	\$ 800	\$ –	\$ 20	\$ 4 720	\$ 3 858
INCREASE (DECREASE) IN NAV	3	365	(1)	121	–	–	44	638
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	88	105	76	163	–	–	366	546
Reinvestments of distributions to holders of redeemable mutual fund shares	24	28	13	13	–	–	98	89
Redemption of redeemable mutual fund shares	(619)	(1 477)	(212)	(195)	–	(20)	(587)	(301)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(507)	(1 344)	(123)	(19)	–	(20)	(123)	334
Distributions from net income	(25)	(28)	(13)	(13)	–	–	(123)	(110)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(25)	(28)	(13)	(13)	–	–	(123)	(110)
NET INCREASE (DECREASE) IN NAV	(529)	(1 007)	(137)	89	–	(20)	(202)	862
NAV AT END OF PERIOD	\$ 1 391	\$ 1 920	\$ 752	\$ 889	\$ –	\$ –	\$ 4 518	\$ 4 720

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 3 563	\$ 1 318	\$ –	\$ 806	\$ 4 500	\$ 4 692	\$ 15 592	\$ 14 421
INCREASE (DECREASE) IN NAV	51	375	–	27	84	791	181	2 317
Early redemption fees	1	–	–	–	–	–	1	–
Proceeds from redeemable mutual fund shares issued	534	2 316	–	–	3 991	1 243	5 055	4 373
Reinvestments of distributions to holders of redeemable mutual fund shares	63	50	–	–	3	–	201	180
Redemption of redeemable mutual fund shares	(565)	(406)	–	(833)	(4 191)	(2 074)	(6 174)	(5 306)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	33	1 960	–	(833)	(197)	(831)	(917)	(753)
Distributions from net income	(106)	(90)	–	–	(159)	(152)	(426)	(393)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(106)	(90)	–	–	(159)	(152)	(426)	(393)
NET INCREASE (DECREASE) IN NAV	(22)	2 245	–	(806)	(272)	(192)	(1 162)	1 171
NAV AT END OF PERIOD	\$ 3 541	\$ 3 563	\$ –	\$ –	\$ 4 228	\$ 4 500	\$ 14 430	\$ 15 592

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of major Canadian companies.

All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC Private Canadian Equity Pool and/or the RBC Canadian Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Financials	30.4	30.0
Energy	20.0	22.4
Industrials	10.0	9.3
Materials	8.0	6.7
Consumer Staples	5.2	5.7
Utilities	5.2	5.3
Consumer Discretionary	4.4	5.4
Real Estate	3.8	3.3
Telecommunication Services	3.7	3.1
Information Technology	2.4	2.5
Health Care	0.5	0.4
Cash/Other	6.4	5.9
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	14 422	–	–	14 422
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	14 422	–	–	14 422
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	15 568	–	–	15 568
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	15 568	–	–	15 568
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.06%
Advisor Series	1.60%	0.06%
Series D	0.85%	0.04%
Series F	0.60%	0.04%
Series I	0.60%	0.04%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



March 31, 2018

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	55	54
Advisor Series	55	54
Series D	57	56
Series F	175	170
Value of all mutual fund shares	5	5

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Private Canadian Equity Pool	99.9	0.3	99.8	0.4

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening mutual fund shares	144	250
Issued number of mutual fund shares	6	9
Reinvested number of mutual fund shares	2	2
Redeemed number of mutual fund shares	(46)	(117)
Ending number of mutual fund shares	106	144
Advisor Series		
Opening mutual fund shares	67	68
Issued number of mutual fund shares	5	14
Reinvested number of mutual fund shares	1	1
Redeemed number of mutual fund shares	(16)	(16)
Ending number of mutual fund shares	57	67

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
Series D		
Opening mutual fund shares	346	322
Issued number of mutual fund shares	26	40
Reinvested number of mutual fund shares	7	7
Redeemed number of mutual fund shares	(42)	(23)
Ending number of mutual fund shares	337	346
Series F		
Opening mutual fund shares	256	108
Issued number of mutual fund shares	37	174
Reinvested number of mutual fund shares	5	4
Redeemed number of mutual fund shares	(39)	(30)
Ending number of mutual fund shares	259	256
Series I		
Opening mutual fund shares	–	65
Issued number of mutual fund shares	–	–
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	–	(65)
Ending number of mutual fund shares	–	–
Series O		
Opening mutual fund shares	317	376
Issued number of mutual fund shares	273	92
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(287)	(151)
Ending number of mutual fund shares	303	317

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUBE LOW VOLATILITY CANADIAN EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
1 416 786	RBC QUBE Low Volatility Canadian Equity Fund*	\$ 20 152	\$ 19 985	
TOTAL MUTUAL FUND UNITS		<u>\$ 20 152</u>	19 985	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(1)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 19 984</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 19 985	\$ 26 687
Cash	12	134
Subscriptions receivable	—	261
TOTAL ASSETS	19 997	27 082
LIABILITIES		
Due to investment dealers	—	300
Redemptions payable	1	41
Accounts payable and accrued expenses	12	16
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	13	357
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 19 984	\$ 26 725
Investments at cost	\$ 20 152	\$ 25 418
NAV		
SERIES A	\$ 3 120	\$ 3 754
ADVISOR SERIES	\$ 1 565	\$ 1 859
SERIES H	\$ —	\$ —
SERIES D	\$ 3 052	\$ 2 958
SERIES F	\$ 3 963	\$ 6 229
SERIES I	\$ —	\$ —
SERIES O	\$ 8 284	\$ 11 925
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 10.86	\$ 11.26
ADVISOR SERIES	\$ 10.88	\$ 11.29
SERIES H	\$ —	\$ —
SERIES D	\$ 10.91	\$ 11.31
SERIES F	\$ 10.93	\$ 11.34
SERIES I	\$ —	\$ —
SERIES O	\$ 10.95	\$ 11.36

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (3)	\$ —
Other income received from underlying funds	794	774
Capital gains received from underlying funds	767	756
Net realized gain (loss) on investments	207	175
Change in unrealized gain (loss) on investments	(1 436)	772
TOTAL INCOME (LOSS)	329	2 477
EXPENSES (see notes – Fund Specific Information)		
Management fees	148	122
Administration fees	14	11
Board of Directors fees	3	2
Independent Review Committee costs	3	2
GST/HST	16	14
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	181	149
INCREASE (DECREASE) IN NAV	\$ 148	\$ 2 328
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (22)	\$ 388
ADVISOR SERIES	\$ (12)	\$ 114
SERIES H	\$ —	\$ (1)
SERIES D	\$ (13)	\$ 260
SERIES F	\$ 58	\$ 319
SERIES I	\$ —	\$ —
SERIES O	\$ 137	\$ 1 248
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ (0.07)	\$ 1.07
ADVISOR SERIES	\$ (0.07)	\$ 1.11
SERIES H	\$ —	\$ (0.01)
SERIES D	\$ (0.05)	\$ 1.17
SERIES F	\$ 0.11	\$ 1.19
SERIES I	\$ —	\$ 0.28
SERIES O	\$ 0.12	\$ 1.31



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 148	\$ 2 328
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 561)	(1 530)
Net realized loss (gain) on investments	(207)	(175)
Change in unrealized loss (gain) on investments	1 436	(772)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(4)	9
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(5 440)	(14 563)
Proceeds from sale and maturity of investments	12 174	4 001
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	6 546	(10 702)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	7 335	18 273
Cash paid on redemption of redeemable mutual fund shares	(13 605)	(7 108)
Distributions paid to holders of redeemable mutual fund shares	(398)	(398)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (6 668)	\$ 10 767
Net increase (decrease) in cash for the period	(122)	65
Cash (bank overdraft), beginning of period	134	69
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 12	\$ 134
Interest received (paid)	\$ (3)	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 3 754	\$ 2 361	\$ 1 859	\$ 304	\$ –	\$ 608	\$ 2 958	\$ 2 021
INCREASE (DECREASE) IN NAV	(22)	388	(12)	114	–	(1)	(13)	260
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	409	4 245	302	1 743	–	–	437	1 782
Reinvestments of distributions to holders of redeemable mutual fund shares	78	50	39	26	–	–	106	68
Redemption of redeemable mutual fund shares	(1 017)	(3 237)	(581)	(300)	–	(607)	(330)	(1 104)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(530)	1 058	(240)	1 469	–	(607)	213	746
Distributions from net income	(82)	(53)	(42)	(28)	–	–	(106)	(69)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(82)	(53)	(42)	(28)	–	–	(106)	(69)
NET INCREASE (DECREASE) IN NAV	(634)	1 393	(294)	1 555	–	(608)	94	937
NAV AT END OF PERIOD	\$ 3 120	\$ 3 754	\$ 1 565	\$ 1 859	\$ –	\$ –	\$ 3 052	\$ 2 958

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 6 229	\$ 449	\$ –	\$ 1	\$ 11 925	\$ 8 064	\$ 26 725	\$ 13 808
INCREASE (DECREASE) IN NAV	58	319	–	–	137	1 248	148	2 328
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	1 767	5 977	–	–	4 334	6 265	7 249	20 012
Reinvestments of distributions to holders of redeemable mutual fund shares	110	110	–	–	32	17	365	271
Redemption of redeemable mutual fund shares	(4 052)	(479)	–	(1)	(7 760)	(3 297)	(13 740)	(9 025)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(2 175)	5 608	–	(1)	(3 394)	2 985	(6 126)	11 258
Distributions from net income	(149)	(147)	–	–	(384)	(372)	(763)	(669)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(149)	(147)	–	–	(384)	(372)	(763)	(669)
NET INCREASE (DECREASE) IN NAV	(2 266)	5 780	–	(1)	(3 641)	3 861	(6 741)	12 917
NAV AT END OF PERIOD	\$ 3 963	\$ 6 229	\$ –	\$ –	\$ 8 284	\$ 11 925	\$ 19 984	\$ 26 725

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of Canadian companies.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC QUBE Low Volatility Canadian Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Financials	23.9	28.9
Consumer Staples	13.2	7.7
Real Estate	10.2	9.9
Utilities	9.8	13.4
Industrials	9.6	13.0
Energy	8.4	9.9
Telecommunication Services	8.3	9.4
Consumer Discretionary	6.6	4.5
Information Technology	5.1	—
Materials	3.0	2.1
Health Care	1.5	0.7
Cash/Other	0.4	0.5
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	19 985	—	—	19 985
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	19 985	—	—	19 985
% of total portfolio	100.0	—	—	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	26 687	—	—	26 687
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	26 687	—	—	26 687
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.08%
Advisor Series	1.60%	0.08%
Series D	0.85%	0.08%
Series F	0.60%	0.08%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



March 31, 2018

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	104	102
Advisor Series	104	102
Series D	107	103
Series F	107	103
Series O	110	105
Value of all mutual fund shares	6	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC QUBE Low Volatility Canadian Equity Fund	100.0	1.1	99.9	1.5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

	2018	2017
For the periods ended March 31 (see note 2 in the generic notes)		
Series A		
Opening mutual fund shares	333	228
Issued number of mutual fund shares	36	397
Reinvested number of mutual fund shares	7	4
Redeemed number of mutual fund shares	(89)	(296)
Ending number of mutual fund shares	287	333

	2018	2017
For the periods ended March 31 (see note 2 in the generic notes)		
Advisor Series		
Opening mutual fund shares	165	29
Issued number of mutual fund shares	26	161
Reinvested number of mutual fund shares	4	2
Redeemed number of mutual fund shares	(51)	(27)
Ending number of mutual fund shares	144	165
Series D		
Opening mutual fund shares	261	194
Issued number of mutual fund shares	38	164
Reinvested number of mutual fund shares	10	6
Redeemed number of mutual fund shares	(29)	(103)
Ending number of mutual fund shares	280	261
Series F		
Opening mutual fund shares	549	43
Issued number of mutual fund shares	156	539
Reinvested number of mutual fund shares	10	10
Redeemed number of mutual fund shares	(352)	(43)
Ending number of mutual fund shares	363	549
Series O		
Opening mutual fund shares	1 049	772
Issued number of mutual fund shares	375	570
Reinvested number of mutual fund shares	3	2
Redeemed number of mutual fund shares	(670)	(295)
Ending number of mutual fund shares	757	1 049



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

PHILLIPS, HAGER & NORTH CANADIAN EQUITY VALUE CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
338 754	Phillips, Hager & North Canadian Equity Value Fund*	\$ 4 594	\$ 4 685	
TOTAL MUTUAL FUND UNITS		<u>\$ 4 594</u>	4 685	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			6	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 4 691</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 4 685	\$ 3 681
Cash	7	45
Subscriptions receivable	3	–
TOTAL ASSETS	4 695	3 726
LIABILITIES		
Due to investment dealers	–	40
Accounts payable and accrued expenses	4	4
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE		
MUTUAL FUND SHARES	4	44
NET ASSETS ATTRIBUTABLE TO		
HOLDERS OF REDEEMABLE MUTUAL FUND		
SHARES ("NAV")	\$ 4 691	\$ 3 682
Investments at cost	\$ 4 594	\$ 3 392
NAV		
SERIES A	\$ 232	\$ 147
ADVISOR SERIES	\$ 271	\$ 124
SERIES H	\$ –	\$ –
SERIES D	\$ 3 557	\$ 3 325
SERIES F	\$ 265	\$ 85
SERIES I	\$ –	\$ –
SERIES O	\$ 366	\$ 1
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 10.82	\$ 10.92
ADVISOR SERIES	\$ 10.82	\$ 10.93
SERIES H	\$ –	\$ –
SERIES D	\$ 10.81	\$ 10.92
SERIES F	\$ 10.79	\$ 10.91
SERIES I	\$ –	\$ –
SERIES O	\$ 10.88	\$ 10.99

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Other income received from underlying funds	\$ 111	\$ 85
Capital gains received from underlying funds	145	–
Net realized gain (loss) on investments	18	35
Change in unrealized gain (loss) on investments	(198)	360
TOTAL INCOME (LOSS)	76	480
EXPENSES (see notes – Fund Specific Information)		
Management fees	37	29
Administration fees	4	3
Independent Review Committee costs	3	2
GST/HST	3	2
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	44	34
INCREASE (DECREASE) IN NAV	\$ 32	\$ 446
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 2	\$ 7
ADVISOR SERIES	\$ (1)	\$ 14
SERIES H	\$ –	\$ –
SERIES D	\$ 45	\$ 423
SERIES F	\$ –	\$ 2
SERIES I	\$ –	\$ –
SERIES O	\$ (14)	\$ –
INCREASE (DECREASE) IN NAV		
PER MUTUAL FUND SHARE		
SERIES A	\$ 0.13	\$ 1.36
ADVISOR SERIES	\$ (0.09)	\$ 1.52
SERIES H	\$ –	\$ 0.26
SERIES D	\$ 0.14	\$ 1.56
SERIES F	\$ 0.03	\$ 1.37
SERIES I	\$ –	\$ 0.28
SERIES O	\$ (1.74)	\$ 1.68



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 32	\$ 446
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(256)	(85)
Net realized loss (gain) on investments	(18)	(35)
Change in unrealized loss (gain) on investments	198	(360)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	—	1
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 319)	(1 169)
Proceeds from sale and maturity of investments	351	711
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(1 012)	(491)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	1 505	1 369
Cash paid on redemption of redeemable mutual fund shares	(514)	(832)
Distributions paid to holders of redeemable mutual fund shares	(17)	(2)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 974	\$ 535
Net increase (decrease) in cash for the period	(38)	44
Cash (bank overdraft), beginning of period	45	1
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 7	\$ 45
Interest received (paid)	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 147	\$ 44	\$ 124	\$ 40	\$ –	\$ 1	\$ 3 325	\$ 2 609
INCREASE (DECREASE) IN NAV	2	7	(1)	14	–	–	45	423
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	187	138	152	70	–	–	586	1 085
Reinvestments of distributions to holders of redeemable mutual fund shares	3	2	4	2	–	–	82	77
Redemption of redeemable mutual fund shares	(104)	(42)	(4)	–	–	(1)	(398)	(790)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	86	98	152	72	–	(1)	270	372
Distributions from net income	(3)	(2)	(4)	(2)	–	–	(83)	(79)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(3)	(2)	(4)	(2)	–	–	(83)	(79)
NET INCREASE (DECREASE) IN NAV	85	103	147	84	–	(1)	232	716
NAV AT END OF PERIOD	\$ 232	\$ 147	\$ 271	\$ 124	\$ –	\$ –	\$ 3 557	\$ 3 325

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 85	\$ 5	\$ –	\$ 1	\$ 1	\$ 1	\$ 3 682	\$ 2 701
INCREASE (DECREASE) IN NAV	–	2	–	–	(14)	–	32	446
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	245	83	–	–	397	–	1 567	1 376
Reinvestments of distributions to holders of redeemable mutual fund shares	4	2	–	–	–	–	93	83
Redemption of redeemable mutual fund shares	(62)	(5)	–	(1)	(5)	–	(573)	(839)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	187	80	–	(1)	392	–	1 087	620
Distributions from net income	(7)	(2)	–	–	(13)	–	(110)	(85)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(7)	(2)	–	–	(13)	–	(110)	(85)
NET INCREASE (DECREASE) IN NAV	180	80	–	(1)	365	–	1 009	981
NAV AT END OF PERIOD	\$ 265	\$ 85	\$ –	\$ –	\$ 366	\$ 1	\$ 4 691	\$ 3 682

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing in equity securities of Canadian companies.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the Phillips, Hager & North Canadian Equity Value Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Financials	36.7	37.7
Energy	20.4	21.9
Industrials	11.2	8.6
Materials	8.0	9.2
Telecommunication Services	4.1	3.2
Consumer Staples	4.0	4.5
Consumer Discretionary	3.9	4.5
Real Estate	2.8	2.1
Information Technology	2.6	2.4
Utilities	2.5	2.6
Health Care	–	0.5
Cash/Other	3.8	2.8
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	4 685	–	–	4 685
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	4 685	–	–	4 685
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	3 681	–	–	3 681
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	3 681	–	–	3 681
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.08%
Advisor Series	1.60%	0.08%
Series D	0.85%	0.08%
Series F	0.60%	0.08%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



March 31, 2018

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	104	103
Advisor Series	104	103
Series D	107	104
Series F	108	105
Series O	110	106
Value of all mutual fund shares	6	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North				
Canadian Equity				
Value Fund	99.9	0.4	100.0	0.3

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	13	5
Issued number of mutual fund shares	17	12
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(9)	(4)
Ending number of mutual fund shares	21	13

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening mutual fund shares	11	4
Issued number of mutual fund shares	14	7
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	—
Ending number of mutual fund shares	25	11
Series D		
Opening mutual fund shares	304	271
Issued number of mutual fund shares	53	101
Reinvested number of mutual fund shares	8	7
Redeemed number of mutual fund shares	(36)	(75)
Ending number of mutual fund shares	329	304
Series F		
Opening mutual fund shares	8	1
Issued number of mutual fund shares	23	7
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(6)	—
Ending number of mutual fund shares	25	8
Series O		
Opening mutual fund shares	—	—
Issued number of mutual fund shares	34	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	—
Ending number of mutual fund shares	34	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN EQUITY INCOME CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
6 002 084	RBC Canadian Equity Income Fund*	\$ 155 214	\$ 179 588	
TOTAL MUTUAL FUND UNITS		<u>\$ 155 214</u>	179 588	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(219)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 179 369</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 179 588	\$ 194 146
Cash	–	313
Due from investment dealers	325	300
Subscriptions receivable	131	93
TOTAL ASSETS	180 044	194 852
LIABILITIES		
Bank overdraft	130	–
Redemptions payable	328	436
Distributions payable	32	21
Accounts payable and accrued expenses	185	221
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	675	678
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 179 369	\$ 194 174
Investments at cost	\$ 155 214	\$ 165 409
NAV		
SERIES A	\$ 37 646	\$ 47 493
ADVISOR SERIES	\$ 35 727	\$ 45 406
ADVISOR T5 SERIES	\$ 4 632	\$ 1 614
SERIES T5	\$ 1 248	\$ 1 399
SERIES H	\$ –	\$ –
SERIES D	\$ 17 463	\$ 18 394
SERIES F	\$ 77 483	\$ 75 552
SERIES FT5	\$ 4 126	\$ 2 621
SERIES I	\$ –	\$ –
SERIES O	\$ 1 044	\$ 1 695
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 14.01	\$ 14.14
ADVISOR SERIES	\$ 14.00	\$ 14.12
ADVISOR T5 SERIES	\$ 12.76	\$ 13.35
SERIES T5	\$ 12.76	\$ 13.35
SERIES H	\$ –	\$ –
SERIES D	\$ 14.45	\$ 14.57
SERIES F	\$ 14.59	\$ 14.71
SERIES FT5	\$ 13.73	\$ 14.19
SERIES I	\$ –	\$ –
SERIES O	\$ 14.85	\$ 14.97

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (3)	\$ (3)
Other income received from underlying funds	6 025	3 746
Net realized gain (loss) on investments	3 114	2 228
Change in unrealized gain (loss) on investments	(4 363)	28 545
TOTAL INCOME (LOSS)	4 773	34 516
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 051	2 288
Administration fees	193	199
Board of Directors fees	21	23
Independent Review Committee costs	3	2
GST/HST	219	244
Expenses reimbursed by manager	(4)	(7)
TOTAL EXPENSES	2 483	2 749
INCREASE (DECREASE) IN NAV	\$ 2 290	\$ 31 767
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 348	\$ 8 198
ADVISOR SERIES	\$ 343	\$ 7 691
ADVISOR T5 SERIES	\$ (18)	\$ 152
SERIES T5	\$ 12	\$ 207
SERIES H	\$ –	\$ 870
SERIES D	\$ 279	\$ 2 989
SERIES F	\$ 1 265	\$ 10 462
SERIES FT5	\$ 60	\$ 195
SERIES I	\$ –	\$ 733
SERIES O	\$ 1	\$ 270
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.12	\$ 2.20
ADVISOR SERIES	\$ 0.12	\$ 2.14
ADVISOR T5 SERIES	\$ (0.07)	\$ 1.98
SERIES T5	\$ 0.11	\$ 2.03
SERIES H	\$ –	\$ 0.49
SERIES D	\$ 0.23	\$ 2.34
SERIES F	\$ 0.24	\$ 2.41
SERIES FT5	\$ 0.23	\$ 2.28
SERIES I	\$ –	\$ 0.54
SERIES O	\$ 0.02	\$ 2.56

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 290	\$ 31 767
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(6 025)	(3 746)
Net realized loss (gain) on investments	(3 114)	(2 228)
Change in unrealized loss (gain) on investments	4 363	(28 545)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(36)	(22)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(2 035)	(8 706)
Proceeds from sale and maturity of investments	21 344	30 871
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	16 787	19 391
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	22 743	74 986
Cash paid on redemption of redeemable mutual fund shares	(38 782)	(93 123)
Distributions paid to holders of redeemable mutual fund shares	(1 191)	(1 023)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (17 230)	\$ (19 160)
Net increase (decrease) in cash for the period	(443)	231
Cash (bank overdraft), beginning of period	313	82
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (130)	\$ 313
Interest received (paid)	\$ (3)	\$ (3)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 47 493	\$ 39 064	\$ 45 406	\$ 48 330	\$ 1 614	\$ 645	\$ 1 399	\$ 907
INCREASE (DECREASE) IN NAV	348	8 198	343	7 691	(18)	152	12	207
Early redemption fees	—	—	—	1	—	—	—	—
Proceeds from redeemable mutual fund shares issued	2 229	26 791	3 388	5 796	3 426	974	183	732
Reinvestments of distributions to holders of redeemable mutual fund shares	480	647	467	629	70	6	5	8
Redemption of redeemable mutual fund shares	(12 364)	(26 474)	(13 365)	(16 342)	(288)	(116)	(284)	(394)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(9 655)	964	(9 510)	(9 916)	3 208	864	(96)	346
Distributions from net income	(540)	(733)	(512)	(699)	(71)	(19)	(24)	(24)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	(101)	(28)	(43)	(37)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(540)	(733)	(512)	(699)	(172)	(47)	(67)	(61)
NET INCREASE (DECREASE) IN NAV	(9 847)	8 429	(9 679)	(2 924)	3 018	969	(151)	492
NAV AT END OF PERIOD	\$ 37 646	\$ 47 493	\$ 35 727	\$ 45 406	\$ 4 632	\$ 1 614	\$ 1 248	\$ 1 399

For the periods ended March 31 (see note 2 in the generic notes)	Series H		Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ —	\$ 21 963	\$ 18 394	\$ 16 637	\$ 75 552	\$ 35 727	\$ 2 621	\$ 192
INCREASE (DECREASE) IN NAV	—	870	279	2 989	1 265	10 462	60	195
Early redemption fees	—	—	—	1	—	1	—	—
Proceeds from redeemable mutual fund shares issued	—	794	1 303	2 590	18 265	48 646	2 142	2 464
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	298	378	1 247	1 265	26	10
Redemption of redeemable mutual fund shares	—	(23 627)	(2 421)	(3 772)	(16 949)	(18 618)	(538)	(180)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	—	(22 833)	(820)	(803)	2 563	31 294	1 630	2 294
Distributions from net income	—	—	(390)	(429)	(1 897)	(1 931)	(73)	(23)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	(112)	(37)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	(390)	(429)	(1 897)	(1 931)	(185)	(60)
NET INCREASE (DECREASE) IN NAV	—	(21 963)	(931)	1 757	1 931	39 825	1 505	2 429
NAV AT END OF PERIOD	\$ —	\$ —	\$ 17 463	\$ 18 394	\$ 77 483	\$ 75 552	\$ 4 126	\$ 2 621

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series I		Series O		Total							
	2018	2017	2018	2017	2018	2017						
NAV AT BEGINNING OF PERIOD	\$	–	\$	17 117	\$	1 695	\$	1 181	\$	194 174	\$	181 763
INCREASE (DECREASE) IN NAV		–		733		1		270		2 290		31 767
Early redemption fees		–		–		–		–		–		3
Proceeds from redeemable mutual fund shares issued		–		701		521		612		31 457		90 100
Reinvestments of distributions to holders of redeemable mutual fund shares		–		–		2		36		2 595		2 979
Redemption of redeemable mutual fund shares		–		(18 551)		(1 141)		(347)		(47 350)		(108 421)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS		–		(17 850)		(618)		301		(13 298)		(15 339)
Distributions from net income		–		–		(34)		(57)		(3 541)		(3 915)
Distributions from net gains		–		–		–		–		–		–
Distributions from capital		–		–		–		–		(256)		(102)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES		–		–		(34)		(57)		(3 797)		(4 017)
NET INCREASE (DECREASE) IN NAV		–		(17 117)		(651)		514		(14 805)		12 411
NAV AT END OF PERIOD	\$	–	\$	–	\$	1 044	\$	1 695	\$	179 369	\$	194 174

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in a diversified portfolio of Canadian securities including, but not limited to, common and preferred shares of Canadian companies that pay dividends, real estate investment trusts and income trusts.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares effective June 30, 2016. All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC Canadian Equity Income Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	March 31 2018	March 31 2017
Financials	31.2	31.8
Energy	22.6	25.1
Real Estate	10.1	11.3
Utilities	9.7	9.0
Industrials	7.4	4.8
Materials	7.4	7.3
Telecommunication Services	3.4	2.4
Consumer Staples	2.0	2.4
Health Care	1.9	1.5
Consumer Discretionary	1.5	1.4
Information Technology	0.8	0.6
Cash/Other	2.0	2.4
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	179 588	—	—	179 588
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	179 588	—	—	179 588
% of total portfolio	100.0	—	—	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	194 146	—	—	194 146
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	194 146	—	—	194 146
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.13%
Advisor Series	1.60%	0.13%
Advisor T5 Series	1.60%	0.13%
Series T5	1.60%	0.13%
Series H	1.65%	0.05%
Series D	0.85%	0.08%
Series F	0.60%	0.08%
Series FT5	0.60%	0.08%
Series I	0.60%	0.05%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A, Advisor Series, Advisor T5 Series and Series T5 mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F and Series FT5 mutual fund shares were reduced to 0.60% from 0.75%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	164	162
Advisor Series	54	53
Advisor T5 Series	88	83
Series T5	88	83
Series D	55	54
Series F	169	165
Series FT5	84	80
Series O	55	53
Value of all mutual fund shares	11	10

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Canadian Equity Income Fund	100.1	5.5	100.0	5.6

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	3 359	3 198
Issued number of mutual fund shares	157	2 094
Reinvested number of mutual fund shares	34	46
Redeemed number of mutual fund shares	(863)	(1 979)
Ending number of mutual fund shares	2 687	3 359
Advisor Series		
Opening mutual fund shares	3 215	3 960
Issued number of mutual fund shares	236	436
Reinvested number of mutual fund shares	33	45
Redeemed number of mutual fund shares	(931)	(1 226)
Ending number of mutual fund shares	2 553	3 215
Advisor T5 Series		
Opening mutual fund shares	121	54
Issued number of mutual fund shares	259	76
Reinvested number of mutual fund shares	5	–
Redeemed number of mutual fund shares	(22)	(9)
Ending number of mutual fund shares	363	121
Series T5		
Opening mutual fund shares	105	76
Issued number of mutual fund shares	14	58
Reinvested number of mutual fund shares	–	1
Redeemed number of mutual fund shares	(21)	(30)
Ending number of mutual fund shares	98	105



March 31, 2018

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series H		
Opening mutual fund shares	–	1 786
Issued number of mutual fund shares	–	61
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	–	(1 847)
Ending number of mutual fund shares	–	–
Series D		
Opening mutual fund shares	1 263	1 323
Issued number of mutual fund shares	88	187
Reinvested number of mutual fund shares	21	26
Redeemed number of mutual fund shares	(163)	(273)
Ending number of mutual fund shares	1 209	1 263
Series F		
Opening mutual fund shares	5 136	2 814
Issued number of mutual fund shares	1 216	3 551
Reinvested number of mutual fund shares	86	87
Redeemed number of mutual fund shares	(1 128)	(1 316)
Ending number of mutual fund shares	5 310	5 136
Series FT5		
Opening mutual fund shares	185	15
Issued number of mutual fund shares	152	182
Reinvested number of mutual fund shares	2	1
Redeemed number of mutual fund shares	(38)	(13)
Ending number of mutual fund shares	301	185
Series I		
Opening mutual fund shares	–	1 341
Issued number of mutual fund shares	–	53
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	–	(1 394)
Ending number of mutual fund shares	–	–
Series O		
Opening mutual fund shares	113	91
Issued number of mutual fund shares	33	44
Reinvested number of mutual fund shares	–	2
Redeemed number of mutual fund shares	(76)	(24)
Ending number of mutual fund shares	70	113

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN MID-CAP EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
383 562	RBC Private Canadian Mid-Cap Equity Pool*	\$ 8 795	\$ 9 779	
TOTAL MUTUAL FUND UNITS		<u>\$ 8 795</u>	9 779	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			23	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 9 802</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 9 779	\$ 10 732
Cash	5	25
Subscriptions receivable	21	—
TOTAL ASSETS	9 805	10 757
LIABILITIES		
Accounts payable and accrued expenses	3	4
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE		
MUTUAL FUND SHARES	3	4
NET ASSETS ATTRIBUTABLE TO		
HOLDERS OF REDEEMABLE MUTUAL FUND		
SHARES ("NAV")	\$ 9 802	\$ 10 753
Investments at cost	\$ 8 795	\$ 9 687
NAV		
SERIES A	\$ 399	\$ 1 033
ADVISOR SERIES	\$ 99	\$ 219
SERIES H	\$ —	\$ —
SERIES D	\$ 742	\$ 843
SERIES F	\$ 1 184	\$ 726
SERIES I	\$ —	\$ —
SERIES O	\$ 7 378	\$ 7 932
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 13.40	\$ 12.92
ADVISOR SERIES	\$ 13.69	\$ 13.19
SERIES H	\$ —	\$ —
SERIES D	\$ 13.97	\$ 13.47
SERIES F	\$ 13.92	\$ 13.42
SERIES I	\$ —	\$ —
SERIES O	\$ 14.47	\$ 13.95

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (1)	\$ —
Other income received from underlying funds	178	167
Capital gains received from underlying funds	216	134
Net realized gain (loss) on investments	232	153
Change in unrealized gain (loss) on investments	(61)	1 544
TOTAL INCOME (LOSS)	564	1 998
EXPENSES (see notes – Fund Specific Information)		
Management fees	30	34
Administration fees	3	3
Board of Directors fees	1	1
Independent Review Committee costs	3	2
GST/HST	4	4
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	38	42
INCREASE (DECREASE) IN NAV	\$ 526	\$ 1 956
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 40	\$ 198
ADVISOR SERIES	\$ 7	\$ 19
SERIES H	\$ —	\$ —
SERIES D	\$ 32	\$ 130
SERIES F	\$ 33	\$ 91
SERIES I	\$ —	\$ —
SERIES O	\$ 414	\$ 1 518
INCREASE (DECREASE) IN NAV		
PER MUTUAL FUND SHARE		
SERIES A	\$ 0.72	\$ 2.25
ADVISOR SERIES	\$ 0.58	\$ 1.58
SERIES H	\$ —	\$ 1.29
SERIES D	\$ 0.57	\$ 1.93
SERIES F	\$ 0.52	\$ 2.28
SERIES I	\$ —	\$ 1.37
SERIES O	\$ 0.81	\$ 2.86



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 526	\$ 1 956
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(394)	(301)
Net realized loss (gain) on investments	(232)	(153)
Change in unrealized loss (gain) on investments	61	(1 544)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(1)	1
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(684)	(3 813)
Proceeds from sale and maturity of investments	2 202	2 979
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1 478	(875)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	1 380	5 155
Cash paid on redemption of redeemable mutual fund shares	(2 765)	(4 174)
Distributions paid to holders of redeemable mutual fund shares	(113)	(83)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (1 498)	\$ 898
Net increase (decrease) in cash for the period	(20)	23
Cash (bank overdraft), beginning of period	25	2
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 5	\$ 25
Interest received (paid)	\$ (1)	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 033	\$ 820	\$ 219	\$ 29	\$ –	\$ 1	\$ 843	\$ 445
INCREASE (DECREASE) IN NAV	40	198	7	19	–	–	32	130
Early redemption fees	–	–	–	–	–	–	–	1
Proceeds from redeemable mutual fund shares issued	229	1 045	15	289	–	–	445	1 928
Reinvestments of distributions to holders of redeemable mutual fund shares	–	7	–	1	–	–	6	6
Redemption of redeemable mutual fund shares	(903)	(1 030)	(142)	(118)	–	(1)	(578)	(1 661)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(674)	22	(127)	172	–	(1)	(127)	274
Distributions from net income	–	(7)	–	(1)	–	–	(6)	(6)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	(7)	–	(1)	–	–	(6)	(6)
NET INCREASE (DECREASE) IN NAV	(634)	213	(120)	190	–	(1)	(101)	398
NAV AT END OF PERIOD	\$ 399	\$ 1 033	\$ 99	\$ 219	\$ –	\$ –	\$ 742	\$ 843

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 726	\$ 209	\$ –	\$ 1	\$ 7 932	\$ 6 370	\$ 10 753	\$ 7 875
INCREASE (DECREASE) IN NAV	33	91	–	–	414	1 518	526	1 956
Early redemption fees	–	–	–	–	–	–	–	1
Proceeds from redeemable mutual fund shares issued	665	679	–	–	633	1 489	1 987	5 430
Reinvestments of distributions to holders of redeemable mutual fund shares	4	4	–	–	46	31	56	49
Redemption of redeemable mutual fund shares	(230)	(249)	–	(1)	(1 498)	(1 366)	(3 351)	(4 426)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	439	434	–	(1)	(819)	154	(1 308)	1 054
Distributions from net income	(14)	(8)	–	–	(149)	(110)	(169)	(132)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(14)	(8)	–	–	(149)	(110)	(169)	(132)
NET INCREASE (DECREASE) IN NAV	458	517	–	(1)	(554)	1 562	(951)	2 878
NAV AT END OF PERIOD	\$ 1 184	\$ 726	\$ –	\$ –	\$ 7 378	\$ 7 932	\$ 9 802	\$ 10 753

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of mid-sized Canadian companies that offer above-average prospects for growth and may also invest in smaller capitalization companies that have adequate liquidity.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC Private Canadian Mid-Cap Equity Pool. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Energy	20.7	20.5
Materials	20.7	23.2
Industrials	12.0	11.7
Real Estate	11.9	12.3
Utilities	8.7	7.3
Consumer Discretionary	5.5	4.7
Health Care	5.1	2.1
Financials	4.6	5.0
Consumer Staples	4.4	4.4
Information Technology	2.1	3.8
Telecommunication Services	—	0.4
Cash/Other	4.3	4.6
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P/TSX MidCap Index	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	9 779	—	—	9 779
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	9 779	—	—	9 779
% of total portfolio	100.0	—	—	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	10 732	—	—	10 732
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	10 732	—	—	10 732
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.05%
Advisor Series	1.75%	0.05%
Series D	1.00%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.02%

* Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



March 31, 2018

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	53	53
Advisor Series	52	52
Series D	53	53
Series F	55	54
Value of all mutual fund shares	3	3

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Private Canadian Mid-Cap Equity Pool	99.8	4.6	99.8	6.2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	80	77
Issued number of mutual fund shares	18	86
Reinvested number of mutual fund shares	–	1
Redeemed number of mutual fund shares	(68)	(84)
Ending number of mutual fund shares	30	80
Advisor Series		
Opening mutual fund shares	17	3
Issued number of mutual fund shares	–	23
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(10)	(9)
Ending number of mutual fund shares	7	17

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening mutual fund shares	63	41
Issued number of mutual fund shares	32	154
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(42)	(132)
Ending number of mutual fund shares	53	63
Series F		
Opening mutual fund shares	54	19
Issued number of mutual fund shares	48	55
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(17)	(20)
Ending number of mutual fund shares	85	54
Series O		
Opening mutual fund shares	568	564
Issued number of mutual fund shares	44	110
Reinvested number of mutual fund shares	3	2
Redeemed number of mutual fund shares	(105)	(108)
Ending number of mutual fund shares	510	568

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC NORTH AMERICAN VALUE CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
7 546 999	RBC North American Value Fund*	\$ 155 311	\$ 192 802	
TOTAL MUTUAL FUND UNITS		<u>\$ 155 311</u>	192 802	100.2
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(333)	(0.2)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 192 469</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 192 802	\$ 191 761
Cash	118	224
Due from investment dealers	175	55
Subscriptions receivable	5	183
TOTAL ASSETS	193 100	192 223
LIABILITIES		
Redemptions payable	423	177
Accounts payable and accrued expenses	208	237
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	631	414
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 192 469	\$ 191 809
Investments at cost	\$ 155 311	\$ 154 900
NAV		
SERIES A	\$ 48 855	\$ 63 329
ADVISOR SERIES	\$ 44 651	\$ 48 980
SERIES H	\$ —	\$ —
SERIES D	\$ 8 515	\$ 6 567
SERIES F	\$ 89 693	\$ 72 219
SERIES I	\$ —	\$ —
SERIES O	\$ 755	\$ 714
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 17.17	\$ 16.50
ADVISOR SERIES	\$ 17.16	\$ 16.49
SERIES H	\$ —	\$ —
SERIES D	\$ 17.65	\$ 16.97
SERIES F	\$ 17.79	\$ 17.10
SERIES I	\$ —	\$ —
SERIES O	\$ 18.30	\$ 17.60

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (2)	\$ (4)
Other income received from underlying funds	1 953	3 737
Capital gains received from underlying funds	6 655	3 004
Net realized gain (loss) on investments	2 927	3 972
Change in unrealized gain (loss) on investments	630	17 551
TOTAL INCOME (LOSS)	12 163	28 260
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 206	2 327
Administration fees	206	197
Board of Directors fees	21	22
Independent Review Committee costs	3	2
GST/HST	257	269
Expenses reimbursed by manager	(4)	(7)
TOTAL EXPENSES	2 689	2 810
INCREASE (DECREASE) IN NAV	\$ 9 474	\$ 25 450
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 2 679	\$ 8 827
ADVISOR SERIES	\$ 2 126	\$ 6 335
SERIES H	\$ —	\$ 472
SERIES D	\$ 382	\$ 792
SERIES F	\$ 4 226	\$ 8 476
SERIES I	\$ —	\$ 459
SERIES O	\$ 61	\$ 89
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.81	\$ 2.26
ADVISOR SERIES	\$ 0.77	\$ 2.08
SERIES H	\$ —	\$ 0.23
SERIES D	\$ 0.85	\$ 2.27
SERIES F	\$ 0.92	\$ 2.57
SERIES I	\$ —	\$ 0.28
SERIES O	\$ 1.33	\$ 2.52



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 9 474	\$ 25 450
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(8 608)	(6 741)
Net realized loss (gain) on investments	(2 927)	(3 972)
Change in unrealized loss (gain) on investments	(630)	(17 551)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(29)	(20)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(2 599)	(6 284)
Proceeds from sale and maturity of investments	13 603	27 038
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	8 284	17 920
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	22 067	81 390
Cash paid on redemption of redeemable mutual fund shares	(30 090)	(98 583)
Distributions paid to holders of redeemable mutual fund shares	(367)	(466)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (8 390)	\$ (17 659)
Net increase (decrease) in cash for the period	(106)	261
Cash (bank overdraft), beginning of period	224	(37)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 118	\$ 224
Interest received (paid)	\$ (2)	\$ (4)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 63 329	\$ 46 522	\$ 48 980	\$ 48 778	\$ —	\$ 31 807	\$ 6 567	\$ 5 276
INCREASE (DECREASE) IN NAV	2 679	8 827	2 126	6 335	—	472	382	792
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	5 708	34 031	5 793	7 574	—	30	3 146	3 149
Reinvestments of distributions to holders of redeemable mutual fund shares	171	822	166	680	—	—	106	147
Redemption of redeemable mutual fund shares	(22 831)	(25 928)	(12 238)	(13 672)	—	(32 309)	(1 575)	(2 642)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(16 952)	8 925	(6 279)	(5 418)	—	(32 279)	1 677	654
Distributions from net income	(201)	(945)	(176)	(715)	—	—	(111)	(155)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(201)	(945)	(176)	(715)	—	—	(111)	(155)
NET INCREASE (DECREASE) IN NAV	(14 474)	16 807	(4 329)	202	—	(31 807)	1 948	1 291
NAV AT END OF PERIOD	\$ 48 855	\$ 63 329	\$ 44 651	\$ 48 980	\$ —	\$ —	\$ 8 515	\$ 6 567

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 72 219	\$ 26 373	\$ —	\$ 25 262	\$ 714	\$ 612	\$ 191 809	\$ 184 630
INCREASE (DECREASE) IN NAV	4 226	8 476	—	459	61	89	9 474	25 450
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	22 708	48 019	—	280	477	584	37 832	93 667
Reinvestments of distributions to holders of redeemable mutual fund shares	1 143	1 622	—	—	—	—	1 586	3 271
Redemption of redeemable mutual fund shares	(9 156)	(10 374)	—	(26 001)	(479)	(546)	(46 279)	(111 472)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	14 695	39 267	—	(25 721)	(2)	38	(6 861)	(14 534)
Distributions from net income	(1 447)	(1 897)	—	—	(18)	(25)	(1 953)	(3 737)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(1 447)	(1 897)	—	—	(18)	(25)	(1 953)	(3 737)
NET INCREASE (DECREASE) IN NAV	17 474	45 846	—	(25 262)	41	102	660	7 179
NAV AT END OF PERIOD	\$ 89 693	\$ 72 219	\$ —	\$ —	\$ 755	\$ 714	\$ 192 469	\$ 191 809

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing in equity securities of Canadian and/or U.S. companies priced below their true value and offering long-term opportunities for growth.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares effective June 30, 2016. All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC North American Value Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Financials	27.6	29.3
Energy	14.8	14.1
Industrials	9.8	8.8
Information Technology	9.1	10.4
Consumer Discretionary	8.7	7.4
Health Care	5.9	5.8
Materials	5.0	5.1
Consumer Staples	4.1	5.1
Telecommunication Services	2.8	3.1
Real Estate	2.0	1.4
Utilities	1.2	1.0
Cash/Other	9.0	8.5
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	22.3	23.5
Total	22.3	23.5

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.1% (March 31, 2017 – 1.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.8	+ or - 0.7

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	192 802	—	—	192 802
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	192 802	—	—	192 802
% of total portfolio	100.0	—	—	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	191 761	—	—	191 761
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	191 761	—	—	191 761
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.13%
Advisor Series	1.60%	0.13%
Series H	1.65%	0.05%
Series D	0.85%	0.08%
Series F	0.60%	0.08%
Series I	0.60%	0.05%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	159	159
Advisor Series	53	53
Series D	54	54
Series F	165	162
Series O	53	52
Value of all mutual fund shares	8	8

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC North American Value Fund	100.2	6.3	100.0	7.0

Please see the generic notes at the back of the financial statements.

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening mutual fund shares	3 838	3 178
Issued number of mutual fund shares	327	2 268
Reinvested number of mutual fund shares	10	50
Redeemed number of mutual fund shares	(1 329)	(1 658)
Ending number of mutual fund shares	2 846	3 838
Advisor Series		
Opening mutual fund shares	2 970	3 334
Issued number of mutual fund shares	336	471
Reinvested number of mutual fund shares	10	41
Redeemed number of mutual fund shares	(714)	(876)
Ending number of mutual fund shares	2 602	2 970
Series H		
Opening mutual fund shares	–	2 160
Issued number of mutual fund shares	–	2
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	–	(2 162)
Ending number of mutual fund shares	–	–
Series D		
Opening mutual fund shares	387	350
Issued number of mutual fund shares	178	191
Reinvested number of mutual fund shares	6	9
Redeemed number of mutual fund shares	(89)	(163)
Ending number of mutual fund shares	482	387
Series F		
Opening mutual fund shares	4 223	1 737
Issued number of mutual fund shares	1 270	3 018
Reinvested number of mutual fund shares	64	95
Redeemed number of mutual fund shares	(514)	(627)
Ending number of mutual fund shares	5 043	4 223
Series I		
Opening mutual fund shares	–	1 653
Issued number of mutual fund shares	–	19
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	–	(1 672)
Ending number of mutual fund shares	–	–
Series O		
Opening mutual fund shares	41	39
Issued number of mutual fund shares	25	34
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(25)	(32)
Ending number of mutual fund shares	41	41



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. DIVIDEND CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
4 259 541	RBC U.S. Dividend Fund*	\$ 98 222	\$ 125 770	
TOTAL MUTUAL FUND UNITS		<u>\$ 98 222</u>	125 770	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(30)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 125 740</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 125 770	\$ 121 869
Cash	136	193
Due from investment dealers	50	—
Subscriptions receivable	3	194
TOTAL ASSETS	125 959	122 256
LIABILITIES		
Redemptions payable	99	322
Accounts payable and accrued expenses	120	131
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	219	453
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 125 740	\$ 121 803
Investments at cost	\$ 98 222	\$ 96 999
NAV		
SERIES A	\$ 25 587	\$ 30 876
ADVISOR SERIES	\$ 16 187	\$ 16 981
SERIES H	\$ —	\$ —
SERIES D	\$ 14 159	\$ 13 362
SERIES F	\$ 69 807	\$ 60 584
SERIES I	\$ —	\$ —
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 21.97	\$ 20.54
ADVISOR SERIES	\$ 21.99	\$ 20.56
SERIES H	\$ —	\$ —
SERIES D	\$ 23.08	\$ 21.39
SERIES F	\$ 23.38	\$ 21.61
SERIES I	\$ —	\$ —

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (3)	\$ (4)
Other income received from underlying funds	2 689	2 524
Capital gains received from underlying funds	2 833	1 264
Net realized gain (loss) on investments	2 341	1 896
Net gain (loss) on foreign currencies and other net assets	(18)	13
Change in unrealized gain (loss) on investments	2 678	14 141
TOTAL INCOME (LOSS)	10 520	19 834
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 206	1 227
Administration fees	117	111
Board of Directors fees	13	13
Independent Review Committee costs	3	2
GST/HST	135	134
Expenses reimbursed by manager	(3)	(5)
TOTAL EXPENSES	1 471	1 482
INCREASE (DECREASE) IN NAV	\$ 9 049	\$ 18 352
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 1 877	\$ 5 084
ADVISOR SERIES	\$ 1 088	\$ 2 751
SERIES H	\$ —	\$ 143
SERIES D	\$ 1 002	\$ 1 979
SERIES F	\$ 5 082	\$ 7 978
SERIES I	\$ —	\$ 417
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 1.43	\$ 3.00
ADVISOR SERIES	\$ 1.43	\$ 2.98
SERIES H	\$ —	\$ 0.32
SERIES D	\$ 1.63	\$ 3.29
SERIES F	\$ 1.76	\$ 3.69
SERIES I	\$ —	\$ 0.44



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 9 049	\$ 18 352
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(5 522)	(3 788)
Net realized loss (gain) on investments	(2 341)	(1 896)
Change in unrealized loss (gain) on investments	(2 678)	(14 141)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(11)	(11)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(4 152)	(6 797)
Proceeds from sale and maturity of investments	10 742	16 032
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	5 087	7 751
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	18 033	46 171
Cash paid on redemption of redeemable mutual fund shares	(23 177)	(53 583)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (5 144)	\$ (7 412)
Net increase (decrease) in cash for the period	(57)	339
Cash (bank overdraft), beginning of period	193	(146)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 136	\$ 193
Interest received (paid)	\$ (3)	\$ (4)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 30 876	\$ 30 364	\$ 16 981	\$ 19 960	\$ —	\$ 8 063	\$ 13 362	\$ 10 886
INCREASE (DECREASE) IN NAV	1 877	5 084	1 088	2 751	—	143	1 002	1 979
Early redemption fees	—	—	—	3	—	—	—	—
Proceeds from redeemable mutual fund shares issued	844	9 047	2 013	2 658	—	8	1 442	2 489
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(8 010)	(13 619)	(3 895)	(8 391)	—	(8 214)	(1 647)	(1 992)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(7 166)	(4 572)	(1 882)	(5 730)	—	(8 206)	(205)	497
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(5 289)	512	(794)	(2 979)	—	(8 063)	797	2 476
NAV AT END OF PERIOD	\$ 25 587	\$ 30 876	\$ 16 187	\$ 16 981	\$ —	\$ —	\$ 14 159	\$ 13 362

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 60 584	\$ 23 657	\$ —	\$ 18 153	\$ 121 803	\$ 111 083
INCREASE (DECREASE) IN NAV	5 082	7 978	—	417	9 049	18 352
Early redemption fees	—	—	—	—	—	3
Proceeds from redeemable mutual fund shares issued	19 330	38 523	—	448	23 629	53 173
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(15 189)	(9 574)	—	(19 018)	(28 741)	(60 808)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	4 141	28 949	—	(18 570)	(5 112)	(7 632)
Distributions from net income	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	9 223	36 927	—	(18 153)	3 937	10 720
NAV AT END OF PERIOD	\$ 69 807	\$ 60 584	\$ —	\$ —	\$ 125 740	\$ 121 803

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth and regular dividend income by investing primarily in common and preferred shares of major U.S. companies with above-average dividend yields in order to provide targeted exposure to opportunities in U.S. equity markets. Stocks that qualify as investments will generally carry above-average dividend yields and offer the potential for increased payouts.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares effective June 30, 2016. All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC U.S. Dividend Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Information Technology	22.1	17.1
Financials	16.5	16.8
Health Care	14.8	14.8
Industrials	10.2	11.1
Consumer Discretionary	10.1	9.9
Consumer Staples	8.4	13.2
Energy	5.2	6.6
Utilities	4.1	3.5
Materials	2.4	2.8
Telecommunication Services	1.7	2.4
Real Estate	1.0	0.5
Cash/Other	3.5	1.3
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P 500 Total Return Index (CAD)	+ or - 0.9	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	125 770	—	—	125 770
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	125 770	—	—	125 770
% of total portfolio	100.0	—	—	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	121 869	—	—	121 869
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	121 869	—	—	121 869
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.13%
Advisor Series	1.60%	0.13%
Series H	1.65%	0.05%
Series D	0.85%	0.08%
Series F	0.60%	0.08%
Series I	0.60%	0.05%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	101	101
Advisor Series	100	100
Series D	100	100
Series F	201	201
Value of all mutual fund shares	11	11

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC U.S. Dividend Fund	100.0	3.1	100.1	3.3

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	1 503	1 735
Issued number of mutual fund shares	39	499
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(377)	(731)
Ending number of mutual fund shares	1 165	1 503
Advisor Series		
Opening mutual fund shares	826	1 140
Issued number of mutual fund shares	93	137
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(183)	(451)
Ending number of mutual fund shares	736	826
Series H		
Opening mutual fund shares	—	457
Issued number of mutual fund shares	—	1
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(458)
Ending number of mutual fund shares	—	—
Series D		
Opening mutual fund shares	625	603
Issued number of mutual fund shares	63	126
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(75)	(104)
Ending number of mutual fund shares	613	625
Series F		
Opening mutual fund shares	2 804	1 300
Issued number of mutual fund shares	851	1 991
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(669)	(487)
Ending number of mutual fund shares	2 986	2 804
Series I		
Opening mutual fund shares	—	990
Issued number of mutual fund shares	—	24
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(1 014)
Ending number of mutual fund shares	—	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
914 089	RBC U.S. Equity Fund*	\$ 20 880	\$ 30 578	
TOTAL MUTUAL FUND UNITS		<u>\$ 20 880</u>	30 578	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			86	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 30 664</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 30 578	\$ 27 921
Cash	103	88
TOTAL ASSETS	30 681	28 009
LIABILITIES		
Redemptions payable	1	8
Accounts payable and accrued expenses	16	20
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE		
MUTUAL FUND SHARES	17	28
NET ASSETS ATTRIBUTABLE TO		
HOLDERS OF REDEEMABLE MUTUAL FUND		
SHARES ("NAV")	\$ 30 664	\$ 27 981
Investments at cost	\$ 20 880	\$ 18 609
NAV		
SERIES A	\$ 3 726	\$ 7 199
ADVISOR SERIES	\$ 823	\$ 1 187
SERIES H	\$ —	\$ —
SERIES D	\$ 4 014	\$ 3 708
SERIES F	\$ 9 275	\$ 4 632
SERIES I	\$ —	\$ —
SERIES O	\$ 12 826	\$ 11 255
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 22.61	\$ 20.92
ADVISOR SERIES	\$ 22.63	\$ 20.94
SERIES H	\$ —	\$ —
SERIES D	\$ 23.99	\$ 21.99
SERIES F	\$ 24.34	\$ 22.26
SERIES I	\$ —	\$ —
SERIES O	\$ 25.61	\$ 23.26

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ —	\$ (1)
Other income received from underlying funds	471	394
Capital gains received from underlying funds	1 383	—
Net realized gain (loss) on investments	532	788
Change in unrealized gain (loss) on investments	386	3 314
TOTAL INCOME (LOSS)	2 772	4 495
EXPENSES (see notes – Fund Specific Information)		
Management fees	167	208
Administration fees	14	15
Board of Directors fees	3	3
Independent Review Committee costs	3	2
GST/HST	22	28
Expenses reimbursed by manager	(3)	(3)
TOTAL EXPENSES	206	253
INCREASE (DECREASE) IN NAV	\$ 2 566	\$ 4 242
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 382	\$ 1 252
ADVISOR SERIES	\$ 58	\$ 229
SERIES H	\$ —	\$ —
SERIES D	\$ 322	\$ 553
SERIES F	\$ 696	\$ 468
SERIES I	\$ —	\$ 15
SERIES O	\$ 1 108	\$ 1 725
INCREASE (DECREASE) IN NAV		
PER MUTUAL FUND SHARE		
SERIES A	\$ 1.82	\$ 2.85
ADVISOR SERIES	\$ 1.32	\$ 3.03
SERIES H	\$ —	\$ (0.09)
SERIES D	\$ 1.95	\$ 3.24
SERIES F	\$ 2.02	\$ 3.65
SERIES I	\$ —	\$ 0.33
SERIES O	\$ 2.29	\$ 3.66



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 566	\$ 4 242
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 854)	(394)
Net realized loss (gain) on investments	(532)	(788)
Change in unrealized loss (gain) on investments	(386)	(3 314)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(4)	(4)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 430)	(888)
Proceeds from sale and maturity of investments	1 545	3 120
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(95)	1 974
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	2 627	3 005
Cash paid on redemption of redeemable mutual fund shares	(2 517)	(4 692)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 110	\$ (1 687)
Net increase (decrease) in cash for the period	15	287
Cash (bank overdraft), beginning of period	88	(199)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 103	\$ 88
Interest received (paid)	\$ —	\$ (1)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 199	\$ 8 908	\$ 1 187	\$ 1 470	\$ —	\$ 195	\$ 3 708	\$ 3 318
INCREASE (DECREASE) IN NAV	382	1 252	58	229	—	—	322	553
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	132	311	—	594	—	—	412	252
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(3 987)	(3 272)	(422)	(1 106)	—	(195)	(428)	(415)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(3 855)	(2 961)	(422)	(512)	—	(195)	(16)	(163)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(3 473)	(1 709)	(364)	(283)	—	(195)	306	390
NAV AT END OF PERIOD	\$ 3 726	\$ 7 199	\$ 823	\$ 1 187	\$ —	\$ —	\$ 4 014	\$ 3 708

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 4 632	\$ 1 495	\$ —	\$ 927	\$ 11 255	\$ 9 151	\$ 27 981	\$ 25 464
INCREASE (DECREASE) IN NAV	696	468	—	15	1 108	1 725	2 566	4 242
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	4 141	3 170	—	—	2 188	1 297	6 873	5 624
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(194)	(501)	—	(942)	(1 725)	(918)	(6 756)	(7 349)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	3 947	2 669	—	(942)	463	379	117	(1 725)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	4 643	3 137	—	(927)	1 571	2 104	2 683	2 517
NAV AT END OF PERIOD	\$ 9 275	\$ 4 632	\$ —	\$ —	\$ 12 826	\$ 11 255	\$ 30 664	\$ 27 981

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of major U.S. companies.

All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

The Fund invests in the RBC U.S. Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Information Technology	24.6	21.0
Financials	15.1	13.8
Health Care	11.6	12.3
Consumer Discretionary	10.2	10.7
Industrials	8.8	8.8
Consumer Staples	5.9	7.8
Energy	4.8	7.3
Utilities	3.2	2.9
Materials	2.5	1.7
Telecommunication Services	1.3	2.3
Real Estate	0.8	0.4
Cash/Other	11.2	11.0
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	100.0	99.9
Total	100.0	99.9

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P 500 Total Return Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	30 578	—	—	30 578
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	30 578	—	—	30 578
% of total portfolio	100.0	—	—	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	27 921	—	—	27 921
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	27 921	—	—	27 921
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.10%
Advisor Series	1.60%	0.10%
Series D	0.85%	0.05%
Series F	0.60%	0.05%
Series I	0.60%	0.05%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	50	50
Advisor Series	50	50
Series D	50	50
Series F	147	147
Value of all mutual fund shares	7	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC U.S. Equity Fund	99.7	1.6	99.8	1.5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	344	496
Issued number of mutual fund shares	7	16
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(186)	(168)
Ending number of mutual fund shares	165	344
Advisor Series		
Opening mutual fund shares	57	82
Issued number of mutual fund shares	(1)	32
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(20)	(57)
Ending number of mutual fund shares	36	57
Series D		
Opening mutual fund shares	169	177
Issued number of mutual fund shares	17	13
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(19)	(21)
Ending number of mutual fund shares	167	169
Series F		
Opening mutual fund shares	208	79
Issued number of mutual fund shares	182	154
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(9)	(25)
Ending number of mutual fund shares	381	208
Series I		
Opening mutual fund shares	—	49
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(49)
Ending number of mutual fund shares	—	—
Series O		
Opening mutual fund shares	484	467
Issued number of mutual fund shares	88	61
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(71)	(44)
Ending number of mutual fund shares	501	484



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUBE LOW VOLATILITY U.S. EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
2 631 540	RBC QUBE Low Volatility U.S. Equity Fund*	\$ 55 459	\$ 57 869	
TOTAL MUTUAL FUND UNITS		<u>\$ 55 459</u>	57 869	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(82)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 57 787</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 57 869	\$ 34 645
Cash	–	145
Due from investment dealers	305	–
Subscriptions receivable	4	161
TOTAL ASSETS	58 178	34 951
LIABILITIES		
Bank overdraft	49	–
Due to investment dealers	–	199
Redemptions payable	300	20
Accounts payable and accrued expenses	42	30
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	391	249
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 57 787	\$ 34 702
Investments at cost	\$ 55 459	\$ 31 791
NAV		
SERIES A	\$ 11 583	\$ 9 980
ADVISOR SERIES	\$ 2 445	\$ 2 741
SERIES H	\$ –	\$ –
SERIES D	\$ 3 138	\$ 2 772
SERIES F	\$ 37 047	\$ 14 610
SERIES I	\$ –	\$ –
SERIES O	\$ 3 574	\$ 4 599
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 12.98	\$ 12.29
ADVISOR SERIES	\$ 12.99	\$ 12.30
SERIES H	\$ –	\$ –
SERIES D	\$ 13.32	\$ 12.52
SERIES F	\$ 13.44	\$ 12.59
SERIES I	\$ –	\$ –
SERIES O	\$ 13.78	\$ 12.82

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 1	\$ (2)
Other income received from underlying funds	1 058	591
Capital gains received from underlying funds	2 431	676
Net realized gain (loss) on investments	178	241
Net gain (loss) on foreign currencies and other net assets	14	(19)
Change in unrealized gain (loss) on investments	(444)	2 279
TOTAL INCOME (LOSS)	3 238	3 766
EXPENSES (see notes – Fund Specific Information)		
Management fees	378	255
Administration fees	37	17
Board of Directors fees	5	3
Independent Review Committee costs	3	2
GST/HST	36	25
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	456	300
INCREASE (DECREASE) IN NAV	\$ 2 782	\$ 3 466
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 482	\$ 1 047
ADVISOR SERIES	\$ 146	\$ 304
SERIES H	\$ –	\$ 21
SERIES D	\$ 160	\$ 379
SERIES F	\$ 1 656	\$ 1 282
SERIES I	\$ –	\$ (2)
SERIES O	\$ 338	\$ 435
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.60	\$ 1.37
ADVISOR SERIES	\$ 0.70	\$ 1.48
SERIES H	\$ –	\$ 0.19
SERIES D	\$ 0.74	\$ 1.63
SERIES F	\$ 0.87	\$ 1.99
SERIES I	\$ –	\$ (0.03)
SERIES O	\$ 0.99	\$ 1.91



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 782	\$ 3 466
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(3 489)	(1 267)
Net realized loss (gain) on investments	(178)	(241)
Change in unrealized loss (gain) on investments	444	(2 279)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	12	14
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(23 000)	(23 618)
Proceeds from sale and maturity of investments	2 495	6 595
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(20 934)	(17 330)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	27 894	30 636
Cash paid on redemption of redeemable mutual fund shares	(7 154)	(13 688)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 20 740	\$ 16 948
Net increase (decrease) in cash for the period	(194)	(382)
Cash (bank overdraft), beginning of period	145	527
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (49)	\$ 145
Interest received (paid)	\$ 1	\$ (2)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 9 980	\$ 5 559	\$ 2 741	\$ 774	\$ —	\$ 1 399	\$ 2 772	\$ 2 796
INCREASE (DECREASE) IN NAV	482	1 047	146	304	—	21	160	379
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	3 720	8 208	429	3 841	—	—	915	1 527
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(2 599)	(4 834)	(871)	(2 178)	—	(1 420)	(709)	(1 930)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	1 121	3 374	(442)	1 663	—	(1 420)	206	(403)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	1 603	4 421	(296)	1 967	—	(1 399)	366	(24)
NAV AT END OF PERIOD	\$ 11 583	\$ 9 980	\$ 2 445	\$ 2 741	\$ —	\$ —	\$ 3 138	\$ 2 772

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 14 610	\$ 2 692	\$ —	\$ 816	\$ 4 599	\$ 208	\$ 34 702	\$ 14 244
INCREASE (DECREASE) IN NAV	1 656	1 282	—	(2)	338	435	2 782	3 466
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	23 606	15 139	—	—	27	4 539	28 697	33 254
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(2 825)	(4 503)	—	(814)	(1 390)	(583)	(8 394)	(16 262)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	20 781	10 636	—	(814)	(1 363)	3 956	20 303	16 992
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	22 437	11 918	—	(816)	(1 025)	4 391	23 085	20 458
NAV AT END OF PERIOD	\$ 37 047	\$ 14 610	\$ —	\$ —	\$ 3 574	\$ 4 599	\$ 57 787	\$ 34 702

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of U.S. companies.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares effective June 30, 2016.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC QUBE Low Volatility U.S. Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Information Technology	19.8	20.2
Utilities	17.6	18.0
Health Care	16.7	7.3
Consumer Staples	16.5	13.9
Consumer Discretionary	8.3	7.3
Industrials	7.9	10.4
Financials	7.7	13.7
Materials	2.6	0.3
Real Estate	1.1	3.8
Energy	1.0	1.8
Telecommunication Services	0.6	3.1
Cash/Other	0.2	0.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	100.0	99.3
Total	100.0	99.3

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P 500 Total Return Index (CAD)	+ or - 0.9	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	57 869	–	–	57 869
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	57 869	–	–	57 869
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	34 645	–	–	34 645
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	34 645	–	–	34 645
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.08%
Advisor Series	1.60%	0.08%
Series H	1.60%	0.08%
Series D	0.85%	0.08%
Series F	0.60%	0.08%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	200	200
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series O	100	100
Value of all mutual fund shares	8	7

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC QUBE Low Volatility U.S. Equity Fund	100.1	3.4	99.8	2.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Please see the generic notes at the back of the financial statements.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	812	513
Issued number of mutual fund shares	285	726
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(204)	(427)
Ending number of mutual fund shares	893	812
Advisor Series		
Opening mutual fund shares	223	71
Issued number of mutual fund shares	33	334
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(68)	(182)
Ending number of mutual fund shares	188	223
Series H		
Opening mutual fund shares	—	129
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(129)
Ending number of mutual fund shares	—	—
Series D		
Opening mutual fund shares	221	256
Issued number of mutual fund shares	71	133
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(56)	(168)
Ending number of mutual fund shares	236	221
Series F		
Opening mutual fund shares	1 160	245
Issued number of mutual fund shares	1 810	1 307
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(213)	(392)
Ending number of mutual fund shares	2 757	1 160
Series O		
Opening mutual fund shares	359	19
Issued number of mutual fund shares	1	390
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(101)	(50)
Ending number of mutual fund shares	259	359



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. EQUITY VALUE CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
57 271	RBC U.S. Equity Value Fund*	\$ 790	\$ 859	
TOTAL MUTUAL FUND UNITS		<u>\$ 790</u>	<u>859</u>	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>—</u>	<u>—</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 859</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 859	\$ 725
Cash	2	4
TOTAL ASSETS	861	729
LIABILITIES		
Due to investment dealers	–	3
Accounts payable and accrued expenses	2	2
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	2	5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 859	\$ 724
Investments at cost	\$ 790	\$ 668
NAV		
SERIES A	\$ 432	\$ 292
ADVISOR SERIES	\$ 1	\$ 34
SERIES H	\$ –	\$ –
SERIES D	\$ 334	\$ 394
SERIES F	\$ 91	\$ 3
SERIES I	\$ –	\$ –
SERIES O	\$ 1	\$ 1
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 12.82	\$ 11.89
ADVISOR SERIES	\$ 12.86	\$ 11.93
SERIES H	\$ –	\$ –
SERIES D	\$ 13.18	\$ 12.13
SERIES F	\$ 13.30	\$ 12.21
SERIES I	\$ –	\$ –
SERIES O	\$ 13.64	\$ 12.42

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Other income received from underlying funds	\$ 8	\$ 15
Net realized gain (loss) on investments	44	16
Net gain (loss) on foreign currencies and other net assets	(1)	–
Change in unrealized gain (loss) on investments	12	93
TOTAL INCOME (LOSS)	63	124
EXPENSES (see notes – Fund Specific Information)		
Management fees	8	10
Administration fees	1	1
Independent Review Committee costs	3	2
GST/HST	1	1
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	10	12
INCREASE (DECREASE) IN NAV	\$ 53	\$ 112
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 23	\$ 48
ADVISOR SERIES	\$ 2	\$ 6
SERIES H	\$ –	\$ –
SERIES D	\$ 25	\$ 47
SERIES F	\$ 3	\$ 1
SERIES I	\$ –	\$ –
SERIES O	\$ –	\$ 10
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.90	\$ 1.55
ADVISOR SERIES	\$ 2.90	\$ 1.53
SERIES H	\$ –	\$ 0.14
SERIES D	\$ 0.88	\$ 1.89
SERIES F	\$ 0.71	\$ 0.98
SERIES I	\$ –	\$ 0.17
SERIES O	\$ 1.22	\$ 1.39



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 53	\$ 112
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(8)	(15)
Net realized loss (gain) on investments	(44)	(16)
Change in unrealized loss (gain) on investments	(12)	(93)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	—	1
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(563)	(484)
Proceeds from sale and maturity of investments	490	561
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(84)	66
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	458	493
Cash paid on redemption of redeemable mutual fund shares	(376)	(569)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 82	\$ (76)
Net increase (decrease) in cash for the period	(2)	(10)
Cash (bank overdraft), beginning of period	4	14
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2	\$ 4
Interest received (paid)	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 292	\$ 231	\$ 34	\$ 45	\$ —	\$ 1	\$ 394	\$ 242
INCREASE (DECREASE) IN NAV	23	48	2	6	—	—	25	47
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	269	220	—	—	—	—	117	273
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(152)	(207)	(35)	(17)	—	(1)	(202)	(168)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	117	13	(35)	(17)	—	(1)	(85)	105
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	140	61	(33)	(11)	—	(1)	(60)	152
NAV AT END OF PERIOD	\$ 432	\$ 292	\$ 1	\$ 34	\$ —	\$ —	\$ 334	\$ 394

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 3	\$ 17	\$ —	\$ 1	\$ 1	\$ 151	\$ 724	\$ 688
INCREASE (DECREASE) IN NAV	3	1	—	—	—	10	53	112
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	87	—	—	—	—	—	473	493
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(2)	(15)	—	(1)	—	(160)	(391)	(569)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	85	(15)	—	(1)	—	(160)	82	(76)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	88	(14)	—	(1)	—	(150)	135	36
NAV AT END OF PERIOD	\$ 91	\$ 3	\$ —	\$ —	\$ 1	\$ 1	\$ 859	\$ 724

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of U.S. companies in order to provide broad exposure to economic growth through the U.S. stock market.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC U.S. Equity Value Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Information Technology	22.6	20.5
Financials	15.3	14.0
Health Care	11.2	12.8
Consumer Discretionary	8.2	10.5
Consumer Staples	8.1	7.9
Industrials	7.9	11.4
Energy	5.0	5.8
Utilities	2.5	2.1
Materials	2.3	2.1
Real Estate	1.6	2.2
Telecommunication Services	0.8	2.1
Cash/Other	14.5	8.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
S&P 500 Total Return Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	859	—	—	859
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	859	—	—	859
% of total portfolio	100.0	—	—	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	725	—	—	725
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	725	—	—	725
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.08%
Advisor Series	1.60%	0.08%
Series D	0.85%	0.08%
Series F	0.60%	0.08%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series O	100	100
Value of all mutual fund shares	7	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC U.S. Equity Value Fund	100.0	1.7	100.1	1.8

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	25	22
Issued number of mutual fund shares	21	21
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(12)	(18)
Ending number of mutual fund shares	34	25
Advisor Series		
Opening mutual fund shares	3	4
Issued number of mutual fund shares	—	1
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(3)	(2)
Ending number of mutual fund shares	—	3
Series D		
Opening mutual fund shares	33	23
Issued number of mutual fund shares	8	25
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(16)	(15)
Ending number of mutual fund shares	25	33
Series F		
Opening mutual fund shares	—	2
Issued number of mutual fund shares	7	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(2)
Ending number of mutual fund shares	7	—
Series O		
Opening mutual fund shares	—	14
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(14)
Ending number of mutual fund shares	—	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

**PHILLIPS, HAGER & NORTH
U.S. MULTI-STYLE ALL-CAP EQUITY CLASS**

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
2 045 231	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	\$ 31 160	\$ 36 611	
TOTAL MUTUAL FUND UNITS		<u>\$ 31 160</u>	36 611	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			12	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 36 623</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 36 611	\$ 33 007
Cash	23	61
Due from investment dealers	10	—
Subscriptions receivable	14	—
TOTAL ASSETS	36 658	33 068
LIABILITIES		
Redemptions payable	5	20
Accounts payable and accrued expenses	30	30
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	35	50
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 36 623	\$ 33 018
Investments at cost	\$ 31 160	\$ 27 768
NAV		
SERIES A	\$ 7 341	\$ 7 929
ADVISOR SERIES	\$ 156	\$ 183
SERIES H	\$ —	\$ —
SERIES D	\$ 16 162	\$ 15 794
SERIES F	\$ 8 490	\$ 6 594
SERIES I	\$ —	\$ —
SERIES O	\$ 4 474	\$ 2 518
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 24.03	\$ 21.95
ADVISOR SERIES	\$ 24.06	\$ 21.98
SERIES H	\$ —	\$ —
SERIES D	\$ 25.37	\$ 22.98
SERIES F	\$ 25.74	\$ 23.26
SERIES I	\$ —	\$ —
SERIES O	\$ 27.07	\$ 24.29

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ —	\$ (3)
Other income received from underlying funds	567	520
Capital gains received from underlying funds	2 565	1 140
Net realized gain (loss) on investments	348	1 268
Change in unrealized gain (loss) on investments	212	3 055
TOTAL INCOME (LOSS)	3 692	5 980
EXPENSES (see notes – Fund Specific Information)		
Management fees	301	337
Administration fees	15	16
Board of Directors fees	4	4
Independent Review Committee costs	3	2
GST/HST	28	32
Expenses reimbursed by manager	(3)	(3)
TOTAL EXPENSES	348	388
INCREASE (DECREASE) IN NAV	\$ 3 344	\$ 5 592
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 674	\$ 1 594
ADVISOR SERIES	\$ 17	\$ 35
SERIES H	\$ —	\$ (3)
SERIES D	\$ 1 553	\$ 2 554
SERIES F	\$ 776	\$ 812
SERIES I	\$ —	\$ (1)
SERIES O	\$ 324	\$ 601
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 2.08	\$ 3.05
ADVISOR SERIES	\$ 1.77	\$ 2.92
SERIES H	\$ —	\$ (0.08)
SERIES D	\$ 2.34	\$ 3.50
SERIES F	\$ 2.46	\$ 4.12
SERIES I	\$ —	\$ (0.01)
SERIES O	\$ 2.64	\$ 3.38



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 3 344	\$ 5 592
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(3 132)	(1 660)
Net realized loss (gain) on investments	(348)	(1 268)
Change in unrealized loss (gain) on investments	(212)	(3 055)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	—	(10)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 970)	(1 682)
Proceeds from sale and maturity of investments	2 048	13 152
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(270)	11 069
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	3 799	4 093
Cash paid on redemption of redeemable mutual fund shares	(3 567)	(14 772)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 232	\$ (10 679)
Net increase (decrease) in cash for the period	(38)	390
Cash (bank overdraft), beginning of period	61	(329)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 23	\$ 61
Interest received (paid)	\$ —	\$ (3)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 929	\$ 12 677	\$ 183	\$ 269	\$ —	\$ 667	\$ 15 794	\$ 15 701
INCREASE (DECREASE) IN NAV	674	1 594	17	35	—	(3)	1 553	2 554
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	196	1 273	82	43	—	—	957	959
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(1 458)	(7 615)	(126)	(164)	—	(664)	(2 142)	(3 420)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(1 262)	(6 342)	(44)	(121)	—	(664)	(1 185)	(2 461)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(588)	(4 748)	(27)	(86)	—	(667)	368	93
NAV AT END OF PERIOD	\$ 7 341	\$ 7 929	\$ 156	\$ 183	\$ —	\$ —	\$ 16 162	\$ 15 794

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 6 594	\$ 2 613	\$ —	\$ 332	\$ 2 518	\$ 5 840	\$ 33 018	\$ 38 099
INCREASE (DECREASE) IN NAV	776	812	—	(1)	324	601	3 344	5 592
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	1 296	3 882	—	39	2 228	1 452	4 759	7 648
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(176)	(713)	—	(370)	(596)	(5 375)	(4 498)	(18 321)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	1 120	3 169	—	(331)	1 632	(3 923)	261	(10 673)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	1 896	3 981	—	(332)	1 956	(3 322)	3 605	(5 081)
NAV AT END OF PERIOD	\$ 8 490	\$ 6 594	\$ —	\$ —	\$ 4 474	\$ 2 518	\$ 36 623	\$ 33 018

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in a well-diversified portfolio of U.S. equity securities.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares effective June 30, 2016. All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Information Technology	25.9	22.7
Financials	15.0	15.2
Consumer Discretionary	13.3	12.3
Health Care	12.5	13.7
Industrials	11.0	10.5
Consumer Staples	7.8	8.2
Energy	4.5	5.2
Materials	2.9	2.4
Real Estate	2.4	2.4
Utilities	2.0	4.0
Telecommunication Services	1.4	2.3
Cash/Other	1.3	1.1
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
Russell 3000 Total Return Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	36 611	–	–	36 611
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	36 611	–	–	36 611
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	33 007	–	–	33 007
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	33 007	–	–	33 007
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.60%	0.05%
Advisor Series	1.60%	0.05%
Series H	1.60%	0.05%
Series D	0.85%	0.05%
Series F	0.60%	0.05%
Series I	0.60%	0.05%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.60% from 1.75%; for Series D mutual fund shares were reduced to 0.85% from 1.00%; and for Series F mutual fund shares were reduced to 0.60% from 0.75%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	151	151
Advisor Series	51	51
Series D	51	51
Series F	151	151
Series O	49	49
Value of all mutual fund shares	11	10

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	100.0	0.7	100.0	0.7

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening mutual fund shares	361	678
Issued number of mutual fund shares	9	65
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(64)	(382)
Ending number of mutual fund shares	306	361
Advisor Series		
Opening mutual fund shares	8	14
Issued number of mutual fund shares	3	2
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(5)	(8)
Ending number of mutual fund shares	6	8
Series H		
Opening mutual fund shares	—	35
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(35)
Ending number of mutual fund shares	—	—
Series D		
Opening mutual fund shares	687	809
Issued number of mutual fund shares	40	44
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(90)	(166)
Ending number of mutual fund shares	637	687
Series F		
Opening mutual fund shares	284	133
Issued number of mutual fund shares	53	184
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(7)	(33)
Ending number of mutual fund shares	330	284
Series I		
Opening mutual fund shares	—	17
Issued number of mutual fund shares	—	2
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(19)
Ending number of mutual fund shares	—	—
Series O		
Opening mutual fund shares	104	287
Issued number of mutual fund shares	84	68
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(23)	(251)
Ending number of mutual fund shares	165	104

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. MID-CAP VALUE EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
184 296	RBC U.S. Mid-Cap Value Equity Fund*	\$ 2 617	\$ 2 447	
TOTAL MUTUAL FUND UNITS		<u>\$ 2 617</u>	2 447	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			3	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 2 450</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 2 447	\$ 5 711
Cash	6	–
Due from investment dealers	–	25
Subscriptions receivable	–	95
TOTAL ASSETS	2 453	5 831
LIABILITIES		
Bank overdraft	–	47
Due to investment dealers	–	45
Redemptions payable	–	11
Accounts payable and accrued expenses	3	6
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	3	109
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 2 450	\$ 5 722
Investments at cost	\$ 2 617	\$ 5 564
NAV		
SERIES A	\$ 496	\$ 1 117
ADVISOR SERIES	\$ 346	\$ 643
SERIES H	\$ –	\$ –
SERIES D	\$ 171	\$ 340
SERIES F	\$ 1 436	\$ 3 621
SERIES I	\$ –	\$ –
SERIES O	\$ 1	\$ 1
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 10.93	\$ 11.54
ADVISOR SERIES	\$ 10.95	\$ 11.56
SERIES H	\$ –	\$ –
SERIES D	\$ 11.23	\$ 11.76
SERIES F	\$ 11.32	\$ 11.83
SERIES I	\$ –	\$ –
SERIES O	\$ 11.67	\$ 12.08

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (1)	\$ –
Other income received from underlying funds	27	36
Capital gains received from underlying funds	178	60
Net realized gain (loss) on investments	(103)	(68)
Net gain (loss) on foreign currencies and other net assets	(1)	1
Change in unrealized gain (loss) on investments	(317)	776
TOTAL INCOME (LOSS)	(217)	805
EXPENSES (see notes – Fund Specific Information)		
Management fees	47	45
Administration fees	3	3
Board of Directors fees	1	1
Independent Review Committee costs	3	2
GST/HST	6	5
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	57	54
INCREASE (DECREASE) IN NAV	\$ (274)	\$ 751
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (45)	\$ 123
ADVISOR SERIES	\$ (44)	\$ 62
SERIES H	\$ –	\$ (4)
SERIES D	\$ (18)	\$ 31
SERIES F	\$ (167)	\$ 547
SERIES I	\$ –	\$ (8)
SERIES O	\$ –	\$ –
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ (0.74)	\$ 1.75
ADVISOR SERIES	\$ (0.85)	\$ 1.70
SERIES H	\$ –	\$ (0.53)
SERIES D	\$ (0.60)	\$ 1.63
SERIES F	\$ (0.63)	\$ 1.97
SERIES I	\$ –	\$ (0.17)
SERIES O	\$ (0.41)	\$ 2.05

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (274)	\$ 751
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(205)	(96)
Net realized loss (gain) on investments	103	68
Change in unrealized loss (gain) on investments	317	(776)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(3)	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 100)	(2 627)
Proceeds from sale and maturity of investments	4 129	1 839
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2 967	(841)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	1 767	4 012
Cash paid on redemption of redeemable mutual fund shares	(4 681)	(3 218)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (2 914)	\$ 794
Net increase (decrease) in cash for the period	53	(47)
Cash (bank overdraft), beginning of period	(47)	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 6	\$ (47)
Interest received (paid)	\$ (1)	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 117	\$ 564	\$ 643	\$ 336	\$ —	\$ 192	\$ 340	\$ 129
INCREASE (DECREASE) IN NAV	(45)	123	(44)	62	—	(4)	(18)	31
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	90	633	195	483	—	—	207	413
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(666)	(203)	(448)	(238)	—	(188)	(358)	(233)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(576)	430	(253)	245	—	(188)	(151)	180
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(621)	553	(297)	307	—	(192)	(169)	211
NAV AT END OF PERIOD	\$ 496	\$ 1 117	\$ 346	\$ 643	\$ —	\$ —	\$ 171	\$ 340

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 3 621	\$ 2 591	\$ —	\$ 426	\$ 1	\$ 1	\$ 5 722	\$ 4 239
INCREASE (DECREASE) IN NAV	(167)	547	—	(8)	—	—	(274)	751
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	1 564	2 275	—	225	—	—	2 056	4 029
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(3 582)	(1 792)	—	(643)	—	—	(5 054)	(3 297)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(2 018)	483	—	(418)	—	—	(2 998)	732
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(2 185)	1 030	—	(426)	—	—	(3 272)	1 483
NAV AT END OF PERIOD	\$ 1 436	\$ 3 621	\$ —	\$ —	\$ 1	\$ 1	\$ 2 450	\$ 5 722

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of U.S. mid-cap companies that are deemed to be undervalued in order to provide broad exposure to economic growth opportunities in the equity markets.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

The Fund invests in the RBC U.S. Mid-Cap Value Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Financials	20.3	17.5
Consumer Discretionary	14.4	16.8
Information Technology	11.4	15.0
Industrials	11.0	5.0
Real Estate	9.7	5.6
Energy	8.3	15.9
Utilities	8.3	6.4
Health Care	7.3	11.0
Materials	4.9	5.4
Consumer Staples	2.8	0.5
Cash/Other	1.6	0.9
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
Russell Midcap Value Index (CAD)	+ or - 1.1	+ or - 1.2

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	2 447	–	–	2 447
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	2 447	–	–	2 447
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	5 711	–	–	5 711
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	5 711	–	–	5 711
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.75%	0.08%
Advisor Series	1.75%	0.08%
Series D	1.00%	0.08%
Series F	0.75%	0.08%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.75% from 1.85%; for Series D mutual fund shares were reduced to 1.00% from 1.10%; and for Series F mutual fund shares were reduced to 0.75% from 0.85%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series O	100	100
Value of all mutual fund shares	6	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC U.S. Mid-Cap Value Equity Fund	99.9	0.4	99.8	0.9

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Please see the generic notes at the back of the financial statements.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	97	58
Issued number of mutual fund shares	8	58
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(60)	(19)
Ending number of mutual fund shares	45	97
Advisor Series		
Opening mutual fund shares	56	34
Issued number of mutual fund shares	17	43
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(41)	(21)
Ending number of mutual fund shares	32	56
Series D		
Opening mutual fund shares	29	13
Issued number of mutual fund shares	18	37
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(32)	(21)
Ending number of mutual fund shares	15	29
Series F		
Opening mutual fund shares	306	261
Issued number of mutual fund shares	136	207
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(315)	(162)
Ending number of mutual fund shares	127	306
Series O		
Opening mutual fund shares	—	—
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	—
Ending number of mutual fund shares	—	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. SMALL-CAP CORE EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
60 939	RBC U.S. Small-Cap Core Equity Fund*	\$ 1 312	\$ 1 380	
TOTAL MUTUAL FUND UNITS		<u>\$ 1 312</u>	1 380	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			2	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 1 382</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 1 380	\$ 2 027
Cash	7	10
Due from investment dealers	6	–
TOTAL ASSETS	1 393	2 037
LIABILITIES		
Due to investment dealers	10	–
Redemptions payable	–	81
Accounts payable and accrued expenses	1	1
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	11	82
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 1 382	\$ 1 955
Investments at cost	\$ 1 312	\$ 1 946
NAV		
SERIES A	\$ 108	\$ 270
ADVISOR SERIES	\$ 152	\$ 127
SERIES H	\$ –	\$ –
SERIES D	\$ 90	\$ 276
SERIES F	\$ 902	\$ 1 085
SERIES I	\$ –	\$ –
SERIES O	\$ 130	\$ 197
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 12.69	\$ 12.24
ADVISOR SERIES	\$ 12.68	\$ 12.24
SERIES H	\$ –	\$ –
SERIES D	\$ 13.03	\$ 12.46
SERIES F	\$ 13.18	\$ 12.57
SERIES I	\$ –	\$ –
SERIES O	\$ 13.54	\$ 12.80

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Other income received from underlying funds	\$ 10	\$ 10
Capital gains received from underlying funds	35	–
Net realized gain (loss) on investments	62	106
Change in unrealized gain (loss) on investments	(13)	125
TOTAL INCOME (LOSS)	94	241
EXPENSES (see notes – Fund Specific Information)		
Management fees	15	7
Administration fees	4	1
Independent Review Committee costs	3	2
GST/HST	2	1
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	21	9
INCREASE (DECREASE) IN NAV	\$ 73	\$ 232
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 3	\$ 23
ADVISOR SERIES	\$ 5	\$ 25
SERIES H	\$ –	\$ –
SERIES D	\$ (5)	\$ 35
SERIES F	\$ 60	\$ 23
SERIES I	\$ –	\$ 1
SERIES O	\$ 10	\$ 125
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.33	\$ 2.32
ADVISOR SERIES	\$ 0.48	\$ 2.32
SERIES H	\$ –	\$ 0.33
SERIES D	\$ (0.25)	\$ 1.88
SERIES F	\$ 0.63	\$ 1.28
SERIES I	\$ –	\$ 0.23
SERIES O	\$ 0.83	\$ 3.47



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 73	\$ 232
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(45)	(10)
Net realized loss (gain) on investments	(62)	(106)
Change in unrealized loss (gain) on investments	13	(125)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	—	1
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(671)	(2 171)
Proceeds from sale and maturity of investments	1 416	1 173
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	724	(1 006)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	760	2 386
Cash paid on redemption of redeemable mutual fund shares	(1 487)	(1 370)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (727)	\$ 1 016
Net increase (decrease) in cash for the period	(3)	10
Cash (bank overdraft), beginning of period	10	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 7	\$ 10
Interest received (paid)	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 270	\$ 109	\$ 127	\$ 91	\$ —	\$ 1	\$ 276	\$ 26
INCREASE (DECREASE) IN NAV	3	23	5	25	—	—	(5)	35
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	34	271	31	70	—	—	386	775
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(199)	(133)	(11)	(59)	—	(1)	(567)	(560)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(165)	138	20	11	—	(1)	(181)	215
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(162)	161	25	36	—	(1)	(186)	250
NAV AT END OF PERIOD	\$ 108	\$ 270	\$ 152	\$ 127	\$ —	\$ —	\$ 90	\$ 276

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 085	\$ 1	\$ —	\$ 83	\$ 197	\$ 477	\$ 1 955	\$ 788
INCREASE (DECREASE) IN NAV	60	23	—	1	10	125	73	232
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	468	1 233	—	—	15	75	934	2 424
Reinvestments of distributions to holders of redeemable mutual fund shares	—	—	—	—	—	—	—	—
Redemption of redeemable mutual fund shares	(711)	(172)	—	(84)	(92)	(480)	(1 580)	(1 489)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(243)	1 061	—	(84)	(77)	(405)	(646)	935
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(183)	1 084	—	(83)	(67)	(280)	(573)	1 167
NAV AT END OF PERIOD	\$ 902	\$ 1 085	\$ —	\$ —	\$ 130	\$ 197	\$ 1 382	\$ 1 955

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of U.S. small-cap companies in order to provide broad exposure to economic growth opportunities in the equity markets.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

The Fund invests in the RBC U.S. Small-Cap Core Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Industrials	27.3	25.3
Consumer Discretionary	21.9	16.7
Financials	18.6	21.9
Information Technology	11.1	13.1
Health Care	8.1	6.6
Materials	5.2	4.8
Energy	4.1	3.6
Utilities	1.3	1.1
Telecommunication Services	1.1	0.8
Real Estate	0.7	2.2
Consumer Staples	0.3	0.4
Cash/Other	0.3	3.5
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	99.9	99.8
Total	99.9	99.8

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
Russell 2000 Total Return Index (CAD)	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	1 380	–	–	1 380
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 380	–	–	1 380
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	2 027	–	–	2 027
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	2 027	–	–	2 027
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.75%	0.08%
Advisor Series	1.75%	0.08%
Series D	1.00%	0.08%
Series F	0.75%	0.08%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.75% from 1.85%; for Series D mutual fund shares were reduced to 1.00% from 1.10%; and for Series F mutual fund shares were reduced to 0.75% from 0.85%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series O	100	100
Value of all mutual fund shares	7	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC U.S. Small-Cap Core Equity Fund	99.9	0.6	103.7	0.9

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Please see the generic notes at the back of the financial statements.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	22	11
Issued number of mutual fund shares	3	23
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(16)	(12)
Ending number of mutual fund shares	9	22
Advisor Series		
Opening mutual fund shares	10	9
Issued number of mutual fund shares	3	6
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(1)	(5)
Ending number of mutual fund shares	12	10
Series D		
Opening mutual fund shares	22	3
Issued number of mutual fund shares	31	65
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(46)	(46)
Ending number of mutual fund shares	7	22
Series F		
Opening mutual fund shares	86	—
Issued number of mutual fund shares	38	100
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(56)	(14)
Ending number of mutual fund shares	68	86
Series O		
Opening mutual fund shares	15	48
Issued number of mutual fund shares	2	5
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(7)	(38)
Ending number of mutual fund shares	10	15



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC INTERNATIONAL EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
288 375	RBC International Equity Fund*	\$ 5 991	\$ 6 699	
TOTAL MUTUAL FUND UNITS		<u>\$ 5 991</u>	6 699	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			3	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 6 702</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 6 699	\$ 4 864
Cash	2	8
Subscriptions receivable	9	–
TOTAL ASSETS	6 710	4 872
LIABILITIES		
Accounts payable and accrued expenses	8	7
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE		
MUTUAL FUND SHARES	8	7
NET ASSETS ATTRIBUTABLE TO		
HOLDERS OF REDEEMABLE MUTUAL FUND		
SHARES ("NAV")	\$ 6 702	\$ 4 865
Investments at cost	\$ 5 991	\$ 4 705
NAV		
SERIES A	\$ 1 577	\$ 1 307
ADVISOR SERIES	\$ 180	\$ 155
SERIES H	\$ –	\$ –
SERIES D	\$ 2 311	\$ 1 825
SERIES F	\$ 2 633	\$ 1 577
SERIES I	\$ –	\$ –
SERIES O	\$ 1	\$ 1
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 12.24	\$ 10.92
ADVISOR SERIES	\$ 12.30	\$ 10.96
SERIES H	\$ –	\$ –
SERIES D	\$ 12.60	\$ 11.15
SERIES F	\$ 12.72	\$ 11.22
SERIES I	\$ –	\$ –
SERIES O	\$ 13.11	\$ 11.46

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Other income received from underlying funds	\$ 107	\$ 86
Net realized gain (loss) on investments	51	(15)
Net gain (loss) on foreign currencies		
and other net assets	1	–
Change in unrealized gain (loss) on investments	549	246
TOTAL INCOME (LOSS)	708	317
EXPENSES (see notes – Fund Specific Information)		
Management fees	64	52
Administration fees	6	6
Board of Directors fees	1	–
Independent Review Committee costs	3	2
GST/HST	8	7
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	79	65
INCREASE (DECREASE) IN NAV	\$ 629	\$ 252
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 162	\$ 65
ADVISOR SERIES	\$ 18	\$ 7
SERIES H	\$ –	\$ –
SERIES D	\$ 242	\$ 102
SERIES F	\$ 207	\$ 77
SERIES I	\$ –	\$ 1
SERIES O	\$ –	\$ –
INCREASE (DECREASE) IN NAV		
PER MUTUAL FUND SHARE		
SERIES A	\$ 1.32	\$ 0.47
ADVISOR SERIES	\$ 1.35	\$ 1.38
SERIES H	\$ –	\$ 0.04
SERIES D	\$ 1.36	\$ 0.61
SERIES F	\$ 1.35	\$ 1.15
SERIES I	\$ –	\$ 0.02
SERIES O	\$ 1.66	\$ 0.76



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 629	\$ 252
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(107)	(86)
Net realized loss (gain) on investments	(51)	15
Change in unrealized loss (gain) on investments	(549)	(246)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	1	1
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 650)	(1 663)
Proceeds from sale and maturity of investments	522	1 497
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(1 205)	(230)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	1 982	2 846
Cash paid on redemption of redeemable mutual fund shares	(783)	(2 620)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 1 199	\$ 226
Net increase (decrease) in cash for the period	(6)	(4)
Cash (bank overdraft), beginning of period	8	12
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2	\$ 8
Interest received (paid)	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 307	\$ 1 086	\$ 155	\$ 13	\$ –	\$ 562	\$ 1 825	\$ 2 104
INCREASE (DECREASE) IN NAV	162	65	18	7	–	–	242	102
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	341	1 033	64	161	–	–	638	177
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(233)	(877)	(57)	(26)	–	(562)	(394)	(558)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	108	156	7	135	–	(562)	244	(381)
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	270	221	25	142	–	(562)	486	(279)
NAV AT END OF PERIOD	\$ 1 577	\$ 1 307	\$ 180	\$ 155	\$ –	\$ –	\$ 2 311	\$ 1 825

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 577	\$ 297	\$ –	\$ 357	\$ 1	\$ 1	\$ 4 865	\$ 4 420
INCREASE (DECREASE) IN NAV	207	77	–	1	–	–	629	252
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	1 021	1 686	–	–	–	–	2 064	3 057
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(172)	(483)	–	(358)	–	–	(856)	(2 864)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	849	1 203	–	(358)	–	–	1 208	193
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	1 056	1 280	–	(357)	–	–	1 837	445
NAV AT END OF PERIOD	\$ 2 633	\$ 1 577	\$ –	\$ –	\$ 1	\$ 1	\$ 6 702	\$ 4 865

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing in stocks of companies outside of North America in order to provide exposure to economies that may be at different stages of the business cycle or offer growth opportunities unavailable in U.S. and Canadian markets.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC International Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
United Kingdom	23.5	24.6
Japan	18.7	20.0
Germany	9.1	8.0
Australia	7.3	7.9
Netherlands	7.1	4.2
Ireland	5.3	5.3
Sweden	4.6	4.8
Denmark	4.5	3.8
Switzerland	3.9	6.9
France	2.3	2.7
Finland	2.2	1.8
Taiwan	1.6	2.6
Other Countries	8.0	6.0
Cash/Other	1.9	1.4
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
Euro	29.5	28.0
Japanese yen	24.7	23.5
Pound sterling	17.1	17.8
Swiss franc	7.8	8.8
Australian dollar	6.7	7.7
United States dollar	4.2	4.1

	March 31 2018	March 31 2017
Currency		
Hong Kong dollar	3.4	3.2
Swedish krona	2.6	2.7
Danish krone	1.8	1.7
Singapore dollar	1.3	1.2
Norwegian krone	0.7	0.6
Other currencies	–	0.5
Total	99.8	99.8

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	6 699	–	–	6 699
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	6 699	–	–	6 699
% of total portfolio	100.0	–	–	100.0



March 31, 2018

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	4 864	—	—	4 864
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	4 864	—	—	4 864
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.75%	0.13%
Advisor Series	1.75%	0.13%
Series D	1.00%	0.13%
Series F	0.75%	0.13%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.75% from 1.85%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except mutual fund share amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series O	100	100
Value of all mutual fund shares	6	6

Please see the generic notes at the back of the financial statements.

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC International Equity Fund	100.0	0.6	100.0	0.5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	120	104
Issued number of mutual fund shares	28	100
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(19)	(84)
Ending number of mutual fund shares	129	120
Advisor Series		
Opening mutual fund shares	14	1
Issued number of mutual fund shares	6	15
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(5)	(2)
Ending number of mutual fund shares	15	14
Series D		
Opening mutual fund shares	164	200
Issued number of mutual fund shares	51	17
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(32)	(53)
Ending number of mutual fund shares	183	164
Series F		
Opening mutual fund shares	141	28
Issued number of mutual fund shares	80	158
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(14)	(45)
Ending number of mutual fund shares	207	141
Series O		
Opening mutual fund shares	—	—
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	—
Ending number of mutual fund shares	—	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
PHILLIPS, HAGER & NORTH OVERSEAS EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
3 915 914	Phillips, Hager & North Overseas Equity Fund*	\$ 46 250	\$ 63 708	
TOTAL MUTUAL FUND UNITS		<u>\$ 46 250</u>	63 708	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			145	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 63 853</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 63 708	\$ 52 139
Cash	202	8
Due from investment dealers	—	50
Subscriptions receivable	26	1
TOTAL ASSETS	63 936	52 198
LIABILITIES		
Redemptions payable	33	14
Accounts payable and accrued expenses	50	44
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	83	58
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 63 853	\$ 52 140
Investments at cost	\$ 46 250	\$ 44 000
NAV		
SERIES A	\$ 9 056	\$ 10 403
ADVISOR SERIES	\$ 863	\$ 542
SERIES H	\$ —	\$ —
SERIES D	\$ 27 241	\$ 22 122
SERIES F	\$ 12 390	\$ 5 554
SERIES I	\$ —	\$ —
SERIES O	\$ 14 303	\$ 13 519
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 20.34	\$ 16.97
ADVISOR SERIES	\$ 20.42	\$ 17.03
SERIES H	\$ —	\$ —
SERIES D	\$ 21.50	\$ 17.78
SERIES F	\$ 21.82	\$ 18.00
SERIES I	\$ —	\$ —
SERIES O	\$ 23.16	\$ 18.95

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (1)	\$ (2)
Other income received from underlying funds	1 240	1 462
Net realized gain (loss) on investments	872	1 416
Change in unrealized gain (loss) on investments	9 319	1 297
TOTAL INCOME (LOSS)	11 430	4 173
EXPENSES (see notes – Fund Specific Information)		
Management fees	493	497
Administration fees	32	30
Board of Directors fees	6	6
Independent Review Committee costs	3	2
GST/HST	47	49
Expenses reimbursed by manager	(3)	(3)
TOTAL EXPENSES	578	581
INCREASE (DECREASE) IN NAV	\$ 10 852	\$ 3 592
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 1 732	\$ 744
ADVISOR SERIES	\$ 110	\$ 44
SERIES H	\$ —	\$ (23)
SERIES D	\$ 4 634	\$ 1 450
SERIES F	\$ 1 644	\$ 289
SERIES I	\$ —	\$ (9)
SERIES O	\$ 2 732	\$ 1 097
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 3.57	\$ 0.92
ADVISOR SERIES	\$ 3.28	\$ 0.91
SERIES H	\$ —	\$ (0.36)
SERIES D	\$ 3.69	\$ 1.13
SERIES F	\$ 3.51	\$ 1.57
SERIES I	\$ —	\$ (0.27)
SERIES O	\$ 4.33	\$ 1.62



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 10 852	\$ 3 592
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 240)	(1 462)
Net realized loss (gain) on investments	(872)	(1 416)
Change in unrealized loss (gain) on investments	(9 319)	(1 297)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	6	(12)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(3 850)	(6 359)
Proceeds from sale and maturity of investments	3 762	10 545
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(661)	3 591
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	9 348	12 343
Cash paid on redemption of redeemable mutual fund shares	(8 493)	(16 061)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 855	\$ (3 718)
Net increase (decrease) in cash for the period	194	(127)
Cash (bank overdraft), beginning of period	8	135
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 202	\$ 8
Interest received (paid)	\$ (1)	\$ (2)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 10 403	\$ 14 534	\$ 542	\$ 956	\$ –	\$ 1 038	\$ 22 122	\$ 21 849
INCREASE (DECREASE) IN NAV	1 732	744	110	44	–	(23)	4 634	1 450
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	781	1 834	378	90	–	–	2 312	2 528
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(3 860)	(6 709)	(167)	(548)	–	(1 015)	(1 827)	(3 705)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(3 079)	(4 875)	211	(458)	–	(1 015)	485	(1 177)
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	(1 347)	(4 131)	321	(414)	–	(1 038)	5 119	273
NAV AT END OF PERIOD	\$ 9 056	\$ 10 403	\$ 863	\$ 542	\$ –	\$ –	\$ 27 241	\$ 22 122

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 554	\$ 1 895	\$ –	\$ 607	\$ 13 519	\$ 11 373	\$ 52 140	\$ 52 252
INCREASE (DECREASE) IN NAV	1 644	289	–	(9)	2 732	1 097	10 852	3 592
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	6 256	4 549	–	178	3 058	6 644	12 785	15 823
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(1 064)	(1 179)	–	(776)	(5 006)	(5 595)	(11 924)	(19 527)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	5 192	3 370	–	(598)	(1 948)	1 049	861	(3 704)
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	6 836	3 659	–	(607)	784	2 146	11 713	(112)
NAV AT END OF PERIOD	\$ 12 390	\$ 5 554	\$ –	\$ –	\$ 14 303	\$ 13 519	\$ 63 853	\$ 52 140

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing in a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside North America, including countries in Europe and the Far East, including Japan and Australia.

All outstanding Series H mutual fund shares were re-designated as Series A mutual fund shares effective June 30, 2016. All outstanding Series I mutual fund shares were re-designated as Series F mutual fund shares effective June 30, 2016.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the Phillips, Hager & North Overseas Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Europe ex. United Kingdom Equities	36.3	42.9
United Kingdom Equities	21.6	12.0
Japan Equities	20.4	19.9
Pacific ex. Japan Equities	13.0	15.9
India Equities	4.6	4.4
Middle East & Africa Equities	2.8	4.3
Cash/Other	1.3	0.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

Currency	March 31 2018	March 31 2017
Pound sterling	23.9	14.6
Japanese yen	20.5	19.9
Euro	19.9	26.7
Swiss franc	10.2	8.9
United States dollar	8.3	8.0
Hong Kong dollar	4.4	3.8
Australian dollar	3.4	4.4
South African rand	2.8	4.3

Currency	March 31 2018	March 31 2017
Indian rupee	2.4	2.2
Danish krone	2.3	2.0
Thailand baht	1.0	1.1
Philippine peso	—	1.6
Swedish krona	—	1.6
Total	99.1	99.1

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	63 708	—	—	63 708
Fixed-income	—	—	—	—
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	63 708	—	—	63 708
% of total portfolio	100.0	—	—	100.0



March 31, 2018

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	52 139	—	—	52 139
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	52 139	—	—	52 139
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.75%	0.07%
Advisor Series	1.75%	0.07%
Series H	1.75%	0.07%
Series D	1.00%	0.07%
Series F	0.75%	0.07%
Series I	0.75%	0.07%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.75% from 1.85%; for Series D mutual fund shares were reduced to 1.00% from 1.10%; and for Series F mutual fund shares were reduced to 0.75% from 0.85%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except mutual fund share amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	149	149
Advisor Series	50	50
Series D	50	50
Series F	148	148
Value of all mutual fund shares	8	7

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Overseas Equity Fund	99.8	5.1	100.0	4.8

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	613	907
Issued number of mutual fund shares	40	116
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(208)	(410)
Ending number of mutual fund shares	445	613

Advisor Series		
Opening mutual fund shares	32	60
Issued number of mutual fund shares	18	5
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(8)	(33)
Ending number of mutual fund shares	42	32

Series H		
Opening mutual fund shares	—	64
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(64)
Ending number of mutual fund shares	—	—

Series D		
Opening mutual fund shares	1 244	1 314
Issued number of mutual fund shares	113	150
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(90)	(220)
Ending number of mutual fund shares	1 267	1 244



March 31, 2018

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening mutual fund shares	309	113
Issued number of mutual fund shares	310	265
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(51)	(69)
Ending number of mutual fund shares	568	309
Series I		
Opening mutual fund shares	–	36
Issued number of mutual fund shares	–	10
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	–	(46)
Ending number of mutual fund shares	–	–
Series O		
Opening mutual fund shares	713	649
Issued number of mutual fund shares	138	377
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(234)	(313)
Ending number of mutual fund shares	617	713



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC EUROPEAN EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
2 010 935	RBC European Equity Fund*	\$ 47 463	\$ 47 916	
TOTAL MUTUAL FUND UNITS		<u>\$ 47 463</u>	47 916	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(4)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 47 912</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 47 916	\$ 29 818
Cash	105	62
Due from investment dealers	–	275
Subscriptions receivable	82	49
TOTAL ASSETS	48 103	30 204
LIABILITIES		
Due to investment dealers	150	–
Redemptions payable	5	375
Accounts payable and accrued expenses	36	26
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE		
MUTUAL FUND SHARES	191	401
NET ASSETS ATTRIBUTABLE TO		
HOLDERS OF REDEEMABLE MUTUAL FUND		
SHARES ("NAV")	\$ 47 912	\$ 29 803
Investments at cost	\$ 47 463	\$ 30 850
NAV		
SERIES A	\$ 1 259	\$ 1 666
ADVISOR SERIES	\$ 1 455	\$ 1 816
SERIES H	\$ –	\$ –
SERIES D	\$ 568	\$ 420
SERIES F	\$ 21 875	\$ 10 814
SERIES I	\$ 22 754	\$ 15 086
SERIES O	\$ 1	\$ 1
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 11.55	\$ 10.52
ADVISOR SERIES	\$ 11.56	\$ 10.52
SERIES H	\$ –	\$ –
SERIES D	\$ 11.89	\$ 10.73
SERIES F	\$ 12.00	\$ 10.80
SERIES I	\$ 12.07	\$ 10.85
SERIES O	\$ 12.36	\$ 11.03

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (1)	\$ (2)
Other income received from underlying funds	1 084	648
Capital gains received from underlying funds	1 535	357
Net realized gain (loss) on investments	77	(1 230)
Change in unrealized gain (loss) on investments	1 485	553
TOTAL INCOME (LOSS)	4 180	326
EXPENSES (see notes – Fund Specific Information)		
Management fees	315	270
Administration fees	55	46
Board of Directors fees	4	5
Independent Review Committee costs	3	2
GST/HST	24	23
Expenses reimbursed by manager	(3)	(3)
TOTAL EXPENSES	398	343
INCREASE (DECREASE) IN NAV	\$ 3 782	\$ (17)
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 148	\$ (12)
ADVISOR SERIES	\$ 167	\$ 55
SERIES H	\$ –	\$ (10)
SERIES D	\$ 46	\$ 13
SERIES F	\$ 1 501	\$ 6
SERIES I	\$ 1 920	\$ (69)
SERIES O	\$ –	\$ –
INCREASE (DECREASE) IN NAV		
PER MUTUAL FUND SHARE		
SERIES A	\$ 1.12	\$ (0.05)
ADVISOR SERIES	\$ 1.11	\$ 0.41
SERIES H	\$ –	\$ (0.32)
SERIES D	\$ 0.98	\$ 0.30
SERIES F	\$ 0.98	\$ 0.01
SERIES I	\$ 1.13	\$ (0.04)
SERIES O	\$ 1.33	\$ 0.34



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 3 782	\$ (17)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(2 619)	(1 005)
Net realized loss (gain) on investments	(77)	1 230
Change in unrealized loss (gain) on investments	(1 485)	(553)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	10	(2)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(17 650)	(11 555)
Proceeds from sale and maturity of investments	4 158	15 161
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(13 881)	3 259
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	27 822	17 967
Cash paid on redemption of redeemable mutual fund shares	(13 898)	(21 140)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 13 924	\$ (3 173)
Net increase (decrease) in cash for the period	43	86
Cash (bank overdraft), beginning of period	62	(24)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 105	\$ 62
Interest received (paid)	\$ (1)	\$ (2)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 666	\$ 3 437	\$ 1 816	\$ 767	\$ –	\$ 381	\$ 420	\$ 422
INCREASE (DECREASE) IN NAV	148	(12)	167	55	–	(10)	46	13
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	417	336	342	1 145	–	–	293	427
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(972)	(2 095)	(870)	(151)	–	(371)	(191)	(442)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(555)	(1 759)	(528)	994	–	(371)	102	(15)
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	(407)	(1 771)	(361)	1 049	–	(381)	148	(2)
NAV AT END OF PERIOD	\$ 1 259	\$ 1 666	\$ 1 455	\$ 1 816	\$ –	\$ –	\$ 568	\$ 420

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 10 814	\$ 9 833	\$ 15 086	\$ 21 042	\$ 1	\$ 1	\$ 29 803	\$ 35 883
INCREASE (DECREASE) IN NAV	1 501	6	1 920	(69)	–	–	3 782	(17)
Early redemption fees	–	2	–	–	–	–	–	2
Proceeds from redeemable mutual fund shares issued	12 873	7 992	14 261	5 236	–	–	28 186	15 136
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(3 313)	(7 019)	(8 513)	(11 123)	–	–	(13 859)	(21 201)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	9 560	975	5 748	(5 887)	–	–	14 327	(6 063)
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	11 061	981	7 668	(5 956)	–	–	18 109	(6 080)
NAV AT END OF PERIOD	\$ 21 875	\$ 10 814	\$ 22 754	\$ 15 086	\$ 1	\$ 1	\$ 47 912	\$ 29 803

The accompanying notes are an integral part of these financial statements.



March 31, 2018

Series I mutual fund shares have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series I mutual fund shares of the Fund can continue to make additional investments into this series. In addition, RBC GAM may maintain capacity for certain investors, including other related funds, that may invest in this series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in European stocks in order to provide exposure to growth opportunities in the European economy and diversification benefits beyond North America.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC European Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
United Kingdom	35.6	37.4
Germany	13.2	12.2
Netherlands	10.2	6.8
Ireland	7.9	8.7
Denmark	7.2	6.4
Switzerland	5.8	11.3
Sweden	5.3	7.3
Finland	3.6	2.9
France	3.5	4.5
Spain	2.4	0.2
Italy	1.8	2.0
Cash/Other	3.5	0.3
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
Euro	46.2	44.3
Pound sterling	27.1	28.0
Swiss franc	12.3	13.9
United States dollar	5.9	5.3
Swedish krona	4.2	4.4
Danish krone	2.8	2.8
Norwegian krone	1.1	1.0
Total	99.6	99.7

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
MSCI Europe Total Return		
Net Index (CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	47 916	–	–	47 916
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	47 916	–	–	47 916
% of total portfolio	100.0	–	–	100.0

Please see the generic notes at the back of the financial statements.



March 31, 2018

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	29 818	—	—	29 818
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	29 818	—	—	29 818
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.75%	0.13%
Advisor Series	1.75%	0.13%
Series D	1.00%	0.13%
Series F	0.75%	0.13%
Series I	0.60%	0.13%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.75% from 1.85%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except mutual fund share amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series I	100	100
Series O	100	100
Value of all mutual fund shares	7	6

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC European Equity Fund	100.0	0.7	100.1	0.5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening mutual fund shares	158	330
Issued number of mutual fund shares	36	33
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(85)	(205)
Ending number of mutual fund shares	109	158
Advisor Series		
Opening mutual fund shares	173	74
Issued number of mutual fund shares	29	114
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(76)	(15)
Ending number of mutual fund shares	126	173
Series D		
Opening mutual fund shares	39	40
Issued number of mutual fund shares	25	41
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(16)	(42)
Ending number of mutual fund shares	48	39
Series F		
Opening mutual fund shares	1 001	930
Issued number of mutual fund shares	1 101	764
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(279)	(693)
Ending number of mutual fund shares	1 823	1 001



March 31, 2018

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series I		
Opening mutual fund shares	1 390	1 985
Issued number of mutual fund shares	1 204	498
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(709)	(1 093)
Ending number of mutual fund shares	1 885	1 390
Series O		
Opening mutual fund shares	–	–
Issued number of mutual fund shares	–	–
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	–	–
Ending number of mutual fund shares	–	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC EMERGING MARKETS EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
10 947 218	RBC Emerging Markets Equity Fund*	\$ 165 700	\$ 203 302	
TOTAL MUTUAL FUND UNITS		<u>\$ 165 700</u>	203 302	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			452	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 203 754</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 203 302	\$ 102 064
Cash	928	451
Subscriptions receivable	765	239
TOTAL ASSETS	204 995	102 754
LIABILITIES		
Due to investment dealers	1 000	450
Redemptions payable	107	49
Accounts payable and accrued expenses	134	70
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	1 241	569
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 203 754	\$ 102 185
Investments at cost	\$ 165 700	\$ 83 952
NAV		
SERIES A	\$ 8 199	\$ 7 198
ADVISOR SERIES	\$ 7 722	\$ 3 024
SERIES H	\$ —	\$ —
SERIES D	\$ 4 924	\$ 2 279
SERIES F	\$ 151 045	\$ 61 214
SERIES I	\$ —	\$ —
SERIES O	\$ 31 864	\$ 28 470
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 18.98	\$ 16.38
ADVISOR SERIES	\$ 18.99	\$ 16.39
SERIES H	\$ —	\$ —
SERIES D	\$ 20.17	\$ 17.24
SERIES F	\$ 20.49	\$ 17.47
SERIES I	\$ —	\$ —
SERIES O	\$ 21.67	\$ 18.32

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 1	\$ (1)
Other income received from underlying funds	2 520	1 508
Net realized gain (loss) on investments	376	1 252
Net gain (loss) on foreign currencies and other net assets	24	8
Change in unrealized gain (loss) on investments	19 490	12 136
TOTAL INCOME (LOSS)	22 411	14 903
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 008	556
Administration fees	64	65
Board of Directors fees	14	10
Independent Review Committee costs	3	2
GST/HST	129	72
Expenses reimbursed by manager	(3)	(4)
TOTAL EXPENSES	1 215	701
INCREASE (DECREASE) IN NAV	\$ 21 196	\$ 14 202
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 1 116	\$ 1 095
ADVISOR SERIES	\$ 730	\$ 362
SERIES H	\$ —	\$ —
SERIES D	\$ 487	\$ 254
SERIES F	\$ 13 798	\$ 7 264
SERIES I	\$ —	\$ (3)
SERIES O	\$ 5 065	\$ 5 230
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 2.60	\$ 2.17
ADVISOR SERIES	\$ 2.45	\$ 2.38
SERIES H	\$ —	\$ —
SERIES D	\$ 2.53	\$ 2.33
SERIES F	\$ 2.74	\$ 2.61
SERIES I	\$ —	\$ (0.01)
SERIES O	\$ 3.38	\$ 2.67

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 21 196	\$ 14 202
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(2 520)	(1 508)
Net realized loss (gain) on investments	(376)	(1 252)
Change in unrealized loss (gain) on investments	(19 490)	(12 136)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	64	24
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(79 951)	(20 642)
Proceeds from sale and maturity of investments	1 649	10 140
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(79 428)	(11 172)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	103 723	45 498
Cash paid on redemption of redeemable mutual fund shares	(23 818)	(33 870)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 79 905	\$ 11 628
Net increase (decrease) in cash for the period	477	456
Cash (bank overdraft), beginning of period	451	(5)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 928	\$ 451
Interest received (paid)	\$ 1	\$ (1)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 198	\$ 8 034	\$ 3 024	\$ 1 601	\$ –	\$ 1 829	\$ 2 279	\$ 1 630
INCREASE (DECREASE) IN NAV	1 116	1 095	730	362	–	–	487	254
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	2 597	1 520	5 227	1 721	–	–	3 295	885
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(2 712)	(3 451)	(1 259)	(660)	–	(1 829)	(1 137)	(490)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(115)	(1 931)	3 968	1 061	–	(1 829)	2 158	395
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	1 001	(836)	4 698	1 423	–	(1 829)	2 645	649
NAV AT END OF PERIOD	\$ 8 199	\$ 7 198	\$ 7 722	\$ 3 024	\$ –	\$ –	\$ 4 924	\$ 2 279

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 61 214	\$ 24 094	\$ –	\$ 7 966	\$ 28 470	\$ 31 144	\$ 102 185	\$ 76 298
INCREASE (DECREASE) IN NAV	13 798	7 264	–	(3)	5 065	5 230	21 196	14 202
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	92 818	39 558	–	289	2 308	3 205	106 245	47 178
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(16 785)	(9 702)	–	(8 252)	(3 979)	(11 109)	(25 872)	(35 493)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	76 033	29 856	–	(7 963)	(1 671)	(7 904)	80 373	11 685
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	89 831	37 120	–	(7 966)	3 394	(2 674)	101 569	25 887
NAV AT END OF PERIOD	\$ 151 045	\$ 61 214	\$ –	\$ –	\$ 31 864	\$ 28 470	\$ 203 754	\$ 102 185

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of companies located in or active in emerging markets.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC Emerging Markets Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
China	14.1	13.2
South Africa	13.2	10.8
India	12.2	13.8
Taiwan	12.2	9.8
South Korea	7.3	10.9
Hong Kong	6.5	5.3
Brazil	6.0	6.5
Indonesia	3.5	3.1
Peru	2.5	2.4
Philippines	2.5	2.9
Thailand	2.4	3.0
Turkey	1.6	1.8
Chile	1.2	1.3
Malaysia	1.1	1.4
Mexico	1.0	1.3
Other Countries	11.2	9.9
Cash/Other	1.5	2.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
Hong Kong dollar	14.4	10.8
South African rand	13.3	10.8
United States dollar	12.5	16.9
New Taiwan dollar	12.1	9.9
Indian rupee	9.8	8.7
South Korean won	7.1	11.2
Pound sterling	6.3	7.6
Brazilian real	6.0	3.6
Indonesian rupiah	3.5	3.1
Philippine peso	2.5	2.9
Thailand baht	2.4	3.0
Chinese renminbi	2.4	4.0
Turkish new lira	1.7	1.8
Chilean peso	1.2	1.3
Malaysian ringgit	1.1	1.6
Mexican peso	1.0	1.3
Japanese yen	1.0	—
Other currencies	1.7	1.3
Total	100.0	99.8

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
MSCI Emerging Markets		
Total Return Net Index (CAD)	+ or - 0.8	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.



March 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	203 302	–	–	203 302
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	203 302	–	–	203 302
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	102 064	–	–	102 064
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	102 064	–	–	102 064
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	1.85%	0.02%
Advisor Series	1.85%	0.02%
Series D	1.00%	0.02%
Series F	0.75%	0.02%
Series O	n/a†	0.02%

* Effective October 2, 2017, the administration fees for Series A, Advisor Series, Series D and Series F mutual fund shares were reduced to 0.02% from 0.10%.

† Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties
((\$000s except mutual fund share amounts))

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	50	50
Advisor Series	50	50
Series D	50	50
Series F	50	50
Value of all mutual fund shares	4	3

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Emerging Markets Equity Fund	99.8	5.0	99.9	3.4

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening mutual fund shares	439	565
Issued number of mutual fund shares	144	101
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(151)	(227)
Ending number of mutual fund shares	432	439
Advisor Series		
Opening mutual fund shares	184	113
Issued number of mutual fund shares	292	114
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(69)	(43)
Ending number of mutual fund shares	407	184



March 31, 2018

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening mutual fund shares	132	110
Issued number of mutual fund shares	172	53
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(60)	(31)
Ending number of mutual fund shares	244	132
Series F		
Opening mutual fund shares	3 503	1 608
Issued number of mutual fund shares	4 736	2 499
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(867)	(604)
Ending number of mutual fund shares	7 372	3 503
Series O		
Opening mutual fund shares	1 554	2 001
Issued number of mutual fund shares	113	194
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(196)	(641)
Ending number of mutual fund shares	1 471	1 554

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
327 728	RBC Global Equity Fund*	\$ 4 577	\$ 5 382	
TOTAL MUTUAL FUND UNITS		<u>\$ 4 577</u>	5 382	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			9	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 5 391</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 5 382	\$ 3 865
Cash	188	3
Subscriptions receivable	1	–
TOTAL ASSETS	5 571	3 868
LIABILITIES		
Due to investment dealers	175	–
Accounts payable and accrued expenses	5	5
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE		
MUTUAL FUND SHARES	180	5
NET ASSETS ATTRIBUTABLE TO		
HOLDERS OF REDEEMABLE MUTUAL FUND		
SHARES ("NAV")	\$ 5 391	\$ 3 863
Investments at cost	\$ 4 577	\$ 3 543
NAV		
SERIES A	\$ 1 042	\$ 780
ADVISOR SERIES	\$ 629	\$ 535
SERIES H	\$ –	\$ –
SERIES D	\$ 2 059	\$ 775
SERIES F	\$ 1 660	\$ 1 772
SERIES I	\$ –	\$ –
SERIES O	\$ 1	\$ 1
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 13.93	\$ 11.54
ADVISOR SERIES	\$ 13.89	\$ 11.52
SERIES H	\$ –	\$ –
SERIES D	\$ 14.26	\$ 11.73
SERIES F	\$ 14.39	\$ 11.80
SERIES I	\$ –	\$ –
SERIES O	\$ 14.85	\$ 12.07

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Other income received from underlying funds	\$ 66	\$ 67
Capital gains received from underlying funds	123	–
Net realized gain (loss) on investments	170	18
Net gain (loss) on foreign currencies and other net assets	1	–
Change in unrealized gain (loss) on investments	483	471
TOTAL INCOME (LOSS)	843	556
EXPENSES (see notes – Fund Specific Information)		
Management fees	46	50
Administration fees	7	6
Independent Review Committee costs	3	2
GST/HST	4	5
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	57	61
INCREASE (DECREASE) IN NAV	\$ 786	\$ 495
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 155	\$ 125
ADVISOR SERIES	\$ 91	\$ 63
SERIES H	\$ –	\$ 15
SERIES D	\$ 223	\$ 85
SERIES F	\$ 317	\$ 188
SERIES I	\$ –	\$ 19
SERIES O	\$ –	\$ –
INCREASE (DECREASE) IN NAV		
PER MUTUAL FUND SHARE		
SERIES A	\$ 2.50	\$ 1.26
ADVISOR SERIES	\$ 2.38	\$ 1.32
SERIES H	\$ –	\$ 0.20
SERIES D	\$ 2.41	\$ 1.51
SERIES F	\$ 2.63	\$ 1.54
SERIES I	\$ –	\$ 0.30
SERIES O	\$ 2.78	\$ 1.61



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 786	\$ 495
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(189)	(67)
Net realized loss (gain) on investments	(170)	(18)
Change in unrealized loss (gain) on investments	(483)	(471)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	—	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 780)	(743)
Proceeds from sale and maturity of investments	1 280	1 511
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(556)	707
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	2 282	2 165
Cash paid on redemption of redeemable mutual fund shares	(1 541)	(2 907)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 741	\$ (742)
Net increase (decrease) in cash for the period	185	(35)
Cash (bank overdraft), beginning of period	3	38
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 188	\$ 3
Interest received (paid)	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 780	\$ 743	\$ 535	\$ 513	\$ –	\$ 842	\$ 775	\$ 562
INCREASE (DECREASE) IN NAV	155	125	91	63	–	15	223	85
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	529	694	236	64	–	–	1 245	332
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(422)	(782)	(233)	(105)	–	(857)	(184)	(204)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	107	(88)	3	(41)	–	(857)	1 061	128
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	262	37	94	22	–	(842)	1 284	213
NAV AT END OF PERIOD	\$ 1 042	\$ 780	\$ 629	\$ 535	\$ –	\$ –	\$ 2 059	\$ 775

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 772	\$ 556	\$ –	\$ 905	\$ 1	\$ 1	\$ 3 863	\$ 4 122
INCREASE (DECREASE) IN NAV	317	188	–	19	–	–	786	495
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	538	1 225	–	–	–	–	2 548	2 315
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(967)	(197)	–	(924)	–	–	(1 806)	(3 069)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(429)	1 028	–	(924)	–	–	742	(754)
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	(112)	1 216	–	(905)	–	–	1 528	(259)
NAV AT END OF PERIOD	\$ 1 660	\$ 1 772	\$ –	\$ –	\$ 1	\$ 1	\$ 5 391	\$ 3 863

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of a diversified mix of companies operating around the world and across a range of sectors.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC Global Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
United States	55.3	57.8
United Kingdom	6.9	4.1
Japan	6.1	5.9
Switzerland	4.7	3.6
Netherlands	3.9	4.3
Taiwan	3.4	3.2
Germany	3.0	2.5
India	2.7	2.6
Belgium	2.6	2.3
South Africa	2.0	2.7
France	1.2	3.5
Other Countries	7.1	6.6
Cash/Other	1.1	0.9
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	59.6	62.5
Euro	10.7	12.6
Pound sterling	8.7	5.6
Japanese yen	6.0	5.9
Swiss franc	4.7	3.6
Hong Kong dollar	2.5	1.1
South African rand	2.0	2.7

	March 31 2018	March 31 2017
Currency		
Australian dollar	1.4	0.8
Indian rupee	1.3	1.2
Danish krone	1.3	1.4
Philippine peso	–	0.8
Total	98.2	98.2

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.9% (March 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 1.1	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	5 382	–	–	5 382
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	5 382	–	–	5 382
% of total portfolio	100.0	–	–	100.0



March 31, 2018

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Mutual fund units	3 865	—	—	3 865
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	3 865	—	—	3 865
% of total portfolio	100.0	—	—	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 7 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.75%	0.13%
Advisor Series	1.75%	0.13%
Series D	1.00%	0.13%
Series F	0.75%	0.13%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.75% from 1.85%; for Series D mutual fund shares were reduced to 1.00% from 1.10%; and for Series F mutual fund shares were reduced to 0.75% from 0.85%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except mutual fund share amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series O	100	100
Value of all mutual fund shares	7	6

Please see the generic notes at the back of the financial statements.

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Global Equity Fund	99.8	0.6	100.1	0.5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	68	73
Issued number of mutual fund shares	38	66
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(31)	(71)
Ending number of mutual fund shares	75	68

Advisor Series		
Opening mutual fund shares	46	50
Issued number of mutual fund shares	18	6
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(19)	(10)
Ending number of mutual fund shares	45	46

Series D		
Opening mutual fund shares	66	55
Issued number of mutual fund shares	92	30
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(14)	(19)
Ending number of mutual fund shares	144	66

Series F		
Opening mutual fund shares	150	54
Issued number of mutual fund shares	42	115
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(77)	(19)
Ending number of mutual fund shares	115	150

Series O		
Opening mutual fund shares	—	—
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	—
Ending number of mutual fund shares	—	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUBE LOW VOLATILITY GLOBAL EQUITY CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
2 919 924	RBC QUBE Low Volatility Global Equity Fund*	\$ 51 050	\$ 53 707	
TOTAL MUTUAL FUND UNITS		<u>\$ 51 050</u>	53 707	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			(50)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 53 657</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 53 707	\$ 47 802
Cash	16	14
Subscriptions receivable	10	495
TOTAL ASSETS	53 733	48 311
LIABILITIES		
Due to investment dealers	—	350
Redemptions payable	34	113
Accounts payable and accrued expenses	42	40
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	76	503
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 53 657	\$ 47 808
Investments at cost	\$ 51 050	\$ 44 926
NAV		
SERIES A	\$ 9 972	\$ 11 396
ADVISOR SERIES	\$ 2 773	\$ 3 065
SERIES H	\$ —	\$ —
SERIES D	\$ 8 512	\$ 7 453
SERIES F	\$ 15 427	\$ 9 245
SERIES I	\$ —	\$ —
SERIES O	\$ 16 973	\$ 16 649
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 12.27	\$ 11.75
ADVISOR SERIES	\$ 12.25	\$ 11.74
SERIES H	\$ —	\$ —
SERIES D	\$ 12.59	\$ 11.96
SERIES F	\$ 12.65	\$ 12.01
SERIES I	\$ —	\$ —
SERIES O	\$ 12.93	\$ 12.24

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (1)	\$ (2)
Other income received from underlying funds	1 284	1 044
Capital gains received from underlying funds	1 808	1 151
Net realized gain (loss) on investments	392	246
Net gain (loss) on foreign currencies and other net assets	(1)	2
Change in unrealized gain (loss) on investments	(219)	2 080
TOTAL INCOME (LOSS)	3 263	4 521
EXPENSES (see notes – Fund Specific Information)		
Management fees	419	372
Administration fees	45	38
Board of Directors fees	6	4
Independent Review Committee costs	3	2
GST/HST	42	35
Expenses reimbursed by manager	(3)	(3)
TOTAL EXPENSES	512	448
INCREASE (DECREASE) IN NAV	\$ 2 751	\$ 4 073
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 509	\$ 983
ADVISOR SERIES	\$ 139	\$ 221
SERIES H	\$ —	\$ 34
SERIES D	\$ 381	\$ 588
SERIES F	\$ 634	\$ 671
SERIES I	\$ —	\$ (2)
SERIES O	\$ 1 088	\$ 1 578
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.56	\$ 0.93
ADVISOR SERIES	\$ 0.55	\$ 1.00
SERIES H	\$ —	\$ 0.11
SERIES D	\$ 0.58	\$ 1.13
SERIES F	\$ 0.64	\$ 1.23
SERIES I	\$ —	\$ (0.07)
SERIES O	\$ 0.79	\$ 1.45



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 751	\$ 4 073
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(3 092)	(2 195)
Net realized loss (gain) on investments	(392)	(246)
Change in unrealized loss (gain) on investments	219	(2 080)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	2	3
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(9 475)	(25 717)
Proceeds from sale and maturity of investments	6 485	12 735
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(3 502)	(13 427)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	14 685	36 843
Cash paid on redemption of redeemable mutual fund shares	(11 024)	(23 666)
Distributions paid to holders of redeemable mutual fund shares	(157)	(45)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 3 504	\$ 13 132
Net increase (decrease) in cash for the period	2	(295)
Cash (bank overdraft), beginning of period	14	309
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 16	\$ 14
Interest received (paid)	\$ (1)	\$ (2)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 11 396	\$ 8 967	\$ 3 065	\$ 1 483	\$ —	\$ 5 470	\$ 7 453	\$ 4 514
INCREASE (DECREASE) IN NAV	509	983	139	221	—	34	381	588
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	1 626	7 887	756	2 286	—	1	1 848	3 790
Reinvestments of distributions to holders of redeemable mutual fund shares	—	8	—	3	—	—	6	3
Redemption of redeemable mutual fund shares	(3 559)	(6 440)	(1 187)	(925)	—	(5 505)	(1 170)	(1 439)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(1 933)	1 455	(431)	1 364	—	(5 504)	684	2 354
Distributions from net income	—	(9)	—	(3)	—	—	(6)	(3)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	—	(9)	—	(3)	—	—	(6)	(3)
NET INCREASE (DECREASE) IN NAV	(1 424)	2 429	(292)	1 582	—	(5 470)	1 059	2 939
NAV AT END OF PERIOD	\$ 9 972	\$ 11 396	\$ 2 773	\$ 3 065	\$ —	\$ —	\$ 8 512	\$ 7 453

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 9 245	\$ 3 481	\$ —	\$ 278	\$ 16 649	\$ 6 270	\$ 47 808	\$ 30 463
INCREASE (DECREASE) IN NAV	634	671	—	(2)	1 088	1 578	2 751	4 073
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable mutual fund shares issued	9 834	8 554	—	—	1 615	18 673	15 679	41 191
Reinvestments of distributions to holders of redeemable mutual fund shares	26	7	—	—	—	—	32	21
Redemption of redeemable mutual fund shares	(4 276)	(3 457)	—	(276)	(2 232)	(9 832)	(12 424)	(27 874)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	5 584	5 104	—	(276)	(617)	8 841	3 287	13 338
Distributions from net income	(36)	(11)	—	—	(147)	(40)	(189)	(66)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	(36)	(11)	—	—	(147)	(40)	(189)	(66)
NET INCREASE (DECREASE) IN NAV	6 182	5 764	—	(278)	324	10 379	5 849	17 345
NAV AT END OF PERIOD	\$ 15 427	\$ 9 245	\$ —	\$ —	\$ 16 973	\$ 16 649	\$ 53 657	\$ 47 808

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of global companies. The Fund uses a quantitative approach and seeks to achieve a reduced level of volatility of returns compared with the broader global equity market.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC QUBE Low Volatility Global Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
United States	54.2	56.2
Japan	13.9	13.5
Canada	8.1	7.1
Switzerland	4.4	4.6
Hong Kong	3.8	4.3
Belgium	2.9	3.5
Israel	2.9	3.5
Singapore	1.3	1.9
United Kingdom	1.3	1.5
Other Countries	7.1	3.6
Cash/Other	0.1	0.3
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	55.4	57.3
Japanese yen	14.0	13.6
Euro	8.7	6.1
Swiss franc	4.1	4.6
Hong Kong dollar	3.8	4.3
Israeli new shekel	1.9	2.6
Pound sterling	1.4	1.5
Singapore dollar	1.3	1.9
Australian dollar	0.6	0.7
Danish krone	0.5	–
Swedish krona	–	0.3
Total	91.7	92.9

Please see the generic notes at the back of the financial statements.

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.6% (March 31, 2017 – 4.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (March 31, 2017 – 26-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 0.8	+ or - 0.7

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	53 707	–	–	53 707
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	53 707	–	–	53 707
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	47 802	–	–	47 802
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	47 802	–	–	47 802
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.75%	0.13%
Advisor Series	1.75%	0.13%
Series D	1.00%	0.13%
Series F	0.75%	0.13%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.75% from 1.85%; for Series D mutual fund shares were reduced to 1.00% from 1.10%; and for Series F mutual fund shares were reduced to 0.75% from 0.85%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	100	100
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series O	101	101
Value of all mutual fund shares	6	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC QUBE Low Volatility Global Equity Fund	100.1	5.1	100.0	5.6

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Please see the generic notes at the back of the financial statements.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	970	832
Issued number of mutual fund shares	135	717
Reinvested number of mutual fund shares	–	1
Redeemed number of mutual fund shares	(292)	(580)
Ending number of mutual fund shares	813	970
Advisor Series		
Opening mutual fund shares	261	138
Issued number of mutual fund shares	62	206
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(97)	(83)
Ending number of mutual fund shares	226	261
Series D		
Opening mutual fund shares	623	415
Issued number of mutual fund shares	149	336
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(96)	(128)
Ending number of mutual fund shares	676	623
Series F		
Opening mutual fund shares	770	319
Issued number of mutual fund shares	792	756
Reinvested number of mutual fund shares	2	1
Redeemed number of mutual fund shares	(344)	(306)
Ending number of mutual fund shares	1 220	770
Series O		
Opening mutual fund shares	1 361	569
Issued number of mutual fund shares	127	1 641
Reinvested number of mutual fund shares	–	–
Redeemed number of mutual fund shares	(175)	(849)
Ending number of mutual fund shares	1 313	1 361



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL RESOURCES CLASS

March 31, 2018

Number of Units	Security	Cost	Fair Value	% of Net Assets
MUTUAL FUND UNITS				
73 352	RBC Global Resources Fund*	\$ 2 555	\$ 2 980	
TOTAL MUTUAL FUND UNITS		<u>\$ 2 555</u>	<u>2 980</u>	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>—</u>	<u>—</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES			<u>\$ 2 980</u>	100.0

* Investment in related party (see note 7 in the generic notes).



Statements of Financial Position

(in \$000s except per mutual fund share amounts)

(see note 2 in the generic notes)	March 31 2018	March 31 2017
ASSETS		
Investments at fair value	\$ 2 980	\$ 2 866
Cash	7	15
Subscriptions receivable	—	2
TOTAL ASSETS	2 987	2 883
LIABILITIES		
Due to investment dealers	—	10
Redemptions payable	3	—
Accounts payable and accrued expenses	4	3
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	7	13
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES ("NAV")	\$ 2 980	\$ 2 870
Investments at cost	\$ 2 555	\$ 2 486
NAV		
SERIES A	\$ 925	\$ 911
ADVISOR SERIES	\$ 353	\$ 261
SERIES H	\$ —	\$ —
SERIES D	\$ 862	\$ 846
SERIES F	\$ 839	\$ 851
SERIES I	\$ —	\$ —
SERIES O	\$ 1	\$ 1
NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 10.20	\$ 9.98
ADVISOR SERIES	\$ 10.22	\$ 10.00
SERIES H	\$ —	\$ —
SERIES D	\$ 10.84	\$ 10.51
SERIES F	\$ 11.05	\$ 10.69
SERIES I	\$ —	\$ —
SERIES O	\$ 11.71	\$ 11.21

Statements of Comprehensive Income

(in \$000s except per mutual fund share amounts)

For the periods ended March 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Net realized gain (loss) on investments	\$ 62	\$ 138
Change in unrealized gain (loss) on investments	45	561
TOTAL INCOME (LOSS)	107	699
EXPENSES (see notes – Fund Specific Information)		
Management fees	34	37
Administration fees	7	5
Independent Review Committee costs	3	2
GST/HST	4	5
Expenses reimbursed by manager	(3)	(2)
TOTAL EXPENSES	45	47
INCREASE (DECREASE) IN NAV	\$ 62	\$ 652
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 18	\$ 235
ADVISOR SERIES	\$ —	\$ 84
SERIES H	\$ —	\$ —
SERIES D	\$ 20	\$ 124
SERIES F	\$ 24	\$ 171
SERIES I	\$ —	\$ 24
SERIES O	\$ —	\$ 14
INCREASE (DECREASE) IN NAV PER MUTUAL FUND SHARE		
SERIES A	\$ 0.21	\$ 2.17
ADVISOR SERIES	\$ 0.02	\$ 2.21
SERIES H	\$ —	\$ 1.04
SERIES D	\$ 0.27	\$ 1.68
SERIES F	\$ 0.30	\$ 2.17
SERIES I	\$ —	\$ 1.12
SERIES O	\$ 0.49	\$ 4.18



Statements of Cash Flow *(in \$000s)*

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 62	\$ 652
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(62)	(138)
Change in unrealized loss (gain) on investments	(45)	(561)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	1	(1)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(565)	(885)
Proceeds from sale and maturity of investments	548	1 467
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(61)	534
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable mutual fund shares	718	1 484
Cash paid on redemption of redeemable mutual fund shares	(665)	(2 005)
Distributions paid to holders of redeemable mutual fund shares	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 53	\$ (521)
Net increase (decrease) in cash for the period	(8)	13
Cash (bank overdraft), beginning of period	15	2
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 7	\$ 15
Interest received (paid)	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended March 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series H		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 911	\$ 1 085	\$ 261	\$ 272	\$ –	\$ 1	\$ 846	\$ 526
INCREASE (DECREASE) IN NAV	18	235	–	84	–	–	20	124
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	33	54	183	113	–	–	484	930
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(37)	(463)	(91)	(208)	–	(1)	(488)	(734)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(4)	(409)	92	(95)	–	(1)	(4)	196
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	14	(174)	92	(11)	–	(1)	16	320
NAV AT END OF PERIOD	\$ 925	\$ 911	\$ 353	\$ 261	\$ –	\$ –	\$ 862	\$ 846

For the periods ended March 31 (see note 2 in the generic notes)	Series F		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 851	\$ 510	\$ –	\$ 203	\$ 1	\$ 145	\$ 2 870	\$ 2 742
INCREASE (DECREASE) IN NAV	24	171	–	24	–	14	62	652
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable mutual fund shares issued	60	516	–	–	–	1	760	1 614
Reinvestments of distributions to holders of redeemable mutual fund shares	–	–	–	–	–	–	–	–
Redemption of redeemable mutual fund shares	(96)	(346)	–	(227)	–	(159)	(712)	(2 138)
NET INCREASE (DECREASE) FROM REDEEMABLE MUTUAL FUND SHARE TRANSACTIONS	(36)	170	–	(227)	–	(158)	48	(524)
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE MUTUAL FUND SHARES	–	–	–	–	–	–	–	–
NET INCREASE (DECREASE) IN NAV	(12)	341	–	(203)	–	(144)	110	128
NAV AT END OF PERIOD	\$ 839	\$ 851	\$ –	\$ –	\$ 1	\$ 1	\$ 2 980	\$ 2 870

The accompanying notes are an integral part of these financial statements.



March 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing in equity securities of companies around the world in any or all of the Energy, Materials, Industrials and Utilities sectors.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests in the RBC Global Resources Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	March 31 2018	March 31 2017
Investment mix		
Oil, Gas and Consumable Fuels	47.7	40.1
Metals and Mining	24.4	28.7
Chemicals	16.1	7.6
Energy Equipment and Services	3.6	10.5
Construction Materials	2.2	3.8
Containers and Packaging	2.0	2.1
Paper and Forest Products	1.4	5.5
Diversified Financials	0.6	–
Cash/Other	2.0	1.7
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk from investments in the underlying mutual fund as at:

	March 31 2018	March 31 2017
Currency		
United States dollar	38.4	40.7
Pound sterling	14.8	6.8
Euro	7.1	4.8
Japanese yen	1.1	–
Other currencies	0.3	1.0
Total	61.7	53.3

As at March 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.1% (March 31, 2017 – 2.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	March 31 2018	March 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 0.4	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of March 31, 2018 and 2017.

March 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	2 980	–	–	2 980
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	2 980	–	–	2 980
% of total portfolio	100.0	–	–	100.0

March 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Mutual fund units	2 866	–	–	2 866
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	2 866	–	–	2 866
% of total portfolio	100.0	–	–	100.0

For the periods ended March 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



March 31, 2018

**Management fees and administration fees
(see note 7 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.75%	0.18%
Advisor Series	1.75%	0.18%
Series D	1.00%	0.13%
Series F	0.75%	0.13%
Series O	n/a [†]	0.02%

* Effective June 30, 2016, the management fees for Series A and Advisor Series mutual fund shares were reduced to 1.75% from 1.85%.

[†] Series O shareholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except mutual fund share amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	March 31 2018	March 31 2017
Mutual fund shares held		
Series A	50	50
Advisor Series	50	50
Series D	50	50
Series F	50	50
Series O	52	52
Value of all mutual fund shares	3	3

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	March 31 2018		March 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Global Resources Fund	100.0	2.0	99.9	1.7

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at March 31, 2018.

Redeemable mutual fund shares (000s)

There is no limitation on the number of mutual fund shares available for issue. Mutual fund shares are purchased and redeemed at the NAV per mutual fund share.

For the periods ended March 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening mutual fund shares	91	135
Issued number of mutual fund shares	4	5
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(4)	(49)
Ending number of mutual fund shares	91	91
Advisor Series		
Opening mutual fund shares	26	34
Issued number of mutual fund shares	18	13
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(9)	(21)
Ending number of mutual fund shares	35	26
Series D		
Opening mutual fund shares	80	63
Issued number of mutual fund shares	47	92
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(47)	(75)
Ending number of mutual fund shares	80	80
Series F		
Opening mutual fund shares	80	60
Issued number of mutual fund shares	5	53
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	(9)	(33)
Ending number of mutual fund shares	76	80
Series O		
Opening mutual fund shares	—	16
Issued number of mutual fund shares	—	—
Reinvested number of mutual fund shares	—	—
Redeemed number of mutual fund shares	—	(16)
Ending number of mutual fund shares	—	—

March 31, 2018

1. The Funds

The mutual funds (“Fund” or “Funds”) are classes of mutual fund shares of RBC Corporate Class Inc. (the “Corporation”). The Corporation is a mutual fund corporation incorporated under the laws of Canada by articles of incorporation dated July 8, 2011. RBC GAM is the manager and portfolio manager of the Funds and its head office is located at 155 Wellington Street West, 22nd Floor, Toronto, Ontario. These financial statements were approved for issuance by the Board of Directors of the Corporation on June 13, 2018.

The Funds may issue an unlimited number of mutual fund shares in some or all of Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O.

Series A and Series T5 mutual fund shares have no sales charges and are available to all investors. Series T5 shareholders receive regular monthly distributions.

Advisor Series and Advisor T5 Series mutual fund shares are available to all investors through authorized dealers with an initial sales charge or low-load sales charge option. Under the initial sales charge option, investors pay a sales charge ranging from 0% to 5% of the amount invested. Under the low-load sales charge option, investors do not pay a commission. Advisor T5 Series shareholders receive regular monthly distributions.

Series H mutual fund shares have no sales charges, have lower fees than Series A mutual fund shares and are only available to investors who invest and maintain the required minimum balance through authorized dealers.

Series D mutual fund shares have no sales charges and have lower fees than Series A mutual fund shares. Series D mutual fund shares are only available to investors who have accounts with RBC Direct Investing Inc. or Phillips, Hager & North Investment Funds Ltd.

Series F and Series FT5 mutual fund shares have no sales charges and have lower fees than Series A mutual fund shares. Series F mutual fund shares are only available to investors who have accounts with dealers who have signed a fee-based agreement with RBC GAM. Series FT5 shareholders receive regular monthly distributions.

Series I mutual fund shares have no sales charges, have lower fees than Series F mutual fund shares and are only available to investors who invest and maintain the required minimum balance and who have accounts with dealers who have signed a fee-based agreement with RBC GAM.

Series O mutual fund shares have no management fees.

Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

2. Financial year/period

The information provided in these financial statements and notes thereto is for the 12-month periods ended or as at March 31, 2018 and 2017, as applicable. In the year a Fund or series is established, “period” represents the period from inception to March 31 of that fiscal year.

3. Summary of significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”). The significant accounting policies of the Funds, which are investment entities, are as follows:

Classification of Financial Assets and Liabilities The Funds’ financial assets and financial liabilities, other than derivatives, are designated at fair value through profit or loss at inception, as those financial assets and liabilities are managed together and their performance evaluated on a fair value basis in accordance with the Funds’ documented investment strategy. Derivatives are classified as held for trading and measured at fair value through profit or loss. All other assets and liabilities are measured at amortized cost. Realized gains arising on derivatives during a period are included in the Statements of Comprehensive Income in “Net gain (loss) from futures contracts,” “Other derivatives” and “Net gain (loss) on foreign currencies and other net assets,” where applicable.

Classification of Redeemable Shares The Funds have multiple features across the different series of the Funds. Consequently, the Funds’ outstanding redeemable shares are classified as financial liabilities in accordance with the requirements of IAS 32 Financial Instruments: Presentation.

Unconsolidated Structured Entities The Funds may invest in other Funds and exchange-traded funds (“ETFs”) managed by the manager or an affiliate of the manager (“sponsored funds”) and may invest in other funds and ETFs managed by unaffiliated entities (“unsponsored funds”); collectively, “underlying funds.” The underlying funds are determined to be unconsolidated structured entities, as decision making in the underlying fund is not governed by the voting rights or other similar rights held by the Fund. The investments in underlying funds are subject to the terms and conditions of the offering documents of the respective underlying funds and are susceptible to market price risk arising from

March 31, 2018

uncertainties about future values of those underlying funds. The underlying funds' objectives are generally to achieve long-term capital appreciation and/or current income by investing in a portfolio of securities and other funds in line with each of their documented investment strategies. The underlying funds apply various investment strategies to accomplish their respective investment objectives.

The underlying funds finance their operations by issuing redeemable units which are puttable at the unitholder's option, and entitle the unitholder to a proportional stake in the respective underlying funds' NAV.

The Funds do not consolidate their investment in underlying funds but account for these investments at fair value. The manager has determined that the Funds are investment entities in accordance with IFRS 10 Consolidated Financial Statements, since the Funds meet the following criteria:

- (i) The Funds obtain capital from one or more investors for the purpose of providing those investors with investment management services,
- (ii) The Funds commit to their investors that their business purpose is to invest funds solely for the returns from capital appreciation, investment income or both, and
- (iii) The Funds measure and evaluate the performance of substantially all of their investments on a fair value basis.

Therefore, the fair value of investments in the underlying funds is included in the Schedule of Investment Portfolio and included in "Investments at fair value" in the Funds' Statements of Financial Position. The change in fair value of the investment held in the underlying funds is included in "Change in unrealized gain (loss) on investments" in the Statements of Comprehensive Income.

Determination of Fair Value The fair value of a financial instrument is the amount at which the financial instrument could be exchanged in an arm's-length transaction between knowledgeable and willing parties under no compulsion to act. In determining fair value, a three-tier hierarchy based on inputs is used to value the Funds' financial instruments. The hierarchy of inputs is summarized below:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), including broker quotes, vendor prices and vendor fair value factors; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Changes in valuation methods may result in transfers into or out of an investment's assigned level.

The three-tier hierarchy of investments and derivatives is included in "Notes to Financial Statements – Fund Specific Information."

Investments and derivatives are recorded at fair value, which is determined as follows:

Mutual Fund Unit Valuation – Units of Funds are valued at their respective NAV per unit from fund companies on the relevant valuation dates.

Fair Valuation of Investments – The Funds have procedures to determine the fair value of securities and other financial instruments for which market prices are not readily available or which may not be reliably priced. Under these fair valuation procedures, the Funds primarily employ a market-based approach, which may use related or comparable assets or liabilities, NAV per unit (for exchange-traded funds), recent transactions, market multiples, book values and other relevant information for the investment to determine its fair value. Management also has procedures in place to determine the fair value of foreign securities traded in countries outside of North America daily to avoid stale prices and to take into account, among other things, any significant events occurring after the close of a foreign market.

The Funds may also use an income-based valuation approach in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments, but only if they arise as a feature of the instrument itself. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

All security valuation techniques are periodically reviewed by the Valuation Committee ("VC") of the manager and are approved by the manager. The VC provides oversight of the Funds' valuation policies and procedures.

Cash Cash is comprised of cash and deposits with banks and is recorded at fair value. The carrying amount of cash approximates its fair value because it is short-term in nature.

March 31, 2018

Foreign Exchange The value of investments and other assets and liabilities in foreign currencies is translated into Canadian dollars (U.S. dollars in the case of the RBC \$U.S. Short Term Income Class and BlueBay \$U.S. Global Convertible Bond Class (Canada)) at the rate of exchange on each valuation date. Purchases and sales of investments, income and expenses are translated at the rate of exchange prevailing on the respective dates of such transactions. Realized foreign exchange gains/losses are included in “Net gain (loss) on foreign currencies and other net assets” in the Statements of Comprehensive Income.

Functional Currency The Funds, with the exceptions below, have their subscriptions, redemptions and performance denominated in Canadian dollars and, consequently, the Canadian dollar is the functional currency for the Funds. RBC \$U.S. Short Term Income Class and BlueBay \$U.S. Global Convertible Bond Class (Canada) have their subscriptions, redemptions and performance denominated in U.S. dollars and, consequently, the U.S. dollar is the functional currency for these Funds.

Valuation of Series A different NAV is calculated for each series of mutual fund shares of a Fund. The NAV of a particular series of mutual fund shares is computed by calculating the value of the series’ proportionate share of the assets and liabilities of the Fund common to all series less the liabilities of the Fund attributable only to that series. Expenses directly attributable to a series are charged to that series. Other expenses are allocated proportionately to each series based upon the relative NAV of each series. Expenses are accrued daily.

Investment Transactions Investment transactions are accounted for as of the trade date. The unrealized gain and loss on investments is the difference between fair value and average cost for the period. The basis of determining the cost of portfolio assets, and realized and unrealized gains and losses on investments, is average cost which does not include amortization of premiums or discounts on fixed-income and debt securities with the exception of zero coupon bonds.

Income Recognition Interest income is recognized on an accrual basis. “Other income received from underlying funds” includes income earned by a Fund from investments in underlying funds.

Increase (Decrease) in NAV Per Mutual Fund Share Increase (decrease) in NAV per mutual fund share in the Statements of Comprehensive Income represents the increase

(decrease) in net assets attributable to holders of redeemable mutual fund shares by series, divided by the average mutual fund shares outstanding per series during the period.

Early Redemption Fees Early redemption fees (short-term trading fees) are paid directly to a Fund and are designed to deter excessive trading and its associated costs. With the exception of money market funds, a Fund may apply a fee of 2% of the current value of mutual fund shares if the shareholder redeems or switches out mutual fund shares within seven days of purchasing or previously switching into a Fund. These amounts are included in the Statements of Changes in NAV.

4. Critical accounting judgments and estimates

The preparation of financial statements requires the use of judgment in applying the Funds’ accounting policies and making estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that management has made in preparing the financial statements.

Classification and measurement of financial instruments and application of fair value option

In classifying and measuring financial instruments held by the Funds, the manager is required to make significant judgments about whether or not the business of the Funds is to invest on a total return basis for the purpose of applying the fair value option for financial assets.

Fair value measurement of securities not quoted in an active market

The Funds have established policies and control procedures that are intended to ensure these estimates are well controlled, independently reviewed and consistently applied from period to period. The estimates of the value of the Funds’ assets and liabilities are believed to be appropriate as at the reporting date.

The Funds may hold financial instruments that are not quoted in active markets. Note 3 discusses the policies used by management for the estimates used in determining fair value.

5. Financial instrument risk and capital management

RBC GAM is responsible for managing each Fund’s capital, which is its NAV and consists primarily of its financial instruments.

A Fund’s investment activities expose it to a variety of financial risks. RBC GAM seeks to minimize potential adverse effects of these risks on a Fund’s performance by employing professional, experienced portfolio managers, daily monitoring of the Fund’s holdings and market events,

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diversifying its investment portfolio within the constraints of its investment objectives, and, in some cases, periodically hedging certain risk exposures through the use of derivatives. To assist in managing risks, RBC GAM also uses internal guidelines, maintains a governance structure that oversees each Fund's investment activities and monitors compliance with the Fund's investment strategies, internal guidelines and securities regulations.

Financial instrument risk, as applicable to a Fund, is disclosed in its Notes to Financial Statements – Fund Specific Information. These risks include a Fund's direct risks and pro rata exposure to the risks of underlying funds, as applicable.

Liquidity risk

Liquidity risk is the possibility that investments in a Fund cannot be readily converted into cash when required. A Fund is exposed to daily cash redemptions of redeemable mutual fund shares. Liquidity risk is managed by investing the majority of a Fund's assets in investments that are traded in an active market and that can be readily disposed. In accordance with securities regulations, a Fund must maintain at least 90% of its assets in liquid investments. In addition, a Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity, and has the ability to borrow up to 5% of its NAV for the purpose of funding redemptions. All non-derivative financial liabilities, other than redeemable units, are due within 90 days.

Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty not being able to meet its financial obligations. The carrying amount of investments and other assets represents the maximum credit risk exposure as disclosed in a Fund's Statements of Financial Position. The fair value of fixed-income and debt securities includes a consideration of the creditworthiness of the debt issuer. Credit risk exposure to over-the-counter derivative instruments is based on a Fund's unrealized gain on the contractual obligations with the counterparty. RBC GAM monitors each Fund's credit exposure and counterparty ratings daily.

Concentration risk

Concentration risk arises as a result of net financial instrument exposures to the same category, such as geographical region, asset type, industry sector or market segment. Financial instruments in the same category have similar characteristics and may be affected similarly by changes in economic or other conditions.

Interest rate risk

Interest rate risk is the risk that the fair value of a Fund's interest-bearing investments will fluctuate due to changes in market interest rates. The value of fixed-income and debt securities, such as bonds, debentures, mortgages or other income-producing securities, is affected by interest rates. Generally, the value of these securities increases if interest rates fall and decreases if interest rates rise.

Currency risk

Currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of a Fund, will fluctuate due to changes in foreign exchange rates. The value of investments denominated in a currency other than the functional currency is affected by changes in the value of the functional currency in relation to the value of the currency in which the investment is denominated. When the value of the functional currency falls in relation to foreign currencies, then the value of the foreign investments rises. When the value of the functional currency rises, the value of the foreign investments falls.

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

6. Taxes

The Corporation qualifies as a mutual fund corporation under the *Income Tax Act* (Canada) and is subject to tax on the amount of its taxable income in each taxation year, ending March 31.

Each Fund represents a class of mutual fund shares of the Corporation. All classes of the mutual fund shares of the Corporation are combined as a single legal entity for tax purposes in computing the net income (loss) and net capital gains (losses). Net losses of one class may be used to offset net gains of another class to reduce the net income or net gain of the Corporation as a whole.

Taxable dividends received from taxable Canadian corporations are subject to a tax of 38½% effective January 1, 2016 (previously 33%). Such taxes are fully refundable upon payment of taxable dividends to its shareholders when sufficient dividends are paid. Any such

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tax paid is reported as an amount receivable until recovered through the payment to shareholders of dividends out of net investment income. The Corporation will pay out sufficient Canadian dividends to ensure that such tax is fully refunded. Interest income and foreign dividends, net of applicable expense, are taxed at full corporate rates applicable to mutual fund corporations with credits, subject to certain limitations for foreign taxes paid. All tax on net realized taxable capital gains is refundable when the gains are distributed to shareholders as capital gains dividends or through redemption of shares at the request of shareholders. The Corporation will pay out sufficient capital gains dividends, to the extent necessary, such that tax on net realized taxable capital gains is fully refunded. Income taxes, if any, are allocated to the classes of shares of the Corporation on a fair and reasonable basis.

For the taxation year ended March 31, 2018, the Corporation has no capital losses and non-capital losses to carry forward.

On December 15, 2016, the Canadian government enacted new tax rules that eliminate the ability of investors to switch among different classes of RBC Corporate Class Funds on a tax-deferred basis. The new rules do not apply to switches between different series of the same fund.

7. Administrative and other related-party transactions

Manager and Portfolio Manager

RBC GAM is an indirect wholly owned subsidiary of Royal Bank of Canada ("Royal Bank"). RBC GAM is the manager and portfolio manager of the Funds. RBC GAM is responsible for the Funds' day-to-day operations, provides investment advice and portfolio management services to the Funds and appoints distributors for the Funds. RBC GAM is paid a management fee by the Funds as compensation for its services. The management fee is calculated and accrued daily as a percentage of the NAV of each series of mutual fund shares of the Funds. No management fees are paid by the Funds with respect to Series O mutual fund shares. Series O shareholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

The Funds pay a fixed administration fee to RBC GAM. The fixed administration fee is calculated and accrued daily as a percentage of the NAV of each series of mutual fund shares of the Funds. RBC GAM in turn pays certain operating expenses of the Funds. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, recordkeeping, accounting and fund valuation costs,

custody fees, audit and legal fees and the costs of preparing and distributing annual and interim reports, prospectuses, statements and investor communications.

Notwithstanding the fixed administration fee, the Funds also pay certain operating expenses directly, including the costs related to the Board of Directors of the Corporation, the Independent Review Committee of the Funds and the trustees of the Corporate Class Trust (the holders of the Common Shares of the Corporation), the cost of any new government or regulatory requirements introduced and any borrowing costs (collectively, "other fund costs"), and taxes (including, but not limited to, GST/HST). Other fund costs will be allocated proportionately to each series based upon the relative NAV of each series. RBC GAM may, in some years and in certain cases, absorb a portion of operating expenses. The decision to absorb the operating expenses is reviewed annually and determined at the discretion of RBC GAM, without notice to shareholders.

Certain Funds may invest in units of other Funds managed by RBC GAM or its affiliates ("underlying mutual funds"). A Fund will not invest in units of an underlying mutual fund if the Fund would be required to pay any management or incentive fees in respect of that investment that a reasonable person would believe duplicates a fee payable by the underlying mutual fund for the same service. The Fund's ownership interest in underlying mutual funds is disclosed in the Notes to Financial Statements – Fund Specific Information.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Funds, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when shareholders switch between series of funds denominated in different currencies. The Funds also maintain bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Funds in the course of their normal business, all of which are wholly owned subsidiaries of Royal Bank of Canada, are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of mutual fund shares of, the Funds. Dealers receive an ongoing commission based on the total

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value of their clients' Series A, Advisor Series, Advisor T5 Series, Series T5, Series H and Series D mutual fund shares.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Funds. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Funds.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Funds and keep records of who owns the mutual fund shares of the Funds. The registrars also process orders and issue account statements. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Funds.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Funds relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment

of the portfolio manager, uninfluenced by considerations other than the best interests of the Funds, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Funds. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

8. Revision of comparative information

Where applicable, certain comparative figures on the Statements of Cash Flow have been revised.

Amounts reclassified to "Non-cash distributions from underlying funds" have been presented separately from amounts related to "Cost of investments purchased" to appropriately reflect the non-cash components of investments purchased. The impact on the "Net cash provided by (used in) operating activities" is nil.

Amounts related to "Proceeds from issue of redeemable mutual fund shares" and "Cash paid on redemption of redeemable mutual fund shares" have been adjusted to exclude non-cash subscriptions and redemptions arising from switches between series within the Funds. The impact on the "Net cash provided by (used in) financing activities" is nil.

Comparative figures on the Statements of Cash Flow have been revised for the following funds:

All Funds had revisions for non-cash distributions from underlying funds except RBC Global Resources Class.

All Funds had revisions for non-cash subscriptions and redemptions arising from switches between series within the Funds except RBC \$U.S. Short Term Income Class, BlueBay \$U.S. Global Convertible Bond Class (Canada) and RBC U.S. Equity Value Class.

9. Future accounting changes

The following IFRS standard has been issued, but is not yet in effect:

IFRS 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and liabilities. It replaces the multiple classifications and measurement models in IAS 39 and is effective for reporting periods beginning on or after January 1, 2018. Classification and measurement of debt assets will be driven by an entity's business model for managing the financial assets and the

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contractual cash flow characteristics of the financial assets. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income.

On adoption of IFRS 9, the Funds' investment portfolios will continue to be classified at fair value through profit or loss. Other financial assets which are held for collection will continue to be measured at amortized cost with no material impact expected from application of the new impairment model introduced in IFRS 9. As a result, the adoption of IFRS 9 is not expected to have a material impact on the Funds' financial statements.

If you have questions regarding RBC Corporate Class Funds, you can contact us using the following options:

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Investors: **1-800-463-FUND (3863)**
Dealers: **1-800-662-0652**

By Mail

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**Global Asset
Management**