

The accompanying financial statements have been prepared by RBC Global Asset Management Inc. ("RBC GAM") as manager of the RBC GAM Investment Funds (the "Funds") and approved by the Board of Directors of RBC GAM. 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 IFRS Accounting Standards (and they include certain amounts that are based on estimates and judgments). The material 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 Canadian Auditing Standards. Their report is set out on the next page.



**Damon G. Williams, FSA, FCIA, CFA**  
Chief Executive Officer  
RBC Global Asset Management Inc.



**Heidi Johnston, CPA, CA**  
Chief Financial Officer  
RBC GAM Funds

March 7, 2024

To the Unitholders and Trustee of

### RBC FUNDS

RBC Canadian T-Bill Fund  
 RBC Canadian Money Market Fund  
 RBC Premium Money Market Fund  
 RBC \$U.S. Money Market Fund  
 RBC Premium \$U.S. Money Market Fund  
 RBC Canadian Short-Term Income Fund  
 RBC \$U.S. Short-Term Government Bond Fund  
 RBC \$U.S. Short-Term Corporate Bond Fund  
 RBC Short-Term Global Bond Fund  
 RBC Vision Fossil Fuel Free Short-Term Bond Fund  
 RBC Monthly Income Bond Fund  
 RBC Canadian Bond Index ETF Fund  
 RBC Canadian Government Bond Index Fund  
 RBC Bond Fund  
 RBC Vision Bond Fund  
 RBC Vision Fossil Fuel Free Bond Fund  
 RBC Global Bond Fund  
 RBC \$U.S. Global Bond Fund  
 RBC Global Bond Index ETF Fund  
 RBC Canadian Corporate Bond Fund  
 RBC \$U.S. Investment Grade Corporate Bond Fund  
 RBC Global Corporate Bond Fund  
 RBC High Yield Bond Fund  
 RBC \$U.S. High Yield Bond Fund  
 RBC Global High Yield Bond Fund  
 RBC Strategic Income Bond Fund  
 RBC \$U.S. Strategic Income Bond Fund  
 RBC Emerging Markets Foreign Exchange Fund  
 RBC Emerging Markets Bond Fund  
 RBC Emerging Markets Bond Fund (CAD Hedged)  
 BlueBay Global Monthly Income Bond Fund  
 BlueBay Global Sovereign Bond Fund (Canada)  
 BlueBay Global Investment Grade Corporate Bond Fund (Canada)  
 BlueBay \$U.S. Global Investment Grade Corporate Bond Fund (Canada)  
 BlueBay European High Yield Bond Fund (Canada)  
 BlueBay Global High Yield Bond Fund (Canada)  
 BlueBay \$U.S. Global High Yield Bond Fund (Canada)  
 BlueBay Emerging Markets Bond Fund (Canada)  
 BlueBay Emerging Markets Local Currency Bond Fund (Canada)  
 BlueBay Emerging Markets Corporate Bond Fund  
 BlueBay Emerging Markets High Yield Corporate Bond Fund (Canada)  
 BlueBay Global Convertible Bond Fund (Canada)  
 RBC Conservative Bond Pool  
 RBC Core Bond Pool  
 RBC \$U.S. Core Bond Pool  
 RBC Core Plus Bond Pool  
 RBC \$U.S. Core Plus Bond Pool  
 RBC Managed Payout Solution  
 RBC Managed Payout Solution – Enhanced  
 RBC Managed Payout Solution – Enhanced Plus  
 RBC Monthly Income Fund  
 RBC U.S. Monthly Income Fund  
 RBC Balanced Fund  
 RBC Global Balanced Fund  
 RBC Vision Balanced Fund  
 RBC Vision Fossil Fuel Free Balanced Fund  
 RBC Emerging Markets Balanced Fund  
 RBC Conservative Growth & Income Fund  
 RBC Balanced Growth & Income Fund  
 RBC Global Growth & Income Fund  
 RBC Select Very Conservative Portfolio  
 RBC Select Conservative Portfolio  
 RBC Select Balanced Portfolio

RBC Select Growth Portfolio  
 RBC Select Aggressive Growth Portfolio  
 RBC Select Choices Conservative Portfolio  
 RBC Select Choices Balanced Portfolio  
 RBC Select Choices Growth Portfolio  
 RBC Select Choices Aggressive Growth Portfolio  
 RBC Global Very Conservative Portfolio  
 RBC Global Conservative Portfolio  
 RBC Global Balanced Portfolio  
 RBC \$U.S. Global Balanced Portfolio  
 RBC Global Growth Portfolio  
 RBC Global All-Equity Portfolio  
 RBC Global Choices Very Conservative Portfolio  
 RBC Global Choices Conservative Portfolio  
 RBC Global Choices Balanced Portfolio  
 RBC Global Choices Growth Portfolio  
 RBC Global Choices All-Equity Portfolio  
 RBC Retirement Income Solution  
 RBC Retirement 2020 Portfolio  
 RBC Retirement 2025 Portfolio  
 RBC Retirement 2030 Portfolio  
 RBC Retirement 2035 Portfolio  
 RBC Retirement 2040 Portfolio  
 RBC Retirement 2045 Portfolio  
 RBC Retirement 2050 Portfolio  
 RBC Retirement 2055 Portfolio  
 RBC Retirement 2060 Portfolio  
 RBC Target 2025 Education Fund  
 RBC Target 2030 Education Fund  
 RBC Target 2035 Education Fund  
 RBC Target 2040 Education Fund  
 RBC Canadian Dividend Fund  
 RBC Canadian Equity Fund  
 RBC Vision Canadian Equity Fund  
 RBC QUBE Canadian Equity Fund  
 RBC QUBE Low Volatility Canadian Equity Fund  
 RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund  
 RBC Trend Canadian Equity Fund  
 RBC Canadian Equity Index ETF Fund  
 RBC Canadian Index Fund  
 RBC O'Shaughnessy Canadian Equity Fund  
 RBC O'Shaughnessy All-Canadian Equity Fund  
 RBC Canadian Equity Income Fund  
 RBC Canadian Mid-Cap Equity Fund  
 RBC Canadian Small & Mid-Cap Resources Fund  
 RBC North American Value Fund  
 RBC North American Growth Fund  
 RBC U.S. Dividend Fund  
 RBC U.S. Dividend Currency Neutral Fund  
 RBC U.S. Equity Fund  
 RBC U.S. Equity Currency Neutral Fund  
 RBC QUBE U.S. Equity Fund  
 RBC QUBE Low Volatility U.S. Equity Fund  
 RBC QUBE Low Volatility U.S. Equity Currency Neutral Fund  
 RBC U.S. Equity Value Fund  
 RBC U.S. Equity Index ETF Fund  
 RBC U.S. Equity Currency Neutral Index ETF Fund  
 RBC U.S. Index Fund  
 RBC O'Shaughnessy U.S. Value Fund (Unhedged)  
 RBC O'Shaughnessy U.S. Value Fund  
 RBC U.S. Mid-Cap Growth Equity Fund  
 RBC U.S. Mid-Cap Growth Equity Currency Neutral Fund  
 RBC U.S. Mid-Cap Value Equity Fund  
 RBC U.S. Small-Cap Core Equity Fund  
 RBC U.S. Small-Cap Value Equity Fund  
 RBC O'Shaughnessy U.S. Growth Fund  
 RBC O'Shaughnessy U.S. Growth Fund II  
 RBC Life Science and Technology Fund

RBC International Dividend Growth Fund  
 RBC International Equity Fund  
 RBC International Equity Currency Neutral Fund  
 RBC International Equity Currency Neutral Index ETF Fund  
 RBC O'Shaughnessy International Equity Fund  
 RBC European Equity Fund  
 RBC European Mid-Cap Equity Fund  
 RBC Asian Equity Fund  
 RBC Asia Pacific ex-Japan Equity Fund  
 RBC China Equity Fund  
 RBC Japanese Equity Fund  
 RBC Emerging Markets Multi-Strategy Equity Fund  
 RBC Emerging Markets Dividend Fund  
 RBC Emerging Markets ex-China Dividend Fund  
 RBC Emerging Markets Equity Fund  
 RBC Emerging Markets ex-China Equity Fund  
 RBC Emerging Markets Equity Focus Fund  
 RBC Vision Fossil Fuel Free Emerging Markets Equity Fund  
 RBC QUBE Low Volatility Emerging Markets Equity Fund  
 RBC Emerging Markets Equity Index ETF Fund  
 RBC Emerging Markets Small-Cap Equity Fund  
 RBC Global Dividend Growth Fund  
 RBC Global Dividend Growth Currency Neutral Fund  
 RBC Global Equity Fund  
 RBC Vision Global Equity Fund  
 RBC Vision Fossil Fuel Free Global Equity Fund  
 RBC Global Equity Focus Fund  
 RBC Global Equity Focus Currency Neutral Fund  
 RBC Global Equity Leaders Fund  
 RBC Global Equity Leaders Currency Neutral Fund  
 RBC QUBE Global Equity Fund  
 RBC QUBE Low Volatility Global Equity Fund  
 RBC QUBE Low Volatility Global Equity Currency Neutral Fund  
 RBC Global Equity Index ETF Fund  
 RBC O'Shaughnessy Global Equity Fund  
 RBC QUBE Low Volatility All Country World Equity Fund  
 RBC Global Energy Fund  
 RBC Global Precious Metals Fund  
 RBC Global Resources Fund  
 RBC Global Technology Fund

### RBC PRIVATE POOLS

RBC Private Short-Term Income Pool  
 RBC Private Income Pool  
 RBC Private Canadian Dividend Pool  
 RBC Private Fundamental Canadian Equity Pool  
 RBC Private Canadian Equity Pool  
 RBC Private U.S. Large-Cap Value Equity Pool  
 RBC Private U.S. Large-Cap Value Equity Currency Neutral Pool  
 RBC Private U.S. Growth Equity Pool  
 RBC Private U.S. Large-Cap Core Equity Pool  
 RBC Private U.S. Large-Cap Core Equity Currency Neutral Pool  
 RBC Private U.S. Small-Cap Equity Pool  
 RBC Private EAFE Equity Pool  
 RBC Private Overseas Equity Pool  
 RBC Private Global Growth Equity Pool  
 RBC Private World Equity Pool

### RBC ALTERNATIVE FUNDS

BlueBay Global Alternative Bond Fund (Canada)

### PH&N FUNDS

Phillips, Hager & North Canadian Money Market Fund  
 Phillips, Hager & North \$U.S. Money Market Fund  
 Phillips, Hager & North Short Term Bond & Mortgage Fund  
 Phillips, Hager & North Bond Fund  
 Phillips, Hager & North Total Return Bond Fund

**PH&N FUNDS (cont.)**

Phillips, Hager & North Inflation-Linked Bond Fund  
 Phillips, Hager & North High Yield Bond Fund  
 Phillips, Hager & North Long Inflation-linked Bond Fund  
 Phillips, Hager & North Monthly Income Fund  
 Phillips, Hager & North Balanced Fund  
 Phillips, Hager & North Dividend Income Fund  
 Phillips, Hager & North Canadian Equity Fund  
 Phillips, Hager & North Canadian Equity Value Fund  
 Phillips, Hager & North Conservative Equity Income Fund  
 Phillips, Hager & North Canadian Equity Underlying Fund  
 Phillips, Hager & North Canadian Equity Underlying Fund II  
 Phillips, Hager & North Canadian Growth Fund  
 Phillips, Hager & North Canadian Income Fund

Phillips, Hager & North Vintage Fund  
 Phillips, Hager & North Small Float Fund  
 Phillips, Hager & North U.S. Dividend Income Fund  
 Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund  
 Phillips, Hager & North U.S. Equity Fund  
 Phillips, Hager & North Currency-Hedged U.S. Equity Fund  
 Phillips, Hager & North U.S. Growth Fund  
 Phillips, Hager & North Overseas Equity Fund  
 Phillips, Hager & North Currency-Hedged Overseas Equity Fund  
 Phillips, Hager & North Global Equity Fund  
 Phillips, Hager & North LifeTime 2015 Fund  
 Phillips, Hager & North LifeTime 2020 Fund

Phillips, Hager & North LifeTime 2025 Fund  
 Phillips, Hager & North LifeTime 2030 Fund  
 Phillips, Hager & North LifeTime 2035 Fund  
 Phillips, Hager & North LifeTime 2040 Fund  
 Phillips, Hager & North LifeTime 2045 Fund  
 Phillips, Hager & North LifeTime 2050 Fund  
 Phillips, Hager & North LifeTime 2055 Fund  
 Phillips, Hager & North LifeTime 2060 Fund  
 Phillips, Hager & North Conservative Pension Trust  
 Phillips, Hager & North Balanced Pension Trust  
 Phillips, Hager & North Growth Pension Trust  
 Phillips, Hager & North Canadian Equity Pension Trust  
 Phillips, Hager & North Canadian Equity Plus Pension Trust  
 (individually, a Fund)

**Our opinion**

In our opinion, the accompanying December 31, 2023 financial statements of each Fund present fairly, in all material respects, the financial position of each Fund, its financial performance and its cash flows as at and for the periods indicated in note 2 in accordance with IFRS Accounting Standards.

***What we have audited***

The financial statements of each Fund comprise:

- the statements of financial position as at the period-end dates indicated in note 2;
- the statements of comprehensive income for the periods indicated in note 2;
- the statements of cash flow for the periods indicated in note 2;
- the statements of changes in net assets attributable to holders of redeemable units (NAV) for the periods indicated in note 2; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

**Basis for opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Independence***

We are independent of each Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

**Other information**

Management is responsible for the other information of each Fund. The other information comprises the 2023 Annual Management Report of Fund Performance of each Fund.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of each Fund, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of each Fund or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements of each Fund in accordance with IFRS Accounting 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.

In preparing the financial statements, management is responsible for assessing the ability of each Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate any Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of each Fund.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole for each Fund are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements of each Fund.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of each Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 internal control of each Fund.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of each Fund to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of each Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause any Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of each Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Christopher Pitts.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 7, 2024



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)  
**RBC VISION BALANCED FUND**

December 31, 2023

	Holdings	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>UNDERLYING FUNDS</b>				
RBC Vision Bond Fund – Series O*	11 344 671	121 020	110 540	
RBC Vision Canadian Equity Fund – Series O*	12 385 562	140 798	160 190	
RBC Vision Global Equity Fund – Series O*	30 230 117	453 528	489 728	
<b>TOTAL UNDERLYING FUNDS</b>		<b>715 346</b>	<b>760 458</b>	<b>70.3</b>

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>BONDS</b>				
<b>CANADIAN BONDS</b>				
<b>FEDERAL</b>				
Canadian Government Bond 1.500% May 01, 2024	3 345	3 264	3 308	
Canadian Government Bond 0.500% Sep 01, 2025	1 200	1 190	1 135	
Canadian Government Bond 3.500% Dec 01, 2045	630	681	673	
		<b>5 135</b>	<b>5 116</b>	<b>0.5</b>

<b>PROVINCIAL/MUNICIPAL</b>				
Province of Ontario 2.300% Sep 08, 2024	2 960	3 100	2 911	
Province of Ontario 1.750% Sep 08, 2025	7 280	7 220	7 004	
Province of Ontario 1.050% Apr 14, 2026 USD	6 800	8 479	8 372	
Province of Ontario 2.400% Jun 02, 2026	1 000	1 030	967	
Province of Ontario 2.700% Jun 02, 2029	670	694	643	
Province of Ontario 1.350% Dec 02, 2030	1 890	1 869	1 633	
Province of Ontario 2.150% Jun 02, 2031	510	523	461	
Province of Ontario 4.700% Jun 02, 2037	640	692	691	
Province of Ontario 2.800% Jun 02, 2048	246	265	200	
		<b>23 872</b>	<b>22 882</b>	<b>2.1</b>
<b>TOTAL CANADIAN BONDS</b>		<b>29 007</b>	<b>27 998</b>	<b>2.6</b>

<b>INTERNATIONAL BONDS</b>				
<b>Australia</b>				
Australia Government Bond 2.250% May 21, 2028 AUD	2 794	2 584	2 384	
Australia Government Bond 3.250% Apr 21, 2029 AUD	770	795	681	
Australia Government Bond 1.000% Dec 21, 2030 AUD	1 170	1 086	877	
Australia Government Bond 2.750% May 21, 2041 AUD	1 830	1 654	1 351	
		<b>6 119</b>	<b>5 293</b>	<b>0.5</b>

<b>Austria</b>				
Republic of Austria Government Bond 1.500% Feb 20, 2047 EUR	375	683	422	
		<b>683</b>	<b>422</b>	<b>–</b>

<b>Belgium</b>				
Kingdom of Belgium Government Bond 4.250% Mar 28, 2041 EUR	514	1 310	879	
		<b>1 310</b>	<b>879</b>	<b>0.1</b>

<b>China</b>				
China Development Bank 2.980% Apr 22, 2032 CNY	28 000	5 350	5 324	
China Development Bank 3.020% Mar 06, 2033 CNY	19 300	3 677	3 688	
		<b>9 027</b>	<b>9 012</b>	<b>0.8</b>

<b>Denmark</b>				
Denmark Government Bond 1.750% Nov 15, 2025 DKK	13 000	2 691	2 520	
Denmark Government Bond 2.250% Nov 15, 2033 DKK	1 746	312	343	
		<b>3 003</b>	<b>2 863</b>	<b>0.3</b>

<b>Finland</b>				
Finland Government Bond 1.375% Apr 15, 2047 EUR	72	115	80	
		<b>115</b>	<b>80</b>	<b>–</b>



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>France</b>				
BNP Paribas S.A. 0.250% Apr 13, 2027 EUR	300	443	408	
BPCE S.A. 0.500% Jan 14, 2028 EUR	500	712	668	
French Republic Government Bond O.A.T. 0.000% Nov 25, 2031 EUR	2 500	2 972	3 038	
French Republic Government Bond O.A.T. 1.250% May 25, 2036 EUR	6 142	9 556	7 606	
French Republic Government Bond O.A.T. 1.750% Jun 25, 2039 EUR	650	1 131	827	
French Republic Government Bond O.A.T. 1.750% May 25, 2066 EUR	2 180	3 041	2 283	
Société Générale S.A. 4.250% Sep 28, 2026 EUR	600	860	900	
Société Générale S.A. 0.625% Dec 02, 2027 EUR	400	565	537	
		19 280	16 267	<b>1.5</b>
<b>Germany</b>				
Bundesrepublik Deutschland Bundesanleihe 0.250% Feb 15, 2029 EUR	2 400	3 187	3 236	
Bundesrepublik Deutschland Bundesanleihe 0.000% Feb 15, 2031 EUR	4 410	5 749	5 644	
Bundesrepublik Deutschland Bundesanleihe 2.500% Aug 15, 2046 EUR	3 634	7 686	5 518	
Traton Finance Luxembourg S.A. 4.500% Nov 23, 2026 EUR	500	742	748	
Volkswagen Leasing GmbH 4.500% Mar 25, 2026 EUR	400	576	598	
Volkswagen Leasing GmbH 0.375% Jul 20, 2026 EUR	300	440	407	
Vonovia SE 0.000% Dec 01, 2025 EUR	200	297	273	
		18 677	16 424	<b>1.5</b>
<b>Italy</b>				
Buoni Poliennali Del Tesoro 1.450% May 15, 2025 EUR	4 200	5 338	6 014	
Buoni Poliennali Del Tesoro 0.000% Apr 01, 2026 EUR	2 100	2 966	2 885	
Buoni Poliennali Del Tesoro 1.600% Jun 01, 2026 EUR	2 330	3 389	3 316	
Buoni Poliennali Del Tesoro 2.800% Dec 01, 2028 EUR	1 600	2 318	2 324	
Buoni Poliennali Del Tesoro 1.500% Apr 30, 2045 EUR	1 460	1 795	1 353	
Buoni Poliennali Del Tesoro 2.800% Mar 01, 2067 EUR	645	1 197	692	
		17 003	16 584	<b>1.5</b>
<b>Japan</b>				
Japan Government Twenty Year Bond 0.200% Jun 20, 2036 JPY	761 700	8 824	6 587	
Japan Government Twenty Year Bond 0.400% Mar 20, 2040 JPY	316 900	3 920	2 639	
Japan Government Twenty Year Bond 0.400% Jun 20, 2040 JPY	171 000	2 152	1 417	
Japan Government Twenty Year Bond 0.400% Sep 20, 2040 JPY	220 000	2 582	1 813	
Japan Government Twenty Year Bond 0.500% Dec 20, 2040 JPY	352 000	3 967	2 935	
Japan Government Twenty Year Bond 0.500% Sep 20, 2041 JPY	561 200	5 681	4 620	
Japan Government Thirty Year Bond 0.700% Mar 20, 2051 JPY	66 250	750	495	
Japan Government Thirty Year Bond 1.200% Jun 20, 2053 JPY	483 000	4 060	4 059	
Japan Government Forty Year Bond 0.500% Mar 20, 2059 JPY	174 200	1 509	1 120	
		33 445	25 685	<b>2.4</b>
<b>Luxembourg</b>				
Logicor Financing S.a.r.l. 0.625% Nov 17, 2025 EUR	300	428	410	
		428	410	—
<b>Mexico</b>				
Mexican Bonos 8.500% May 31, 2029 MXN	600	4 368	4 596	
		4 368	4 596	<b>0.4</b>
<b>Netherlands</b>				
Enel Finance International N.V. 0.000% May 28, 2026 EUR	500	750	679	
Heimstaden Bostad Treasury BV 0.625% Jul 24, 2025 EUR	500	712	650	
Heimstaden Bostad Treasury BV 1.375% Mar 03, 2027 EUR	208	310	242	
Prosus N.V. 1.207% Jan 19, 2026 EUR	200	286	276	
Sartorius Finance BV 4.250% Sep 14, 2026 EUR	200	292	299	
		2 350	2 146	<b>0.2</b>
<b>New Zealand</b>				
New Zealand Government Bond 2.750% Apr 15, 2025 NZD	259	214	211	
New Zealand Government Bond 0.250% May 15, 2028 NZD	1 746	1 216	1 235	
New Zealand Government Bond 2.750% Apr 15, 2037 NZD	259	186	179	
		1 616	1 625	<b>0.2</b>



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>Norway</b>				
Norway Government Bond 1.750% Mar 13, 2025 NOK	9 300	1 384	1 184	
Norway Government Bond 1.750% Feb 17, 2027 NOK	21 990	2 761	2 734	
		4 145	3 918	<b>0.4</b>
<b>Poland</b>				
Republic of Poland Government Bond 2.750% Apr 25, 2028 PLN	5 395	1 717	1 667	
		1 717	1 667	<b>0.1</b>
<b>Romania</b>				
Romanian Government International Bond 2.500% Feb 08, 2030 EUR	32	49	41	
		49	41	<b>-</b>
<b>Singapore</b>				
Singapore Government Bond 2.125% Jun 01, 2026 SGD	1 010	1 065	992	
Singapore Government Bond 2.875% Sep 01, 2027 SGD	1 300	1 314	1 313	
Singapore Government Bond 1.625% Jul 01, 2031 SGD	1 800	1 666	1 674	
		4 045	3 979	<b>0.4</b>
<b>Spain</b>				
Banco Santander S.A. 3.625% Sep 27, 2026 EUR	200	265	293	
Spain Government Bond 0.000% May 31, 2024 EUR	1 180	1 650	1 701	
Spain Government Bond 1.400% Jul 30, 2028 EUR	3 835	6 191	5 340	
Spain Government Bond 0.500% Apr 30, 2030 EUR	4 641	6 127	5 949	
Spain Government Bond 0.700% Apr 30, 2032 EUR	2 100	2 986	2 593	
Spain Government Bond 1.200% Oct 31, 2040 EUR	1 008	1 566	1 059	
Spain Government Bond 2.700% Oct 31, 2048 EUR	57	97	72	
Spain Government Bond 1.000% Oct 31, 2050 EUR	520	724	429	
Spain Government Bond 4.000% Oct 31, 2064 EUR	40	58	64	
		19 664	17 500	<b>1.6</b>
<b>Supranational</b>				
European Financial Stability Facility 0.875% Sep 05, 2028 EUR	1 625	2 236	2 216	
European Union 0.000% Jul 04, 2035 EUR	100	157	107	
		2 393	2 323	<b>0.2</b>
<b>United Kingdom</b>				
HSBC Holdings Plc. 3.019% Jun 15, 2027 EUR	500	673	723	
National Grid Plc. 2.179% Jun 30, 2026 EUR	700	948	996	
NatWest Markets Plc. 0.125% Jun 18, 2026 EUR	100	147	136	
United Kingdom Gilt 1.250% Jul 22, 2027 GBP	2 020	2 997	3 168	
United Kingdom Gilt 4.500% Sep 07, 2034 GBP	1 513	3 701	2 744	
United Kingdom Gilt 3.250% Jan 22, 2044 GBP	2 020	3 934	3 007	
United Kingdom Gilt 1.500% Jul 22, 2047 GBP	1 225	1 434	1 256	
United Kingdom Gilt 1.250% Jul 31, 2051 GBP	832	803	749	
		14 637	12 779	<b>1.2</b>
<b>TOTAL INTERNATIONAL BONDS</b>				
		164 074	144 493	<b>13.3</b>
<b>UNITED STATES BONDS</b>				
John Deere Bank S.A. 2.500% Sep 14, 2026 EUR	300	390	434	
United States Treasury Inflation Indexed Bonds 0.625% Jul 15, 2032	1 271	1 581	1 541	
United States Treasury Inflation Indexed Bonds 0.125% Feb 15, 2052	757	681	619	
United States Treasury Note 1.500% Sep 30, 2024	18 157	23 428	23 456	
United States Treasury Note 2.375% May 15, 2027	22 612	29 384	28 468	
United States Treasury Note 1.625% Aug 15, 2029	6 290	8 086	7 421	
United States Treasury Note 1.500% Feb 15, 2030	1 000	1 152	1 155	
United States Treasury Note 0.875% Nov 15, 2030	5 510	6 029	6 002	
United States Treasury Note 1.375% Nov 15, 2040	1 390	1 535	1 225	
United States Treasury Note 1.875% Feb 15, 2041	3 490	3 659	3 332	
United States Treasury Note 2.875% May 15, 2043	614	677	670	



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>UNITED STATES BONDS (cont.)</b>				
United States Treasury Note 2.500% Feb 15, 2045	6 134	8 127	6 167	
United States Treasury Note 1.625% Nov 15, 2050	4 160	4 131	3 295	
United States Treasury Note 3.000% Aug 15, 2052	615	730	668	
<b>TOTAL UNITED STATES BONDS</b>		<b>89 590</b>	<b>84 453</b>	<b>7.8</b>
<b>TOTAL BONDS</b>		<b>282 671</b>	<b>256 944</b>	<b>23.7</b>
<b>SHORT-TERM INVESTMENTS</b>				
Bank of Montreal 4.950% Jan 02, 2024	40 790	40 790	40 790	
Bank of Nova Scotia 5.169% Jan 04, 2024	1 000	1 000	1 000	
Bank of Nova Scotia 5.248% Jan 26, 2024	1 000	996	996	
Government of Canada Treasury Bill 5.108% Jan 04, 2024	7 303	7 300	7 300	
Government of Canada Treasury Bill 4.953% Jun 20, 2024	2 258	2 207	2 207	
National Bank of Canada 5.180% Jan 15, 2024	9 000	8 982	8 982	
Toronto-Dominion Bank 5.194% Jan 16, 2024	1 000	998	998	
<b>TOTAL SHORT-TERM INVESTMENTS</b>		<b>62 273</b>	<b>62 273</b>	<b>5.8</b>
<b>TOTAL INVESTMENTS</b>		<b>1 060 290</b>	<b>1 079 675</b>	<b>99.8</b>
<b>UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)</b>			2 431	<b>0.2</b>
<b>UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)</b>			3 253	<b>0.3</b>
<b>UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)</b>			(1 529)	<b>(0.1)</b>
<b>TOTAL PORTFOLIO</b>		<b>1 060 290</b>	<b>1 083 830</b>	<b>100.2</b>
<b>OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>			(1 996)	<b>(0.2)</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>			<b>1 081 834</b>	<b>100.0</b>

**SCHEDULE A**

**Futures Contracts**

	Number of Contracts	Contracted Value (\$)	Unrealized Gain (\$)
CME Ultra Long Term U.S. Treasury Bond Future, Mar 2024 Contracts at USD 133.59 per contract	25	4 163	375
Euro-BTP Future, Mar 2024 Contracts at EUR 119.15 per contract	44	7 452	245
Euro-Buxl 30-Year Bond Future, Mar 2024 Contracts at EUR 141.72 per contract	13	2 532	172
Euro-Schatz Future, Mar 2024 Contracts at EUR 106.55 per contract	7	1 089	2
U.S. Treasury Long Bond Future, Mar 2024 Contracts at USD 124.94 per contract	85	13 458	986
United Kingdom Long Gilt Future, Mar 2024 Contracts at GBP 102.65 per contract	18	3 015	141
United States 2-Year Note Future, Mar 2024 Contracts at USD 102.96 per contract	5	1 390	14
United States 5-Year Note Future, Mar 2024 Contracts at USD 108.77 per contract	86	12 456	265
United States 10-Year Note Future, Mar 2024 Contracts at USD 112.89 per contract	47	6 997	231
<b>TOTAL FUTURES</b>		<b>52 552</b>	<b>2 431</b>

\$1 800 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

**SCHEDULE B**

**Foreign Exchange Contracts**

Contracts	Maturity Date	Unrealized Gain (\$)
Bought GBP 190 Sold CAD 320 @ 1.6889	02-Jan-2024	1
Bought CAD 3 441 Sold USD 2 555 @ 1.3248	08-Jan-2024	55
Bought CAD 680 Sold USD 500 @ 1.3248	08-Jan-2024	17
Bought CAD 2 389 Sold USD 1 770 @ 1.3248	10-Jan-2024	43
Bought CAD 4 056 Sold USD 3 026 @ 1.3248	12-Jan-2024	46
Bought CAD 1 470 Sold EUR 1 000 @ 1.4635	16-Jan-2024	6
Bought CAD 12 292 Sold USD 9 125 @ 1.3247	17-Jan-2024	206
Bought CAD 2 937 Sold CNY 15 573 @ 0.1870	17-Jan-2024	25
Bought USD 100 Sold CAD 132 @ 1.3247	17-Jan-2024	1
Bought CAD 5 233 Sold USD 3 890 @ 1.3247	18-Jan-2024	80
Bought SEK 5 015 Sold CAD 659 @ 0.1315	19-Jan-2024	–
Bought JPY 83 000 Sold CAD 775 @ 0.0094	19-Jan-2024	8
Bought JPY 77 474 Sold CAD 723 @ 0.0094	19-Jan-2024	7
Bought CAD 1 153 Sold USD 853 @ 1.3246	23-Jan-2024	22
Bought CAD 1 889 Sold USD 1 393 @ 1.3246	23-Jan-2024	44
Bought CAD 795 Sold SGD 790 @ 1.0050	26-Jan-2024	1
Bought CAD 684 Sold USD 500 @ 1.3245	26-Jan-2024	21
Bought CAD 6 960 Sold USD 5 077 @ 1.3245	29-Jan-2024	236
Bought SEK 1 148 Sold CAD 150 @ 0.1315	30-Jan-2024	2
Bought CAD 685 Sold SGD 681 @ 1.0052	31-Jan-2024	–
Bought CAD 8 428 Sold USD 6 211 @ 1.3244	01-Feb-2024	202
Bought CAD 511 Sold EUR 345 @ 1.4641	01-Feb-2024	5
Bought CAD 1 196 Sold USD 880 @ 1.3244	02-Feb-2024	30
Bought CAD 598 Sold EUR 400 @ 1.4642	02-Feb-2024	12
Bought CAD 430 Sold USD 315 @ 1.3243	06-Feb-2024	12
Bought CAD 3 414 Sold USD 2 507 @ 1.3243	07-Feb-2024	93
Bought CAD 296 Sold USD 221 @ 1.3243	08-Feb-2024	3
Bought CAD 3 311 Sold EUR 2 250 @ 1.4644	09-Feb-2024	16





December 31, 2023

**SCHEDULE B (cont.)**

**Foreign Exchange Contracts**

Contracts	Maturity Date	Unrealized Gain (\$)
Bought CAD 1 123 Sold USD 821 @ 1.3242	14-Feb-2024	36
Bought CAD 2 050 Sold USD 1 500 @ 1.3242	15-Feb-2024	64
Bought CAD 584 Sold EUR 397 @ 1.4646	16-Feb-2024	2
Bought CAD 640 Sold USD 468 @ 1.3241	20-Feb-2024	19
Bought CAD 7 386 Sold USD 5 386 @ 1.3241	21-Feb-2024	254
Bought CAD 1 154 Sold USD 839 @ 1.3241	22-Feb-2024	42
Bought CAD 1 313 Sold EUR 892 @ 1.4649	23-Feb-2024	6
Bought CAD 749 Sold EUR 500 @ 1.4649	23-Feb-2024	16
Bought CAD 7 538 Sold USD 5 447 @ 1.3240	26-Feb-2024	325
Bought CAD 2 813 Sold GBP 1 664 @ 1.6881	26-Feb-2024	3
Bought CAD 277 Sold USD 200 @ 1.3239	27-Feb-2024	12
Bought CAD 5 375 Sold CNY 27 990 @ 0.1872	27-Feb-2024	134
Bought CAD 3 343 Sold USD 2 419 @ 1.3240	28-Feb-2024	140
Bought CAD 2 077 Sold EUR 1 407 @ 1.4651	29-Feb-2024	15
Bought CAD 64 Sold GBP 37 @ 1.6881	29-Feb-2024	1
Bought CAD 2 567 Sold EUR 1 748 @ 1.4651	29-Feb-2024	6
Bought CAD 956 Sold DKK 4 858 @ 0.1967	01-Mar-2024	-
Bought CAD 626 Sold USD 460 @ 1.3239	01-Mar-2024	16
Bought CAD 403 Sold USD 300 @ 1.3239	01-Mar-2024	6
Bought CAD 930 Sold SGD 916 @ 1.0061	04-Mar-2024	8
Bought CAD 1 158 Sold DKK 5 860 @ 0.1967	04-Mar-2024	5
Bought CAD 859 Sold GBP 501 @ 1.6880	04-Mar-2024	13
Bought SEK 4 424 Sold CAD 574 @ 0.1316	04-Mar-2024	9
Bought SEK 4 614 Sold CAD 601 @ 0.1316	05-Mar-2024	7
Bought CAD 2 136 Sold EUR 1 441 @ 1.4653	06-Mar-2024	24
Bought CAD 3 Sold USD 2 @ 1.3238	06-Mar-2024	-
Bought CAD 2 975 Sold EUR 2 022 @ 1.4653	06-Mar-2024	11
Bought CAD 705 Sold GBP 411 @ 1.6880	07-Mar-2024	11
Bought CAD 1 948 Sold EUR 1 316 @ 1.4654	08-Mar-2024	19
Bought CAD 296 Sold USD 221 @ 1.3238	08-Mar-2024	3
Bought CAD 881 Sold GBP 519 @ 1.6879	12-Mar-2024	4
Bought CAD 1 534 Sold USD 1 124 @ 1.3237	12-Mar-2024	46
Bought CAD 5 423 Sold EUR 3 634 @ 1.4657	13-Mar-2024	96
Bought CAD 821 Sold SGD 805 @ 1.0064	13-Mar-2024	10
Bought JPY 57 000 Sold CAD 539 @ 0.0095	13-Mar-2024	3
Bought CAD 3 243 Sold EUR 2 163 @ 1.4659	18-Mar-2024	72
Bought CAD 514 Sold EUR 350 @ 1.4659	18-Mar-2024	-
Bought CAD 365 Sold USD 266 @ 1.3236	20-Mar-2024	12
Bought CAD 74 Sold EUR 49 @ 1.4660	20-Mar-2024	2
Bought CAD 516 Sold SGD 503 @ 1.0067	21-Mar-2024	9
Bought CAD 676 Sold USD 500 @ 1.3235	25-Mar-2024	14
Bought CAD 9 449 Sold USD 6 957 @ 1.3235	26-Mar-2024	241
Bought CAD 9 889 Sold EUR 6 726 @ 1.4663	27-Mar-2024	27
Bought CAD 1 948 Sold USD 1 439 @ 1.3235	27-Mar-2024	43
Bought CAD 890 Sold GBP 521 @ 1.6876	28-Mar-2024	10
Bought CAD 1 477 Sold USD 1 089 @ 1.3234	28-Mar-2024	35
Bought CAD 999 Sold USD 745 @ 1.3234	03-Apr-2024	13
Bought CAD 6 034 Sold EUR 4 075 @ 1.4666	03-Apr-2024	57
Bought CAD 1 007 Sold JPY 104 629 @ 0.0095	04-Apr-2024	10
Bought CAD 388 Sold SGD 383 @ 1.0072	04-Apr-2024	2
Bought CAD 665 Sold GBP 389 @ 1.6875	05-Apr-2024	8
Bought CAD 3 686 Sold EUR 2 502 @ 1.4667	05-Apr-2024	16
Bought CAD 10 452 Sold EUR 7 108 @ 1.4668	08-Apr-2024	25
Bought CAD 3 983 Sold USD 2 939 @ 1.3233	08-Apr-2024	94
Bought CAD 354 Sold USD 265 @ 1.3233	08-Apr-2024	3

3 253

**SCHEDULE B (cont.)**

**Foreign Exchange Contracts**

Contracts	Maturity Date	Unrealized Loss (\$)
Bought CAD 542 Sold JPY 57 965 @ 0.0094	04-Jan-2024	(3)
Bought USD 139 Sold CAD 191 @ 1.3248	08-Jan-2024	(6)
Bought CAD 474 Sold JPY 51 208 @ 0.0094	09-Jan-2024	(8)
Bought CAD 182 Sold NZD 226 @ 0.8375	10-Jan-2024	(8)
Bought CAD 823 Sold AUD 945 @ 0.9032	11-Jan-2024	(31)
Bought CAD 147 Sold PLN 480 @ 0.3366	12-Jan-2024	(15)
Bought CAD 55 Sold GBP 33 @ 1.6887	16-Jan-2024	(1)
Bought CAD 1 292 Sold EUR 895 @ 1.4635	16-Jan-2024	(19)
Bought EUR 489 Sold CAD 733 @ 1.4635	16-Jan-2024	(18)
Bought CAD 682 Sold EUR 466 @ 1.4635	16-Jan-2024	-
Bought CAD 366 Sold JPY 39 531 @ 0.0094	17-Jan-2024	(7)
Bought CAD 11 Sold SGD 11 @ 1.0047	17-Jan-2024	-
Bought CAD 876 Sold AUD 1 002 @ 0.9033	17-Jan-2024	(30)
Bought CAD 3 472 Sold EUR 2 424 @ 1.4636	18-Jan-2024	(76)
Bought EUR 774 Sold CAD 1 134 @ 1.4636	18-Jan-2024	(1)
Bought CAD 455 Sold AUD 526 @ 0.9033	19-Jan-2024	(21)
Bought CAD 1 862 Sold JPY 202 367 @ 0.0094	19-Jan-2024	(46)
Bought CAD 1 448 Sold EUR 1 014 @ 1.4636	19-Jan-2024	(37)
Bought CAD 498 Sold SEK 4 043 @ 0.1315	19-Jan-2024	(34)
Bought CAD 819 Sold CNY 4 401 @ 0.1870	19-Jan-2024	(4)
Bought CAD 584 Sold AUD 673 @ 0.9034	22-Jan-2024	(24)
Bought CAD 4 116 Sold JPY 448 134 @ 0.0094	22-Jan-2024	(111)
Bought USD 10 Sold CAD 14 @ 1.3246	22-Jan-2024	-
Bought USD 885 Sold CAD 1 209 @ 1.3246	23-Jan-2024	(36)
Bought CAD 370 Sold EUR 257 @ 1.4638	24-Jan-2024	(6)
Bought CAD 400 Sold NZD 495 @ 0.8374	25-Jan-2024	(15)
Bought CAD 917 Sold AUD 1 058 @ 0.9034	25-Jan-2024	(39)
Bought CAD 798 Sold EUR 550 @ 1.4639	26-Jan-2024	(8)
Bought CAD 1 307 Sold PLN 4 021 @ 0.3365	26-Jan-2024	(47)
Bought CAD 743 Sold NOK 5 943 @ 0.1305	30-Jan-2024	(32)
Bought CAD 144 Sold SEK 1 148 @ 0.1315	30-Jan-2024	(7)
Bought CAD 731 Sold DKK 3 743 @ 0.1965	31-Jan-2024	(5)
Bought CAD 314 Sold NOK 2 499 @ 0.1305	31-Jan-2024	(13)
Bought CAD 658 Sold NZD 818 @ 0.8374	31-Jan-2024	(28)
Bought CAD 6 176 Sold EUR 4 269 @ 1.4641	01-Feb-2024	(75)
Bought CAD 2 796 Sold EUR 1 932 @ 1.4642	02-Feb-2024	(33)
Bought CAD 44 Sold DKK 222 @ 0.1965	05-Feb-2024	-
Bought CAD 752 Sold GBP 453 @ 1.6884	06-Feb-2024	(13)
Bought CAD 337 Sold GBP 200 @ 1.6884	06-Feb-2024	(1)
Bought CAD 4 502 Sold MXN 60 500 @ 0.0775	07-Feb-2024	(185)
Bought CAD 984 Sold JPY 106 256 @ 0.0095	07-Feb-2024	(20)
Bought CAD 572 Sold NOK 4 642 @ 0.1305	08-Feb-2024	(34)
Bought CAD 521 Sold GBP 313 @ 1.6884	09-Feb-2024	(8)
Bought USD 300 Sold CAD 411 @ 1.3242	13-Feb-2024	(13)
Bought CAD 1 048 Sold JPY 112 747 @ 0.0095	14-Feb-2024	(19)
Bought CAD 1 424 Sold GBP 852 @ 1.6883	15-Feb-2024	(15)
Bought CAD 1 163 Sold AUD 1 300 @ 0.9037	15-Feb-2024	(13)
Bought CAD 659 Sold EUR 450 @ 1.4646	16-Feb-2024	-
Bought CAD 326 Sold DKK 1 660 @ 0.1966	20-Feb-2024	-
Bought CAD 987 Sold GBP 587 @ 1.6882	21-Feb-2024	(4)
Bought CAD 377 Sold PLN 1 148 @ 0.3363	21-Feb-2024	(9)
Bought CAD 654 Sold JPY 70 500 @ 0.0095	21-Feb-2024	(14)
Bought CAD 295 Sold NZD 366 @ 0.8372	23-Feb-2024	(12)
Bought CAD 718 Sold NOK 5 609 @ 0.1305	26-Feb-2024	(14)
Bought CAD 1 316 Sold JPY 142 667 @ 0.0095	27-Feb-2024	(36)



December 31, 2023

**SCHEDULE B (cont.)**

**Foreign Exchange Contracts**

<b>Contracts</b>	<b>Maturity Date</b>	<b>Unrealized Loss (\$)</b>
Bought CAD 373 Sold AUD 415 @ 0.9039	27-Feb-2024	(3)
Bought CAD 156 Sold AUD 176 @ 0.9039	01-Mar-2024	(4)
Bought CAD 1 406 Sold JPY 150 504 @ 0.0095	04-Mar-2024	(22)
Bought CAD 628 Sold SEK 4 989 @ 0.1316	05-Mar-2024	(29)
Bought CAD 829 Sold NOK 6 695 @ 0.1305	05-Mar-2024	(45)
Bought CAD 257 Sold NOK 2 070 @ 0.1305	07-Mar-2024	(14)
Bought CAD 193 Sold NOK 1 519 @ 0.1305	12-Mar-2024	(6)
Bought CAD 473 Sold JPY 50 751 @ 0.0095	13-Mar-2024	(9)
Bought CAD 254 Sold AUD 282 @ 0.9041	14-Mar-2024	(2)
Bought CAD 427 Sold JPY 45 690 @ 0.0095	18-Mar-2024	(8)
Bought CAD 6 643 Sold JPY 705 965 @ 0.0095	19-Mar-2024	(68)
Bought CAD 64 Sold AUD 71 @ 0.9042	22-Mar-2024	–
Bought CAD 105 Sold NOK 817 @ 0.1305	22-Mar-2024	(2)
Bought CAD 1 675 Sold JPY 178 554 @ 0.0095	25-Mar-2024	(25)
Bought CAD 661 Sold SEK 5 021 @ 0.1317	25-Mar-2024	(1)
Bought CAD 303 Sold NOK 2 437 @ 0.1305	27-Mar-2024	(16)
Bought CAD 732 Sold EUR 500 @ 1.4667	05-Apr-2024	(2)
Bought CAD 4 018 Sold JPY 422 523 @ 0.0095	08-Apr-2024	(11)
Bought CAD 698 Sold JPY 74 000 @ 0.0095	08-Apr-2024	(8)
		(1 529)
<b>TOTAL FOREIGN EXCHANGE</b>		<u>1 724</u>

All counterparties have a credit rating of at least A.

\$392 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above foreign exchange contracts.

\* Investment in related party (see note 8 in the generic notes).



### Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2023	December 31 2022
<b>ASSETS</b>		
Investments at fair value	\$ 1 079 675	\$ 1 233 244
Cash	318	389
Due from investment dealers	3 274	–
Subscriptions receivable	560	762
Unrealized gain on futures contracts	2 431	7
Margin receivable	–	2 051
Unrealized gain on foreign exchange contracts	3 253	816
Dividends receivable, interest accrued and other assets	1 423	3 406
<b>TOTAL ASSETS</b>	<b>1 090 934</b>	<b>1 240 675</b>
<b>LIABILITIES</b>		
Due to investment dealers	2 447	2 068
Redemptions payable	1 239	1 674
Unrealized loss on futures contracts	–	2 221
Margin payable	2 453	–
Unrealized loss on foreign exchange contracts	1 529	7 268
Accounts payable and accrued expenses	1 432	1 599
<b>TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>9 100</b>	<b>14 830</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (“NAV”)</b>	<b>\$ 1 081 834</b>	<b>\$ 1 225 845</b>
Investments at cost	\$ 1 060 290	\$ 1 269 148
<b>NAV</b>		
<b>SERIES A</b>	<b>\$ 608 532</b>	<b>\$ 646 371</b>
<b>ADVISOR SERIES</b>	<b>\$ –</b>	<b>\$ –</b>
<b>SERIES D</b>	<b>\$ 3 977</b>	<b>\$ 3 609</b>
<b>SERIES DZ</b>	<b>\$ 23 846</b>	<b>\$ 22 978</b>
<b>SERIES F</b>	<b>\$ 437 702</b>	<b>\$ 509 148</b>
<b>SERIES O</b>	<b>\$ 7 777</b>	<b>\$ 43 739</b>
<b>NAV PER UNIT</b>		
<b>SERIES A</b>	<b>\$ 14.62</b>	<b>\$ 13.72</b>
<b>ADVISOR SERIES</b>	<b>\$ –</b>	<b>\$ –</b>
<b>SERIES D</b>	<b>\$ 15.87</b>	<b>\$ 14.81</b>
<b>SERIES DZ</b>	<b>\$ 12.56</b>	<b>\$ 11.72</b>
<b>SERIES F</b>	<b>\$ 16.18</b>	<b>\$ 15.10</b>
<b>SERIES O</b>	<b>\$ 12.84</b>	<b>\$ 11.99</b>

### Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2023	2022
<b>INCOME (see note 3 in the generic notes)</b>		
Interest for distribution purposes	\$ 9 103	\$ 5 744
Income from investment trusts	20 742	19 605
Derivative income (loss)	(1 921)	(8 731)
Net realized gain (loss) on investments	5 678	(10 823)
Change in unrealized gain (loss) on investments and derivatives	63 465	(212 768)
<b>TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES</b>	<b>97 067</b>	<b>(206 973)</b>
Other income (loss)	–	7
Securities lending revenue (see note 7 in the generic notes)	57	62
Net gain (loss) on foreign cash balances	134	(20)
<b>TOTAL OTHER INCOME (LOSS)</b>	<b>191</b>	<b>49</b>
<b>TOTAL INCOME (LOSS)</b>	<b>97 258</b>	<b>(206 924)</b>
<b>EXPENSES (see notes – Fund Specific Information)</b>		
Management fees	14 934	16 187
Administration fees	1 146	1 247
Independent Review Committee costs	2	2
GST/HST	1 767	1 913
Withholding tax	8	13
<b>TOTAL EXPENSES</b>	<b>17 857</b>	<b>19 362</b>
<b>INCREASE (DECREASE) IN NAV</b>	<b>\$ 79 401</b>	<b>\$ (226 286)</b>
<b>INCREASE (DECREASE) IN NAV</b>		
<b>SERIES A</b>	<b>\$ 39 579</b>	<b>\$ (126 577)</b>
<b>ADVISOR SERIES</b>	<b>\$ –</b>	<b>\$ (456)</b>
<b>SERIES D</b>	<b>\$ 281</b>	<b>\$ (4 418)</b>
<b>SERIES DZ</b>	<b>\$ 1 767</b>	<b>\$ (4 869)</b>
<b>SERIES F</b>	<b>\$ 34 782</b>	<b>\$ (86 519)</b>
<b>SERIES O</b>	<b>\$ 2 992</b>	<b>\$ (3 447)</b>
<b>INCREASE (DECREASE) IN NAV PER UNIT</b>		
<b>SERIES A</b>	<b>\$ 0.88</b>	<b>\$ (2.66)</b>
<b>ADVISOR SERIES</b>	<b>\$ –</b>	<b>\$ (5.59)</b>
<b>SERIES D</b>	<b>\$ 1.16</b>	<b>\$ (4.85)</b>
<b>SERIES DZ</b>	<b>\$ 0.92</b>	<b>\$ (2.28)</b>
<b>SERIES F</b>	<b>\$ 1.13</b>	<b>\$ (2.61)</b>
<b>SERIES O</b>	<b>\$ 0.86</b>	<b>\$ (1.18)</b>



**Statements of Cash Flow** (in \$000s)

For the periods ended December 31  
(see note 2 in the generic notes)

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in NAV	\$ 79 401	\$ (226 286)
<b>ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS</b>		
Amortization of premium and discounts	(2 521)	(830)
Non-cash dividends	–	–
Non-cash distributions from underlying funds	(20 742)	(19 605)
Net realized loss (gain) on investments	(5 678)	10 823
Change in unrealized loss (gain) on investments and derivatives	(63 465)	212 768
(Increase) decrease in accrued receivables	(441)	(2 128)
Increase (decrease) in accrued payables	(2 388)	1 684
(Increase) decrease in margin accounts	4 504	(1 965)
Cost of investments purchased*	(9 790 510)	(13 496 295)
Proceeds from sale and maturity of investments*	10 025 414	13 375 629
<b>NET CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>	<b>223 574</b>	<b>(146 205)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units*	104 102	355 192
Cash paid on redemption of redeemable units*	(327 169)	(208 629)
Distributions paid to holders of redeemable units	(578)	–
<b>NET CASH PROVIDED BY (USED IN)</b>		
<b>FINANCING ACTIVITIES</b>	<b>\$ (223 645)</b>	<b>\$ 146 563</b>
Net increase (decrease) in cash for the period	(71)	358
Cash (bank overdraft), beginning of period	389	31
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>\$ 318</b>	<b>\$ 389</b>
Interest received (paid) <sup>†</sup>	\$ 6 453	\$ 4 681
Income from investment trusts received (paid) <sup>†‡</sup>	\$ –	\$ –
Dividends received (paid) <sup>†‡</sup>	\$ –	\$ –

\* Excludes in-kind transactions.

† Classified as part of operating activities.

‡ Net of withholding taxes, if applicable.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series DZ	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>NAV AT BEGINNING OF PERIOD</b>	\$ 646 371	\$ 730 156	\$ –	\$ 5 047	\$ 3 609	\$ 41 361	\$ 22 978	\$ 35 348
<b>INCREASE (DECREASE) IN NAV</b>	<b>39 579</b>	<b>(126 577)</b>	<b>–</b>	<b>(456)</b>	<b>281</b>	<b>(4 418)</b>	<b>1 767</b>	<b>(4 869)</b>
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable units issued	69 729	189 134	–	369	694	6 202	727	1 145
Reinvestments of distributions to holders of redeemable units	124	–	–	–	13	–	141	–
Redemption of redeemable units	(147 146)	(146 342)	–	(4 960)	(607)	(39 536)	(1 625)	(8 646)
<b>NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS</b>	<b>(77 293)</b>	<b>42 792</b>	<b>–</b>	<b>(4 591)</b>	<b>100</b>	<b>(33 334)</b>	<b>(757)</b>	<b>(7 501)</b>
Distributions from net income	–	–	–	–	(12)	–	(136)	–
Distributions from net gains	(125)	–	–	–	(1)	–	(6)	–
Distributions from capital	–	–	–	–	–	–	–	–
<b>TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS</b>	<b>(125)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(13)</b>	<b>–</b>	<b>(142)</b>	<b>–</b>
<b>NET INCREASE (DECREASE) IN NAV</b>	<b>(37 839)</b>	<b>(83 785)</b>	<b>–</b>	<b>(5 047)</b>	<b>368</b>	<b>(37 752)</b>	<b>868</b>	<b>(12 370)</b>
<b>NAV AT END OF PERIOD</b>	<b>\$ 608 532</b>	<b>\$ 646 371</b>	<b>\$ –</b>	<b>\$ –</b>	<b>\$ 3 977</b>	<b>\$ 3 609</b>	<b>\$ 23 846</b>	<b>\$ 22 978</b>

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2023	2022	2023	2022	2023	2022
<b>NAV AT BEGINNING OF PERIOD</b>	\$ 509 148	\$ 494 450	\$ 43 739	\$ 2 248	\$ 1 225 845	\$ 1 308 610
<b>INCREASE (DECREASE) IN NAV</b>	<b>34 782</b>	<b>(86 519)</b>	<b>2 992</b>	<b>(3 447)</b>	<b>79 401</b>	<b>(226 286)</b>
Early redemption fees	–	–	–	–	–	–
Proceeds from redeemable units issued	52 602	200 415	4 249	47 441	128 001	444 706
Reinvestments of distributions to holders of redeemable units	1 897	–	102	–	2 277	–
Redemption of redeemable units	(158 268)	(99 198)	(43 189)	(2 503)	(350 835)	(301 185)
<b>NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS</b>	<b>(103 769)</b>	<b>101 217</b>	<b>(38 838)</b>	<b>44 938</b>	<b>(220 557)</b>	<b>143 521</b>
Distributions from net income	(2 378)	–	(114)	–	(2 640)	–
Distributions from net gains	(81)	–	(2)	–	(215)	–
Distributions from capital	–	–	–	–	–	–
<b>TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS</b>	<b>(2 459)</b>	<b>–</b>	<b>(116)</b>	<b>–</b>	<b>(2 855)</b>	<b>–</b>
<b>NET INCREASE (DECREASE) IN NAV</b>	<b>(71 446)</b>	<b>14 698</b>	<b>(35 962)</b>	<b>41 491</b>	<b>(144 011)</b>	<b>(82 765)</b>
<b>NAV AT END OF PERIOD</b>	<b>\$ 437 702</b>	<b>\$ 509 148</b>	<b>\$ 7 777</b>	<b>\$ 43 739</b>	<b>\$ 1 081 834</b>	<b>\$ 1 225 845</b>



December 31, 2023

**General information (see note 1 in the generic notes)**

The Fund seeks to provide long-term capital growth, with a secondary focus on modest income, by investing primarily in Canadian, U.S. and international equities and fixed-income securities, either directly or indirectly through investment in other funds managed by RBC GAM or an affiliate of RBC GAM. The Fund follows a socially responsible approach to investing.

Effective June 30, 2017, Series DZ units of the Fund are capped and are no longer available for purchase by new investors. Existing investors who hold Series DZ units of the Fund can continue to make additional investments into this series.

Effective April 11, 2022, all Advisor Series units with a deferred sales charge option were re-designated as Series A units. Any redemption fees associated with such re-designations were waived by RBC GAM.

**Financial instrument risk and capital management (see note 5 in the generic notes)**

**Credit risk (%)**

Credit-exposed securities, excluding short-term investments, comprise 34.5% (December 31, 2022 – 31.1%) of the NAV of the Fund. The table below summarizes the Fund’s credit risk exposure grouped by credit ratings as at:

Rating	December 31 2023	December 31 2022
AAA	42.6	42.2
AA	23.9	26.4
A	20.5	19.5
BBB	13.0	10.1
BB	–	0.2
Unrated	–	1.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

**Concentration risk (%)**

The table below summarizes the Fund’s investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2023	December 31 2022
Global Equity Funds	45.3	46.8
International Bonds	21.1	17.0
Canadian Equity Funds	14.8	15.7
Fixed Income Funds	10.2	9.8
Canadian Bonds	2.6	4.0
Cash/Other	6.0	6.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

**Interest rate risk (%)**

Fixed-income and debt securities, excluding short-term investments, comprise 33.8% (December 31, 2022 – 31.1%) 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	December 31 2023	December 31 2022
Less than 1 year	9.2	6.7
1 – 5 years	36.5	39.0
5 – 10 years	24.7	26.0
> 10 years	29.6	28.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

As at December 31, 2023, 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 1.4% (December 31, 2022 – 1.1%). 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 as at:

Currency	December 31 2023	December 31 2022
United States dollar	35.2	33.1
Euro	2.7	3.5
Pound sterling	2.6	2.4
Danish krone	1.3	0.5
Norwegian krone	1.1	1.1
Hong Kong dollar	1.0	1.5
Japanese yen	0.6	1.0
Swiss franc	–	2.3
Other currencies	–	(0.1)
<b>Total</b>	<b>44.5</b>	<b>45.3</b>

As at December 31, 2023, 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 2.2% (December 31, 2022 – 2.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2023

**Other price risk (% impact on NAV)**

The table below shows the impact of a 10% 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:

	December 31 2023	December 31 2022
S&P/TSX Capped Composite		
Total Return Index	<b>+ or - 6.2</b>	<b>+ or - 5.4</b>

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 December 31, 2023 and 2022.

December 31, 2023	Level 1	Level 2	Level 3	Total
<b>Equities</b>	–	–	–	–
<b>Underlying funds</b>	<b>760 458</b>	–	–	<b>760 458</b>
<b>Fixed-income</b>				
and debt securities	–	256 944	–	256 944
Short-term investments	–	62 273	–	62 273
Derivatives – assets	2 431	3 253	–	5 684
Derivatives – liabilities	–	(1 529)	–	(1 529)
<b>Total financial instruments</b>	<b>762 889</b>	<b>320 941</b>	–	<b>1 083 830</b>
<b>% of total portfolio</b>	<b>70.4</b>	<b>29.6</b>	–	<b>100.0</b>

December 31, 2022	Level 1	Level 2	Level 3	Total
<b>Equities</b>	–	–	–	–
<b>Underlying funds</b>	<b>886 182</b>	–	–	<b>886 182</b>
<b>Fixed-income</b>				
and debt securities	–	258 427	–	258 427
Short-term investments	–	88 635	–	88 635
Derivatives – assets	7	816	–	823
Derivatives – liabilities	(2 221)	(7 268)	–	(9 489)
<b>Total financial instruments</b>	<b>883 968</b>	<b>340 610</b>	–	<b>1 224 578</b>
<b>% of total portfolio</b>	<b>72.2</b>	<b>27.8</b>	–	<b>100.0</b>

For the periods ended December 31, 2023 and 2022, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees  
(see note 8 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%	0.10%
Advisor Series	1.75%	0.10%
Series D	1.00%	0.10%
Series DZ	0.75%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.02%

\* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties  
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2023	December 31 2022
<b>Units held</b>		
Series DZ	113	113
Series O	117	116
<b>Value of all units</b>	<b>3</b>	<b>3</b>

**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.

	December 31 2023		December 31 2022	
	NAV	Ownership	NAV	Ownership
RBC Vision Bond Fund	10.2	26.2	9.8	27.8
RBC Vision Canadian Equity Fund	14.8	34.3	15.7	39.8
RBC Vision Global Equity Fund	45.3	38.2	46.8	40.7

**Taxes (\$000s) (see note 6 in the generic notes)**

The Fund had no capital or non-capital losses as at December 31, 2023.



December 31, 2023

### Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31  
(see note 2 in the generic notes)

	2023	2022
<b>Series A</b>		
Opening units	47 106	44 528
Issued number of units	4 948	12 741
Reinvested number of units	8	–
Redeemed number of units	(10 448)	(10 163)
Ending number of units	41 614	47 106
<b>Advisor Series</b>		
Opening units	–	307
Issued number of units	–	23
Reinvested number of units	–	–
Redeemed number of units	–	(330)
Ending number of units	–	–
<b>Series D</b>		
Opening units	244	2 357
Issued number of units	46	377
Reinvested number of units	1	–
Redeemed number of units	(40)	(2 490)
Ending number of units	251	244
<b>Series DZ</b>		
Opening units	1 961	2 553
Issued number of units	61	92
Reinvested number of units	11	–
Redeemed number of units	(134)	(684)
Ending number of units	1 899	1 961
<b>Series F</b>		
Opening units	33 727	27 716
Issued number of units	3 375	12 408
Reinvested number of units	118	–
Redeemed number of units	(10 166)	(6 397)
Ending number of units	27 054	33 727
<b>Series O</b>		
Opening units	3 649	160
Issued number of units	343	3 693
Reinvested number of units	8	–
Redeemed number of units	(3 394)	(204)
Ending number of units	606	3 649

### Securities lending revenue (\$000s except %)

(see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2023	December 31 2022
Fair value of securities loaned	–	105 926
Fair value of collateral received	–	108 045

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2023		December 31 2022	
	\$	%	\$	%
Gross revenue	74	100	83	100
RBC IS (paid)	(17)	(23)	(21)	(25)
Tax withheld	–	–	–	–
Fund revenue	57	77	62	75

### Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2023	Assets	Liabilities
<b>Gross amounts – assets (liabilities)</b>	<b>3 253</b>	<b>(1 529)</b>
<b>Amounts set-off in the Statements of Financial Position</b>	–	–
<b>Net amounts presented in the Statements of Financial Position</b>	<b>3 253</b>	<b>(1 529)</b>
<b>Related amounts not set-off</b>	<b>(1 158)</b>	<b>1 158</b>
<b>Collateral (received) pledged</b>	<b>(134)</b>	<b>85</b>
<b>Net amount</b>	<b>1 961</b>	<b>(286)</b>
<hr/>		
December 31, 2022	Assets	Liabilities
Gross amounts – assets (liabilities)	816	(7 268)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	816	(7 268)
Related amounts not set-off	(815)	815
Collateral (received) pledged	–	556
Net amount	1	(5 897)



December 31, 2023

## 1. The Funds

The Funds (“Fund” or “Funds”) are open-ended mutual fund trusts governed by the laws of the Province of Ontario or British Columbia. RBC Global Asset Management Inc. (“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. RBC GAM is also the trustee of those Funds governed by the laws of the Province of Ontario. These financial statements were approved for issuance by the Board of Directors of RBC GAM on March 7, 2024.

The Funds may issue an unlimited number of units in some or all of Series A, Series AZ, Advisor Series, Advisor T5 Series, Series T5, Series T8, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5, Series FT8, Series I, Series N, Series O and ETF Series. Effective April 11, 2022, Advisor Series and Advisor T5 Series are no longer offered for sale.

Series A units and Series AZ units have no sales charges and are available to all investors through authorized dealers.

Advisor Series units and Advisor T5 Series units were available to all investors through authorized dealers. Effective April 11, 2022, all Advisor Series and Advisor T5 Series units were re-designated as Series A and Series T5 units, as applicable.

Series T5 units and Series T8 units have no sales charges and are available to all investors through authorized dealers.

Series H units have no sales charges, have lower fees than Series A units and are only available to investors who invest and maintain the required minimum balance through authorized dealers.

Series D units and Series DZ units have no sales charges and have lower fees than Series A units. Series D units and Series DZ units may be available to investors who have accounts with RBC Direct Investing Inc., Phillips, Hager & North Investment Funds Ltd. (“PH&N IF”) or certain other authorized dealers (primarily discount brokers).

Series F units, Series FZ units, Series FT5 units and Series FT8 units have no sales charges and have lower fees than Series A units. Series F units, Series FT5 units and Series FT8 units are only available to investors who have fee-based accounts with their dealer.

Series I units have no sales charges, have lower fees than Series F units, Series FT5 units and Series FT8 units 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 N units are only available to related funds.

Series O units are only available to large private or institutional investors or dealers. No management fees are payable by the Funds in respect to Series O units. Unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

The units of the ETF Series are listed either on the Toronto Stock Exchange (the “TSX”) or on Cboe Canada (“Cboe Canada”) as the case may be. The TSX and Cboe Canada are each referred to herein as the “Exchange.” Investors may purchase or sell units on the applicable Exchange in the same way as other securities listed on the Exchange.

On any trading day, an underwriter or designated broker may place a subscription or redemption order for an integral multiple of the prescribed number of units of the ETF Series. If the order is accepted, the Fund will issue or redeem units to or from the underwriter or designated broker within two trading days thereafter. For each prescribed number of units issued or redeemed, the underwriter or designated broker must deliver or receive payment consisting of:

- a) a basket of applicable securities for each prescribed number of units; and
- b) cash in an amount sufficient so that the value of the basket of the applicable securities and cash delivered is equal to the net asset value of the prescribed number of units plus the distribution price adjustment, if applicable, of the ETF Series.

A unitholder is entitled on any trading day to redeem ETF Series units for cash at a redemption price of 95% of net asset value per ETF Series unit at the next valuation following receipt of the cash redemption request. Unitholders will generally be able to sell (rather than redeem) units at the full market price on the TSX or Cboe Canada, as the case may be, through a registered broker or dealer subject only to customary brokerage commissions. To be effective on a particular trading day, a cash redemption request must be received by such time as RBC GAM may, from time to time, determine on that trading day. If a cash redemption request

is received later than the prescribed time on a trading day or a day which is not a trading day, the cash redemption request shall be deemed to be received as of the next trading day.

RBC Funds	Series	Exchange Ticker Symbol
RBC Canadian Equity Income Fund	ETF Series	RCEI
RBC North American Value Fund	ETF Series	RNAV
RBC North American Growth Fund	ETF Series	RNAG
RBC International Equity Fund	ETF Series	RINT
RBC Emerging Markets Dividend Fund	ETF Series	REMD
RBC Global Energy Fund	ETF Series	RENG
RBC Global Precious Metals Fund	ETF Series	RGPM
RBC Global Technology Fund	ETF Series	RTEC

## 2. Financial year

The Statements of Financial Position are prepared as at December 31, 2023 and December 31, 2022, as applicable, and the Statements of Comprehensive Income, Statements of Cash Flow, and Statements of Changes in NAV are prepared for the years ended December 31, 2023 and December 31, 2022, except for those Funds established during either year, in which case, the information is presented from the start date as described in the Notes to Financial Statements – Fund Specific Information to December 31 of that year.

## 3. Material accounting policy information

These financial statements have been prepared in accordance with IFRS Accounting Standards. The material accounting policy information of the Funds is as follows:

**Classification and Measurement of Financial Assets, Liabilities and Derivatives** Each of the Funds classifies its investment portfolio based on the business model for managing the portfolio and the contractual cash flow characteristics. The investment portfolio of financial assets and liabilities is managed and performance is evaluated on a fair value basis. The contractual cash flows of the Funds’ debt securities that are solely principal and interest are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds’ business model objectives. Consequently, all investments are measured at fair value through profit and loss (“FVTPL”). Derivative assets and liabilities are also measured at FVTPL.

The Funds’ obligation for net assets attributable to holders of redeemable units represents a financial liability and is measured at the redemption amount, which approximates fair value as of the reporting date. All other financial assets and liabilities are measured at amortized cost, which approximates fair value given their short-term nature.

**Offsetting Financial Assets and Liabilities** In the normal course of business, the Funds may enter into various International Swaps and Derivatives Association master netting agreements or other similar arrangements with certain counterparties that allow for related amounts to be offset in certain circumstances, such as bankruptcy or termination of contracts. Offsetting information, where applicable, is presented in the Notes to Financial Statements – Fund Specific Information.

Collateral received represents amounts held by a counterparty or custodian on behalf of the Funds and can be in the form of securities and cash. Cash received as collateral is included in the Statements of Financial Position, whereas securities received are not included. Collateral pledged represents amounts held by the Funds’ custodian/counterparty on behalf of the counterparty and can be in the form of cash and securities. Cash pledged as collateral is included in the Statements of Financial Position, while securities pledged as collateral are identified on the respective Fund’s Schedule of Investment Portfolio.

**Classification of Redeemable Units** The Funds have multiple features across the different series of the Funds. Consequently, the Funds’ outstanding redeemable units 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 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

December 31, 2023

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 and derivatives" in the Statements of Comprehensive Income.

Certain Funds may invest in mortgage-related or other asset-backed securities. These securities include commercial mortgage-backed securities, asset-backed securities, collateralized debt obligations and other securities that directly or indirectly represent a participation in, or are securitized by and payable from, mortgage loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans while asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans and student loans. The Funds account for these investments at fair value. The fair value of such securities, as disclosed in the Schedule of Investment Portfolio, represents the maximum exposure to losses at that date.

**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, vendor fair value factors and prices of underlying funds that are not daily traded; 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:

*Equities* – Common shares and preferred shares are valued at the closing price recorded by the security exchange on which the security is principally traded. In circumstances where the closing price is not within the bid-ask spread, management will determine the points within the bid-ask spread that are most representative of the fair value.

*Fixed-Income and Debt Securities* – Bonds, mortgage-backed securities, loans, debentures and other debt securities are valued at the mid price quoted by major dealers or independent pricing vendors in such securities.

NHA-approved mortgages are valued at an amount, which produces a yield equivalent to the prevailing rate of return on mortgages of similar type and term.

*Short-Term Investments* – Short-term investments are valued at cost plus accrued interest, which approximates fair value.

*Options* – Options give the purchaser the right, but not the obligation, to buy (call) or sell (put) an underlying security or financial instrument at an agreed exercise or strike price during the specified period or on a specified date.

December 31, 2023

Listed options are valued at the closing price on the recognized exchange on which the option is traded. In circumstances where the closing price is not within the bid-ask spread, management will determine the points within the bid-ask spread that are most representative of the fair value.

Options purchased and options written (sold) are recorded as investments in the Statements of Financial Position. These investments are reported at fair value in the Statements of Financial Position, and unrealized gain or loss at the close of business on each valuation date is recorded in "Change in unrealized gain (loss) on investments and derivatives" in the Statements of Comprehensive Income.

When an option is exercised and the underlying securities are acquired or delivered, the acquisition cost or sale proceeds are adjusted by the amount of the premium.

When an option is closed the Fund will realize a gain or loss equal to the difference between the premium and the cost to close the position. When an option expires, gains or losses are realized equivalent to the amount of premiums received or paid, respectively. The net realized gains (losses) on written and purchased options are included in the Statements of Comprehensive Income in "Net realized gain (loss) on investments."

*Warrants* – Warrants are valued using a recognized option pricing model, which includes factors such as the terms of the warrant, time value of money and volatility inputs that are significant to such valuation.

Warrants are recorded as investments and reported at fair value in the Statements of Financial Position. Any unrealized gain or loss at the close of business on each valuation date is recorded in "Change in unrealized gain (loss) on investments and derivatives" in the Statements of Comprehensive Income. When warrants are exercised or have expired, the net realized gains (losses) are included in the Statements of Comprehensive Income in "Net realized gain (loss) on investments."

*Futures Contracts* – Futures contracts entered into by the Funds are financial agreements to purchase or sell a financial instrument at a contracted price on a specified future date. However, the Funds do not intend to purchase or sell the financial instrument on the settlement date; rather, they intend to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. Futures contracts are valued at the gain or loss that would arise as

a result of closing the position at the valuation date. Any gain or loss at the close of business on each valuation date is recorded as "Derivative income (loss)" in the Statements of Comprehensive Income. The receivable/payable on futures contracts is recorded separately in the Statements of Financial Position.

*Forward Contracts* – Forward contracts are valued at the gain or loss that would arise as a result of closing the position at the valuation date. The receivable/payable on forward contracts is recorded separately in the Statements of Financial Position. Any unrealized gain or loss at the close of business on each valuation date is recorded as "Change in unrealized gain (loss) on investments and derivatives" and realized gain or loss on foreign exchange contracts is included in "Derivative income (loss)" in the Statements of Comprehensive Income.

*Total Return Swaps* – A total return swap is an agreement by which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains. Total return swap contracts are marked to market daily based upon quotations from the market makers and the change in value, if any, is recorded in "Change in unrealized gain (loss) on investments and derivatives" in the Statements of Comprehensive Income. When the swap contract is terminated early, the Fund records a realized gain or loss equal to the difference between the current net present value and the executed net present value in "Derivative income (loss)" in the Statements of Comprehensive Income. Unrealized gains and losses are recorded as "Receivable on open swap contracts" or "Payable on open swap contracts" in the Statements of Financial Position, as applicable. The risks of total return swap contracts include changes in market conditions and the possible inability of the counterparty to fulfill its obligations under the agreement.

*Interest Rate Swap Contracts* – Interest rate swaps are agreements between two parties to exchange periodic interest payments based on a notional principal amount. The net periodic payments received from interest rate swap contracts are recorded as "Interest for distribution purposes" and paid are recorded as "Interest expense" in the Statements of Comprehensive Income. Payments received or paid when the Fund enters into the contract are recorded as an asset or liability in the Statements of Financial Position. When the contract is terminated or expires, the payments received or paid are recorded as "Derivative income (loss)"

December 31, 2023

in the Statements of Comprehensive Income. Interest rate swap contracts are valued based upon quotations from independent sources.

**Credit Default Swap Contracts** – Credit default swaps are agreements between a protection buyer and protection seller. The protection buyer pays a periodic fee in exchange for a payment by the protection seller contingent on the occurrence of a credit event, such as a default, bankruptcy or restructuring, with respect to a referenced entity. Periodic fees received are recorded as “Interest for distribution purposes” and paid are recorded as “Interest expense” in the Statements of Comprehensive Income. When the contract is terminated or expires, the payments received or paid are recorded as “Derivative income (loss)” in the Statements of Comprehensive Income. Credit default swap contracts are valued based on quotations from independent sources.

**Underlying Funds** – Underlying funds that are not exchange-traded funds are valued at their respective NAV per unit from fund companies on the relevant valuation dates and underlying funds that are exchange-traded funds are valued at market close 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. Procedures are 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.

Management also has procedures where 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. 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 amortized cost. The carrying amount of cash approximates its fair value because it is short term in nature.

**Margin** Margin accounts represent margin deposits held with brokers in respect of derivatives contracts.

**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. Phillips, Hager & North \$U.S. Money Market Fund, RBC \$U.S. Money Market Fund, RBC Premium \$U.S. Money Market Fund, RBC \$U.S. Short-Term Government Bond Fund, RBC \$U.S. Short-Term Corporate Bond Fund, RBC \$U.S. Global Bond Fund, RBC \$U.S. Investment Grade Corporate Bond Fund, RBC \$U.S. High Yield Bond Fund, RBC \$U.S. Strategic Income Bond Fund, BlueBay \$U.S. Global Investment Grade Corporate Bond Fund (Canada), BlueBay \$U.S. Global High Yield Bond Fund (Canada), BlueBay Emerging Markets Bond Fund (Canada), BlueBay Emerging Markets Local Currency Bond Fund (Canada), BlueBay Emerging Markets Corporate Bond Fund, BlueBay Emerging Markets High Yield Corporate Bond Fund (Canada), RBC \$U.S. Core Bond Pool, RBC \$U.S. Core Plus Bond Pool, RBC U.S. Monthly Income Fund and RBC \$U.S. Global Balanced Portfolio (collectively, the “USD Funds”) have their subscriptions, redemptions and performance denominated in U.S. dollars and, consequently, the U.S. dollar is the functional currency for these Funds.

**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 USD Funds) at the rate of exchange on each valuation date. Gains/losses on foreign cash balances are included in “Net gain (loss) on foreign cash balances” in the Statements of Comprehensive Income. 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 on spot and forward currency contracts are included in “Derivative income (loss)” in the Statements of Comprehensive Income.

**Valuation of Series** A different NAV is calculated for each series of units of a Fund. The NAV of a particular series of units 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. Transaction costs, such as brokerage commissions, incurred by the Funds are recorded in the Statements of Comprehensive Income for the period. 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 and short-term investments.

**Income Recognition** Dividend income is recognized on the ex-dividend date and interest for distribution purposes is coupon interest recognized on an accrual basis and/or imputed interest on zero coupon bonds. "Income from investment trusts" includes income from underlying funds and other trusts. Any premiums paid or discounts received on the purchase of zero coupon bonds are amortized. Interest payments made by the Funds to counterparties on the payable leg of derivative contracts are recorded as "Interest expense" in the Statements of Comprehensive Income.

**Increase (Decrease) in NAV per Unit** Increase (decrease) in NAV per unit in the Statements of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units by series, divided by the average units 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 units if the unitholder redeems or switches out units within seven days of purchasing or previously switching into a Fund. These amounts are included in the Statements of Changes in NAV.

**Foreign Currencies** The following is a list of abbreviations used in the Schedule of Investment Portfolio:

AUD – Australian dollar	KRW – South Korean won
BRL – Brazilian real	MXN – Mexican peso
CAD – Canadian dollar	MYR – Malaysian ringgit
CHF – Swiss franc	NOK – Norwegian krone
CLP – Chilean peso	NZD – New Zealand dollar
CNH/CNY – Chinese renminbi	PEN – Peruvian nuevo sol
COP – Colombian peso	PHP – Philippine peso
CZK – Czech koruna	PLN – Polish zloty
DKK – Danish krone	RON – Romanian leu
DOP – Dominican peso	RSD – Serbian dinar
EGP – Egyptian pound	SEK – Swedish krona
EUR – Euro	SGD – Singapore dollar
GBP – Pound sterling	THB – Thailand baht
HKD – Hong Kong dollar	TRY – Turkish new lira
HUF – Hungarian forint	TWD – New Taiwan dollar
IDR – Indonesian rupiah	USD – United States dollar
ILS – Israeli new shekel	UYU – Uruguay peso
INR – Indian rupee	ZAR – South African rand
JPY – Japanese yen	

**In-Kind Transactions and Switches Between Different Series of the Same Fund** The Funds exclude non-cash transactions from their operating and financing activities within the Statements of Cash Flow. The primary differences between amounts issued and redeemed within the Statements of Changes in NAV and the Statements of Cash Flow relate to in-kind transactions and switches between series of the same Fund. Similarly, the "Cost of investments purchased" and "Proceeds from sale and maturity of investments" within the Statements of Cash Flow appropriately exclude in-kind transactions.

#### 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.

##### *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, 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.

Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, wars, acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Funds' investments and performance.

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 units. 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 Funds measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. All other receivables, amounts due from brokers, cash, margin and short-term deposits are held with counterparties with a credit rating of BBB- or higher. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognized based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Funds. 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. Credit risk exposure is mitigated for those Funds participating in a securities lending program (see note 7). 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.

Certain Funds trade in debt securities, some of which are variable rate and have an inter-bank linked interest rate. Such debt securities may potentially be transitioned to an alternative benchmark before the Funds dispose of their investments. The impact of this transition, if any, will be captured in the change in fair value of these investments and is not expected to be significant to each Fund.

**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. The currency risk as disclosed in the Fund Specific Information in the Notes to Financial Statements represents the monetary and non-monetary foreign exchange exposure of a Fund.

**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 Funds qualify as open-ended mutual fund trusts or unit trusts under the *Income Tax Act* (Canada) (the "Tax Act"). In general, the Funds are subject to income tax; however, no income tax is payable on net income and/or net realized capital gains which are distributed to unitholders. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. In addition, for mutual fund trusts, income taxes payable on net realized capital gains are refundable on a formula basis when units of the Funds are redeemed. It is the intention of the Funds to pay out all net income and realized capital gains each year so that the Funds will not be subject to income taxes. Accordingly, no provision for income taxes is recorded.

If a Fund is not a mutual fund trust under the Tax Act throughout a taxation year, the Fund (i) may become liable for alternative minimum tax under the Tax Act in such year, (ii) would not be eligible for capital gains refunds under the Tax Act in such year, (iii) may be subject to the "mark-to-market" rules described below and (iv) may be subject to a special tax under Part XII.2 of the Tax Act described below in such year.

If a Fund does not qualify as a mutual fund trust and more than 50% (calculated on a fair market value basis) of the units of the Fund are held by one or more unitholders that are considered to be "financial institutions" for the purposes of certain special mark-to-market rules in the Tax Act, then the Fund itself will be treated as a financial institution under those special rules. Under those rules, the Fund will be required to recognize at least annually on income account any gains and losses accruing on certain types of debt obligations and equity securities that it holds and also will be subject to special rules with respect to income inclusion on these securities. Any income arising from such treatment will be included in amounts to be distributed to unitholders. If more than 50% of the units of the Fund cease to be held by financial institutions, the tax year of the Fund will be deemed to end immediately before that time and any gains or losses accrued before that time will be deemed realized by the Fund and will be distributed to unitholders. A new taxation year for the Fund will then begin and for that and subsequent taxation years, for so long as not more than 50% of the units of the Fund are held by financial institutions, the Fund will not be subject to these special mark-to-market rules.

If at any time in a year a Fund that is not a mutual fund trust under the Tax Act throughout that year has a unitholder that is a "designated beneficiary", the Fund will be subject to a special tax at the rate of 40% under Part XII.2 of the Tax Act on its "designated income" within the meaning of the Tax Act. A "designated beneficiary" includes a non-resident, and "designated income" includes taxable capital gains from dispositions of "taxable Canadian property" and income from business carried on in Canada (which could include gains on certain derivatives). Where a Fund is subject to tax under Part XII.2 of the Tax Act, the Fund may make a designation which will result in unitholders that are not designated beneficiaries receiving a tax credit with respect to their share of the Part XII.2 tax paid by the Fund.

Capital losses are available to be carried forward indefinitely and applied against future capital gains. Non-capital losses may be carried forward to reduce future taxable income for up to 20 years.

The total amount of distributions for Series T5 and Series FT5 units for a year may exceed the Series T5 and Series FT5 units' share of income and capital gains earned by the fund, respectively, in that year. This excess amount will be treated



December 31, 2023

as a return of capital to the unitholder. Return of capital represents a return to the unitholder of a portion of their own invested capital.

## **7. Securities lending revenue**

Certain of the Funds lend portfolio securities from time to time in order to earn additional income. Income from securities lending is included in the Statements of Comprehensive Income of a Fund. Each such Fund will have entered into a securities lending program with its custodian, RBC Investor Services Trust ("RBC IS"). The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the assets of a Fund. The Fund receives collateral, with an approved credit rating of at least A, of at least 102% of the value of securities on loan. The Fund is indemnified by RBC IS for any collateral credit or market loss. As such, the credit risk associated with securities lending is considered minimal.

## **8. 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 units of the Funds. No management fees are paid by the Funds with respect to Series O units. Unitholders of Series O units 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 units 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 any costs and expenses of the Independent Review Committee ("IRC") of the Funds that are not related to annual fees, meeting fees and reimbursement for expenses to members of the IRC, 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). RBC GAM, not the Funds, is responsible for the costs related to annual fees, meeting fees and reimbursement for expenses to members of the IRC. Other fund costs are 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 unitholders.

Certain Funds may invest in units of other Funds managed by RBC GAM or its affiliates ("underlying funds"). A Fund will not invest in units of an underlying 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 fund for the same service. To the extent a Fund invests in underlying funds managed by RBC GAM or its affiliates, the fees and expenses payable by the underlying funds are in addition to the fees and expenses payable by the Fund. However, a Fund may only invest in one or more underlying funds provided that no management fees or incentive fees are payable that would duplicate a fee payable by the underlying fund for the same service. The Fund's ownership interest in underlying 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 unitholders 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.

December 31, 2023

**Sub-Advisors**

RBC Global Asset Management (U.S.) Inc. is the sub-advisor for:

- RBC \$U.S. Short-Term Government Bond Fund
- RBC \$U.S. Short-Term Corporate Bond Fund (for the underlying fund)
- RBC Bond Fund (for a portion of the Fund)
- RBC \$U.S. Investment Grade Corporate Bond Fund
- RBC Global Corporate Bond Fund (for a portion of the Fund)
- BlueBay Global Investment Grade Corporate Bond Fund (Canada) (for a portion of the Fund)
- BlueBay \$U.S. Global Investment Grade Corporate Bond Fund (Canada) (for a portion of the Fund)
- BlueBay Global High Yield Bond Fund (Canada) (for the underlying fund)
- BlueBay \$U.S. Global High Yield Bond Fund (Canada) (for a portion of the Fund)
- RBC U.S. Monthly Income Fund (for a portion of the Fund)
- RBC U.S. Small-Cap Core Equity Fund
- RBC U.S. Small-Cap Value Equity Fund
- BlueBay Global Alternative Bond Fund (Canada) (for a portion of the Fund)
- Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund

RBC Global Asset Management (UK) Limited is the sub-advisor for:

- RBC Short-Term Global Bond Fund (for a portion of the Fund)
- RBC Bond Fund (for a portion of the Fund)
- RBC Global Bond Fund (for a portion of the Fund)
- RBC \$U.S. Global Bond Fund (for a portion of the Fund)
- RBC Global Corporate Bond Fund (for a portion of the Fund)
- RBC Global High Yield Bond Fund (for a portion of the Fund)
- RBC Emerging Markets Foreign Exchange Fund (for a portion of the Fund)
- RBC Emerging Markets Bond Fund (for a portion of the Fund)
- BlueBay Global Monthly Income Bond Fund\*
- BlueBay Global Sovereign Bond Fund (Canada)\*
- BlueBay Global Investment Grade Corporate Bond Fund (Canada)\* (for a portion of the Fund)
- BlueBay \$U.S. Global Investment Grade Corporate Bond Fund (Canada)\* (for a portion of the Fund)
- BlueBay European High Yield Bond Fund (Canada)\*
- BlueBay Global High Yield Bond Fund (Canada)\* (for the underlying fund)
- BlueBay \$U.S. Global High Yield Bond Fund (Canada)\* (for a portion of the Fund)
- BlueBay Emerging Markets Bond Fund (Canada)\*

- BlueBay Emerging Markets Local Currency Bond Fund (Canada)\*
- BlueBay Emerging Markets Corporate Bond Fund\*
- BlueBay Emerging Markets High Yield Corporate Bond Fund (Canada)\*
- BlueBay Global Convertible Bond Fund (Canada)\*
- RBC U.S. Monthly Income Fund (for a portion of the Fund)
- RBC Balanced Fund (for a portion of the Fund)
- RBC Global Balanced Fund (for a portion of the Fund)
- RBC Vision Balanced Fund (for a portion of the Fund)
- RBC International Dividend Growth Fund
- RBC International Equity Fund (for the European equity portion of the Fund)
- RBC International Equity Currency Neutral Fund (for the European equity portion of the underlying fund)
- RBC European Equity Fund
- RBC European Mid-Cap Equity Fund
- RBC Emerging Markets Multi-Strategy Equity Fund (for the underlying funds)
- RBC Emerging Markets Dividend Fund
- RBC Emerging Markets ex-China Dividend Fund
- RBC Emerging Markets Equity Fund
- RBC Emerging Markets ex-China Equity Fund
- RBC Emerging Markets Equity Focus Fund
- RBC Vision Fossil Fuel Free Emerging Markets Equity Fund
- RBC Emerging Markets Small-Cap Equity Fund
- RBC Global Dividend Growth Fund
- RBC Global Dividend Growth Currency Neutral Fund
- RBC Global Equity Fund
- RBC Vision Global Equity Fund
- RBC Vision Fossil Fuel Free Global Equity Fund
- RBC Global Equity Focus Fund
- RBC Global Equity Focus Currency Neutral Fund (for the underlying fund)
- RBC Global Equity Leaders Fund
- RBC Global Equity Leaders Currency Neutral Fund (for the underlying fund)
- BlueBay Global Alternative Bond Fund (Canada)\* (for a portion of the Fund)
- Phillips, Hager & North Overseas Equity Fund
- Phillips, Hager & North Global Equity Fund

\* Prior to April 1, 2023 BlueBay Asset Management LLP was a sub-advisor for these Funds.

RBC Global Asset Management (Asia) Limited is the sub-advisor for:

- RBC Balanced Fund (for the Asian equity portion of the Fund)
- RBC Global Balanced Fund (for the Asian equity portion of the Fund)

December 31, 2023

RBC Vision Balanced Fund (for the Asian equity portion of the Fund)

RBC International Dividend Growth Fund (for the Asian equity portion of the Fund)

RBC International Equity Fund (for the Asian equity portion of the Fund)

RBC International Equity Currency Neutral Fund (for the Asian equity portion of the underlying fund)

RBC Asian Equity Fund (for the underlying funds)

RBC Asia Pacific ex-Japan Equity Fund

RBC China Equity Fund

RBC Japanese Equity Fund

The sub-advisors earn a fee which is calculated and accrued daily as a percentage of the NAV of each series of units of the Funds. The sub-advisors are paid by the manager from the management fee paid by the Funds.

#### **Trustee**

RBC GAM is the trustee for the Funds governed by the laws of the Province of Ontario. RBC IS is the trustee for the Funds governed by the laws of the Province of British Columbia. The trustee holds title to the Funds' property on behalf of the unitholders. The trustee earns a fee, which is paid by the manager from the fixed administration fee paid by the Funds.

#### **Distributors**

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and PH&N IF are principal distributors of, or may distribute certain series of units of, the Funds. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Advisor T5 Series, Series T5, Series T8, Series H and Series D units.

#### **Custodian**

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**

RBC GAM, RBC IS or Royal Bank (or a combination thereof) are the registrars of the Funds and keep records of who owns the units 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.

#### **Brokers and Dealers**

The Funds have established or may establish standard brokerage agreements and dealing agreements at market rates with related parties such as RBC Dominion Securities Inc., RBC Capital Markets, LLC, RBC Europe Limited, NBC Securities Inc. and Royal Bank of Canada.

#### **Securities Lending Agent**

To the extent a Fund may engage in securities lending transactions, RBC IS may act as the Fund's securities lending agent. Any revenue earned on such securities lending is split between the Fund and the securities lending agent.

#### **Mortgage Administrator Agent**

Royal Bank may administer mortgages on behalf of the Funds. Royal Bank earns 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 IRC 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, debt securities or mortgages from or sales of equity, debt securities or mortgages 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 IRC 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

December 31, 2023

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.

**9. Auditor fees**

Fees paid or payable by RBC Global Asset Management Inc. to PricewaterhouseCoopers LLP and other PwC Network firms for audit services related to public interest entity ETFs and mutual funds managed by RBC Global Asset Management Inc. with September 30, and December 31, 2023 year-end dates, are \$1,838,066. Fees for other services are \$987,091.