

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)  
**BLUEBAY GLOBAL CONVERTIBLE BOND FUND (CANADA)**

December 31, 2023

	Holdings	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>EQUITIES</b>				
<b>Australia</b>				
Paladin Energy Ltd.	586 082	206	520	
		206	520	<b>0.3</b>
<b>France</b>				
L'Oréal S.A. Call@440 Jun 21 2024	13	34	62	
LVMH Moët Hennessy Louis Vuitton SE Call@720 Jun 21 2024	3	19	27	
LVMH Moët Hennessy Louis Vuitton SE Call@800 Jun 21 2024	15	76	59	
TotalEnergies SE	6 841	481	616	
Veolia Environnement S.A. Call@30 Jun 21 2024	236	69	36	
		679	800	<b>0.5</b>
<b>Germany</b>				
Deutsche Post AG Call@43 Jun 21 2024	113	47	64	
		47	64	<b>—</b>
<b>Italy</b>				
Eni S.p.A.	37 953	774	853	
		774	853	<b>0.5</b>
<b>Netherlands</b>				
STMicroelectronics N.V. Call@40 Jun 21 2024	337	145	378	
		145	378	<b>0.2</b>
<b>Spain</b>				
Iberdrola S.A. Call@11.5 Jun 21 2024	300	24	32	
		24	32	<b>—</b>
<b>United Kingdom</b>				
BP Plc.	60 298	466	474	
		466	474	<b>0.3</b>
<b>TOTAL EQUITIES</b>		<b>2 341</b>	<b>3 121</b>	<b>1.8</b>
	<b>Par Value (000s)</b>	<b>Cost (\$)</b>	<b>Fair Value (\$)</b>	<b>% of Net Assets</b>
<b>BONDS</b>				
<b>Australia</b>				
Flight Centre Travel Group Ltd. 1.625% Nov 01, 2028 AUD	1 200	956	1 026	
		956	1 026	<b>0.6</b>
<b>Belgium</b>				
Groupe Bruxelles Lambert N.V. 2.125% Nov 29, 2025 EUR	1 200	1 729	1 713	
Umicore S.A. 0.000% Jun 23, 2025 EUR	2 700	3 827	3 728	
		5 556	5 441	<b>3.3</b>
<b>Canada</b>				
SSR Mining Inc. 2.500% Apr 01, 2039 USD	830	1 339	1 041	
		1 339	1 041	<b>0.6</b>
<b>China</b>				
ANLLIAN Capital Ltd. 0.000% Feb 05, 2025 EUR	1 200	1 885	1 745	
H World Group Ltd. 3.000% May 01, 2026 USD	1 027	1 609	1 462	
Kingsoft Corp. Ltd. 0.625% Apr 29, 2025 HKD	5 000	951	858	
Meituan 0.000% Apr 27, 2028 USD	2 600	2 984	2 978	
NIO Inc. 0.500% Feb 01, 2027 USD	797	883	972	
Tequ Mayflower Ltd. 0.000% Mar 02, 2026 USD	968	1 179	953	
XD Inc. 1.250% Apr 12, 2026 USD	1 400	1 700	1 811	
Zhongsheng Group Holdings Ltd. 0.000% May 21, 2025 HKD	9 000	1 623	1 614	
ZTO Express Cayman Inc. 1.500% Sep 01, 2027 USD	1 303	1 727	1 655	
		14 541	14 048	<b>8.6</b>



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>Denmark</b>				
Ascendis Pharma A/S 2.250% Apr 01, 2028 USD	409	543	557	
		543	557	<b>0.3</b>
<b>France</b>				
Accor S.A. 0.700% Dec 07, 2027 EUR	15	1 015	1 061	
Atos SE 0.000% Nov 06, 2024 EUR	1 200	1 807	1 418	
Edenred SE 0.000% Sep 06, 2024 EUR	17	1 537	1 485	
Elis S.A. 2.250% Sep 22, 2029 EUR	300	439	566	
		4 798	4 530	<b>2.8</b>
<b>Germany</b>				
Delivery Hero SE 3.250% Feb 21, 2030 EUR	500	724	624	
Deutsche Lufthansa AG 2.000% Nov 17, 2025 EUR	1 100	1 719	1 737	
RAG-Stiftung 1.875% Nov 16, 2029 EUR	1 100	1 653	1 675	
Rheinmetall AG 1.875% Feb 07, 2028 EUR	1 100	1 639	1 795	
		5 735	5 831	<b>3.6</b>
<b>Hong Kong</b>				
Cathay Pacific Finance III Ltd. 2.750% Feb 05, 2026 HKD	6 000	1 055	1 070	
Lenovo Group Ltd. 2.500% Aug 26, 2029 USD	783	997	1 409	
Xiaomi Best Time International Ltd. 0.000% Dec 17, 2027 USD	1 600	1 878	1 891	
		3 930	4 370	<b>2.7</b>
<b>Israel</b>				
CyberArk Software Ltd. 0.000% Nov 15, 2024 USD	445	597	838	
		597	838	<b>0.5</b>
<b>Italy</b>				
Pirelli & C S.p.A. 0.000% Dec 22, 2025 EUR	500	705	727	
Prysmian S.p.A. 0.000% Feb 02, 2026 EUR	1 000	1 507	1 625	
Saipem S.p.A. 2.875% Sep 11, 2029 EUR	800	1 200	1 266	
		3 412	3 618	<b>2.2</b>
<b>Japan</b>				
ANA Holdings Inc. 0.000% Dec 10, 2031 JPY	110 000	1 100	1 165	
Daifuku Co. Ltd. 0.000% Sep 14, 2028 JPY	120 000	1 168	1 209	
JFE Holdings Inc. 0.000% Sep 28, 2028 JPY	120 000	1 146	1 181	
Nippon Steel Corp. 0.000% Oct 04, 2024 JPY	90 000	1 047	1 139	
SBI Holdings Inc. 0.000% Jul 25, 2025 JPY	60 000	576	662	
		5 037	5 356	<b>3.3</b>
<b>Luxembourg</b>				
Lagfin S.C.A. 3.500% Jun 08, 2028 EUR	1 400	2 014	2 013	
		2 014	2 013	<b>1.2</b>
<b>Macau</b>				
Wynn Macau Ltd. 4.500% Mar 07, 2029 USD	891	1 279	1 209	
		1 279	1 209	<b>0.8</b>
<b>Mauritius</b>				
HTA Group Ltd. 2.875% Mar 18, 2027 USD	1 400	1 647	1 605	
		1 647	1 605	<b>1.0</b>
<b>Mexico</b>				
Fomento Economico Mexicano S.A.B. de C.V. 2.625% Feb 24, 2026 EUR	200	297	293	
		297	293	<b>0.2</b>
<b>Netherlands</b>				
America Movil BV 0.000% Mar 02, 2024 EUR	1 600	2 361	2 352	
Encavis Finance BV 1.875% Perpetual EUR	800	1 102	1 082	
QIAGEN N.V. 1.000% Nov 13, 2024 USD	800	1 175	1 085	
		4 638	4 519	<b>2.8</b>
<b>Singapore</b>				
Singapore Airlines Ltd. 1.625% Dec 03, 2025 SGD	500	528	640	
		528	640	<b>0.4</b>



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>South Korea</b>				
LG Chem Ltd. 1.250% Jul 18, 2028 USD	2 300	3 139	2 927	
SK Hynix Inc. 1.750% Apr 11, 2030 USD	1 600	2 258	2 978	
		5 397	5 905	<b>3.6</b>
<b>Spain</b>				
Amadeus IT Group S.A. 1.500% Apr 09, 2025 EUR	500	906	902	
Cellnex Telecom S.A. 0.500% Jul 05, 2028 EUR	1 400	2 082	2 185	
		2 988	3 087	<b>1.9</b>
<b>Sweden</b>				
Fastighets AB Balder 3.500% Feb 23, 2028 EUR	400	580	728	
		580	728	<b>0.5</b>
<b>United Kingdom</b>				
JET2 Plc. 1.625% Jun 10, 2026 GBP	600	1 017	989	
WH Smith Plc. 1.625% May 07, 2026 GBP	700	1 143	1 075	
		2 160	2 064	<b>1.3</b>
<b>United States</b>				
Airbnb Inc. 0.000% Mar 15, 2026	1 344	1 657	1 604	
Akamai Technologies Inc. 0.125% May 01, 2025	2 069	3 141	3 495	
Akamai Technologies Inc. 1.125% Feb 15, 2029	570	771	821	
Alnylam Pharmaceuticals Inc. 1.000% Sep 15, 2027	428	567	560	
American Airlines Group Inc. 6.500% Jul 01, 2025	1 172	1 761	1 728	
American Water Capital Corp. 3.625% Jun 15, 2026	1 963	2 617	2 610	
Bentley Systems Inc. 0.125% Jan 15, 2026	920	1 127	1 211	
Bloom Energy Corp. 3.000% Jun 01, 2028	729	1 040	1 034	
Booking Holdings Inc. 0.750% May 01, 2025	139	260	348	
Bridgebio Pharma Inc. 2.500% Mar 15, 2027	341	487	547	
Carnival Corp. 5.750% Dec 01, 2027	303	533	661	
CONMED Corp. 2.250% Jun 15, 2027	609	740	811	
Cytokinetics Inc. 3.500% Jul 01, 2027	413	630	963	
Datadog Inc. 0.125% Jun 15, 2025	779	1 248	1 446	
Dexcom Inc. 0.375% May 15, 2028	1 996	2 568	2 721	
Dropbox Inc. 0.000% Mar 01, 2026	1 363	1 740	1 781	
EQT Corp. 1.750% May 01, 2026	55	126	194	
Etsy Inc. 0.125% Oct 01, 2026	785	1 186	1 201	
Exact Sciences Corp. 0.375% Mar 15, 2027	3 065	3 793	3 950	
Ford Motor Co. 0.000% Mar 15, 2026	2 624	3 376	3 477	
Halozyme Therapeutics Inc. 1.000% Aug 15, 2028	803	1 082	991	
Insmed Inc. 0.750% Jun 01, 2028	461	497	701	
Insulet Corp. 0.375% Sep 01, 2026	679	952	1 038	
Ionis Pharmaceuticals Inc. 0.000% Apr 01, 2026	710	942	994	
J.P. Morgan Chase Financial Co. LLC 0.000% Apr 29, 2025 EUR	300	451	470	
Jazz Investments I Ltd. 2.000% Jun 15, 2026	492	735	661	
Lantheus Holdings Inc. 2.625% Dec 15, 2027	475	648	708	
Liberty Media Corp. 3.750% Mar 15, 2028	475	652	754	
Live Nation Entertainment Inc. 3.125% Jan 15, 2029	1 692	2 451	2 552	
MACOM Technology Solutions Holdings Inc. 0.250% Mar 15, 2026	568	755	929	
Marriott Vacations Worldwide Corp. 0.000% Jan 15, 2026	1 124	1 534	1 315	
Merit Medical Systems Inc. 3.000% Feb 01, 2029	381	518	561	
Middleby Corp. 1.000% Sep 01, 2025	231	375	374	
MP Materials Corp. 0.250% Apr 01, 2026	2 919	3 598	3 450	
Northern Oil and Gas Inc. 3.625% Apr 15, 2029	684	1 045	1 073	
Nutanix Inc. 0.250% Oct 01, 2027	939	1 180	1 300	
ON Semiconductor Corp. 0.500% Mar 01, 2029	1 592	2 189	2 252	
Ormat Technologies Inc. 2.500% Jul 15, 2027	430	705	587	
Pebblebrook Hotel Trust 1.750% Dec 15, 2026	1 425	1 909	1 691	
Rivian Automotive Inc. 4.625% Mar 15, 2029	2 590	3 970	4 836	
Seagate HDD Cayman 3.500% Jun 01, 2028	1 452	2 011	2 331	
Shift4 Payments Inc. 0.000% Dec 15, 2025	810	1 088	1 196	



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>United States (cont.)</b>				
Shockwave Medical Inc. 1.000% Aug 15, 2028	770	1 041	998	
Southwest Airlines Co. 1.250% May 01, 2025	1 227	2 014	1 649	
Tetra Tech Inc. 2.250% Aug 15, 2028	732	1 001	1 021	
Tyler Technologies Inc. 0.250% Mar 15, 2026	480	657	645	
Uber Technologies Inc. 0.000% Dec 15, 2025	882	1 085	1 194	
Ventas Realty LP 3.750% Jun 01, 2026	1 079	1 443	1 516	
Welltower OP LLC 2.750% May 15, 2028	799	1 091	1 176	
Western Digital Corp. 3.000% Nov 15, 2028	1 401	2 185	2 275	
Workiva Inc. 1.250% Aug 15, 2028	572	789	768	
Zillow Group Inc. 0.750% Sep 01, 2024	956	1 460	1 715	
Zscaler Inc. 0.125% Jul 01, 2025	988	1 536	1 991	
		72 957	76 875	47.2
<b>Vietnam</b>				
Vingroup JSC 10.000% Nov 13, 2028 USD	800	1 103	1 061	
		1 103	1 061	0.7
<b>TOTAL BONDS</b>		142 032	146 655	90.1
	<b>Holdings</b>	<b>Cost (\$)</b>	<b>Fair Value (\$)</b>	<b>% of Net Assets</b>
<b>OTHER INVESTMENTS</b>				
NKY Call@33500 Mar 08 2024	20	191	178	
RUY Call@1900 Mar 15 2024	23	147	525	
SPX Call@4650 Mar 15 2024	30	385	860	
<b>TOTAL OTHER INVESTMENTS</b>		723	1 563	1.0
<b>TOTAL INVESTMENTS</b>		145 096	151 339	92.9
<b>UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)</b>		—	(78)	—
<b>UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)</b>		—	4 685	2.9
<b>UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)</b>		—	(1 101)	(0.7)
<b>TOTAL PORTFOLIO</b>		145 096	154 845	95.1
<b>OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>			7 911	4.9
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>			162 756	100.0

**SCHEDULE A**

**Futures Contracts**

	Number of Contracts	Contracted Value (\$)	Unrealized Loss (\$)
The S&P 500 Mini Index Future, March 2024			
Contracts at USD 4 820.00 per contract	(41)	(13 159)	(78)
<b>TOTAL FUTURES</b>		(13 159)	(78)





December 31, 2023

**SCHEDULE B**

**Foreign Exchange Contracts**

Contracts	Maturity Date	Unrealized Gain (\$)
Bought GBP 12 Sold CAD 19 @ 1.6887	18-Jan-2024	-
Bought JPY 3 268 Sold CAD 31 @ 0.0094	18-Jan-2024	-
Bought EUR 97 Sold CAD 139 @ 1.4636	18-Jan-2024	2
Bought GBP 8 Sold CAD 14 @ 1.6887	18-Jan-2024	-
Bought JPY 16 198 Sold CAD 153 @ 0.0094	18-Jan-2024	1
Bought EUR 130 Sold CAD 188 @ 1.4636	18-Jan-2024	2
Bought CAD 4 881 Sold HKD 27 800 @ 0.1697	18-Jan-2024	162
Bought JPY 20 369 Sold CAD 191 @ 0.0094	18-Jan-2024	1
Bought CAD 941 Sold SGD 935 @ 1.0047	18-Jan-2024	2
Bought CAD 112 550 Sold USD 82 016 @ 1.3247	18-Jan-2024	3 904
Bought GBP 18 Sold CAD 30 @ 1.6887	18-Jan-2024	-
Bought EUR 71 Sold CAD 103 @ 1.4636	18-Jan-2024	1
Bought CAD 488 Sold USD 359 @ 1.3247	18-Jan-2024	13
Bought CAD 563 Sold USD 415 @ 1.3247	18-Jan-2024	13
Bought JPY 7 730 Sold CAD 72 @ 0.0094	18-Jan-2024	1
Bought CAD 135 Sold USD 99 @ 1.3247	18-Jan-2024	4
Bought JPY 11 576 Sold CAD 108 @ 0.0094	18-Jan-2024	2
Bought EUR 93 Sold CAD 135 @ 1.4636	18-Jan-2024	1
Bought CAD 502 Sold USD 368 @ 1.3247	18-Jan-2024	14
Bought JPY 300 000 Sold CAD 2 784 @ 0.0094	18-Jan-2024	44
Bought EUR 685 Sold CAD 995 @ 1.4636	18-Jan-2024	8
Bought EUR 36 Sold CAD 52 @ 1.4636	18-Jan-2024	-
Bought SGD 18 Sold CAD 18 @ 1.0047	18-Jan-2024	-
Bought JPY 4 359 Sold CAD 41 @ 0.0094	18-Jan-2024	1
Bought EUR 139 Sold CAD 202 @ 1.4636	18-Jan-2024	2
Bought JPY 2 690 Sold CAD 25 @ 0.0094	18-Jan-2024	-
Bought EUR 69 Sold CAD 100 @ 1.4636	18-Jan-2024	-
Bought EUR 80 Sold CAD 116 @ 1.4636	18-Jan-2024	-
Bought JPY 6 060 Sold CAD 57 @ 0.0094	18-Jan-2024	1
Bought CAD 306 Sold USD 223 @ 1.3247	18-Jan-2024	11
Bought JPY 1 623 Sold CAD 16 @ 0.0094	18-Jan-2024	-
Bought JPY 3 711 Sold CAD 35 @ 0.0094	18-Jan-2024	1
Bought CAD 660 Sold EUR 450 @ 1.4636	18-Jan-2024	1
Bought CAD 560 Sold EUR 381 @ 1.4636	18-Jan-2024	3
Bought CAD 940 Sold USD 688 @ 1.3247	18-Jan-2024	30
Bought CAD 1 101 Sold USD 807 @ 1.3247	18-Jan-2024	32
Bought CAD 134 Sold EUR 91 @ 1.4636	18-Jan-2024	1
Bought CAD 268 Sold USD 195 @ 1.3247	18-Jan-2024	10
Bought JPY 2 599 Sold CAD 24 @ 0.0094	18-Jan-2024	1
Bought CAD 2 342 Sold USD 1 700 @ 1.3247	18-Jan-2024	89
Bought CAD 141 Sold EUR 95 @ 1.4636	18-Jan-2024	1
Bought CAD 129 Sold USD 93 @ 1.3247	18-Jan-2024	5
Bought CAD 146 Sold EUR 98 @ 1.4636	18-Jan-2024	3
Bought CAD 98 Sold USD 71 @ 1.3247	18-Jan-2024	3
Bought CAD 1 500 Sold USD 1 097 @ 1.3247	18-Jan-2024	47
Bought CAD 164 Sold EUR 111 @ 1.4636	18-Jan-2024	2
Bought CAD 172 Sold EUR 116 @ 1.4636	18-Jan-2024	3
Bought CAD 913 Sold USD 667 @ 1.3247	18-Jan-2024	31
Bought CAD 548 Sold USD 400 @ 1.3247	18-Jan-2024	18
Bought JPY 120 000 Sold CAD 1 110 @ 0.0094	18-Jan-2024	21
Bought CAD 598 Sold EUR 400 @ 1.4636	18-Jan-2024	12
Bought AUD 247 Sold CAD 223 @ 0.9033	18-Jan-2024	1
Bought CAD 177 Sold USD 129 @ 1.3247	18-Jan-2024	6
Bought CAD 107 Sold EUR 71 @ 1.4636	18-Jan-2024	3
Bought CAD 104 Sold HKD 590 @ 0.1697	18-Jan-2024	4

**SCHEDULE B (cont.)**

**Foreign Exchange Contracts**

Contracts	Maturity Date	Unrealized Gain (\$)
Bought CAD 553 Sold USD 403 @ 1.3247	18-Jan-2024	19
Bought CAD 325 Sold USD 237 @ 1.3247	18-Jan-2024	11
Bought CAD 180 Sold USD 132 @ 1.3247	18-Jan-2024	5
Bought CAD 207 Sold USD 153 @ 1.3247	18-Jan-2024	5
Bought CAD 238 Sold USD 176 @ 1.3247	18-Jan-2024	6
Bought CAD 376 Sold USD 276 @ 1.3247	18-Jan-2024	10
Bought CAD 194 Sold EUR 133 @ 1.4636	18-Jan-2024	-
Bought CAD 949 Sold USD 702 @ 1.3247	18-Jan-2024	20
Bought JPY 1 237 Sold CAD 12 @ 0.0094	18-Jan-2024	-
Bought CAD 289 Sold USD 213 @ 1.3247	18-Jan-2024	7
Bought JPY 8 248 Sold CAD 77 @ 0.0094	18-Jan-2024	1
Bought CAD 303 Sold EUR 207 @ 1.4636	18-Jan-2024	1
Bought CAD 133 Sold JPY 14 017 @ 0.0094	18-Jan-2024	-
Bought CAD 294 Sold USD 217 @ 1.3247	18-Jan-2024	8
Bought CAD 271 Sold USD 200 @ 1.3247	18-Jan-2024	7
Bought JPY 8 951 Sold CAD 84 @ 0.0094	18-Jan-2024	1
Bought CAD 513 Sold EUR 350 @ 1.4636	18-Jan-2024	1
Bought CAD 181 Sold USD 134 @ 1.3247	18-Jan-2024	4
Bought CAD 141 Sold USD 104 @ 1.3247	18-Jan-2024	3
Bought CAD 166 Sold EUR 114 @ 1.4636	18-Jan-2024	-
Bought CAD 1 208 Sold USD 900 @ 1.3247	18-Jan-2024	15
Bought CAD 301 Sold EUR 205 @ 1.4636	18-Jan-2024	1
Bought CAD 2 410 Sold USD 1 801 @ 1.3247	18-Jan-2024	25
Bought CAD 103 Sold GBP 61 @ 1.6887	18-Jan-2024	-
Bought EUR 31 Sold CAD 45 @ 1.4636	18-Jan-2024	-
Bought CAD 274 Sold USD 206 @ 1.3247	18-Jan-2024	2
Bought JPY 80 000 Sold CAD 745 @ 0.0094	18-Jan-2024	9
Bought EUR 675 Sold CAD 988 @ 1.4636	18-Jan-2024	-
Bought GBP 110 Sold CAD 186 @ 1.6887	18-Jan-2024	-
Bought CAD 731 Sold USD 549 @ 1.3247	18-Jan-2024	5
Bought JPY 7 999 Sold CAD 76 @ 0.0094	18-Jan-2024	-
Bought CAD 750 Sold USD 565 @ 1.3247	18-Jan-2024	1
Bought CAD 122 Sold USD 92 @ 1.3247	18-Jan-2024	-
		4 685
Contracts	Maturity Date	Unrealized Loss (\$)
Bought USD 194 Sold CAD 266 @ 1.3247	18-Jan-2024	(9)
Bought HKD 79 Sold CAD 14 @ 0.1697	18-Jan-2024	-
Bought USD 679 Sold CAD 934 @ 1.3247	18-Jan-2024	(36)
Bought CAD 2 682 Sold GBP 1 607 @ 1.6887	18-Jan-2024	(31)
Bought CAD 1 635 Sold AUD 1 871 @ 0.9033	18-Jan-2024	(57)
Bought CAD 34 020 Sold EUR 23 446 @ 1.4636	18-Jan-2024	(296)
Bought SGD 14 Sold CAD 14 @ 1.0047	18-Jan-2024	-
Bought CAD 10 482 Sold JPY 1 117 030 @ 0.0094	18-Jan-2024	(45)
Bought USD 3 500 Sold CAD 4 811 @ 1.3247	18-Jan-2024	(174)
Bought USD 40 Sold CAD 55 @ 1.3247	18-Jan-2024	(2)
Bought CAD 261 Sold JPY 28 209 @ 0.0094	18-Jan-2024	(5)
Bought CAD 268 Sold EUR 185 @ 1.4636	18-Jan-2024	(3)
Bought CAD 174 Sold EUR 121 @ 1.4636	18-Jan-2024	(3)
Bought USD 328 Sold CAD 448 @ 1.3247	18-Jan-2024	(13)
Bought USD 527 Sold CAD 722 @ 1.3247	18-Jan-2024	(24)
Bought USD 800 Sold CAD 1 097 @ 1.3247	18-Jan-2024	(36)
Bought USD 418 Sold CAD 570 @ 1.3247	18-Jan-2024	(17)
Bought HKD 145 Sold CAD 26 @ 0.1697	18-Jan-2024	(1)



December 31, 2023

**SCHEDULE B (cont.)**

**Foreign Exchange Contracts**

<b>Contracts</b>	<b>Maturity Date</b>	<b>Unrealized Loss (\$)</b>
Bought USD 320 Sold CAD 437 @ 1.3247	18-Jan-2024	(14)
Bought USD 191 Sold CAD 262 @ 1.3247	18-Jan-2024	(8)
Bought USD 496 Sold CAD 684 @ 1.3247	18-Jan-2024	(27)
Bought EUR 15 Sold CAD 22 @ 1.4636	18-Jan-2024	–
Bought USD 205 Sold CAD 283 @ 1.3247	18-Jan-2024	(11)
Bought EUR 32 Sold CAD 48 @ 1.4636	18-Jan-2024	–
Bought USD 372 Sold CAD 514 @ 1.3247	18-Jan-2024	(21)
Bought USD 78 Sold CAD 107 @ 1.3247	18-Jan-2024	(5)
Bought USD 310 Sold CAD 430 @ 1.3247	18-Jan-2024	(19)
Bought CAD 175 Sold JPY 18 859 @ 0.0094	18-Jan-2024	(3)
Bought USD 57 Sold CAD 78 @ 1.3247	18-Jan-2024	(3)
Bought EUR 32 Sold CAD 47 @ 1.4636	18-Jan-2024	–
Bought EUR 500 Sold CAD 739 @ 1.4636	18-Jan-2024	(7)
Bought USD 127 Sold CAD 174 @ 1.3247	18-Jan-2024	(7)
Bought USD 416 Sold CAD 575 @ 1.3247	18-Jan-2024	(23)
Bought USD 300 Sold CAD 414 @ 1.3247	18-Jan-2024	(16)
Bought EUR 250 Sold CAD 370 @ 1.4636	18-Jan-2024	(4)
Bought EUR 69 Sold CAD 102 @ 1.4636	18-Jan-2024	(1)
Bought USD 560 Sold CAD 765 @ 1.3247	18-Jan-2024	(22)
Bought CAD 203 Sold JPY 22 076 @ 0.0094	18-Jan-2024	(6)
Bought EUR 102 Sold CAD 152 @ 1.4636	18-Jan-2024	(3)
Bought USD 407 Sold CAD 558 @ 1.3247	18-Jan-2024	(19)
Bought SGD 307 Sold CAD 316 @ 1.0047	18-Jan-2024	(7)
Bought USD 410 Sold CAD 563 @ 1.3247	18-Jan-2024	(20)
Bought EUR 50 Sold CAD 74 @ 1.4636	18-Jan-2024	(2)
Bought HKD 95 Sold CAD 17 @ 0.1697	18-Jan-2024	–
Bought HKD 116 Sold CAD 21 @ 0.1697	18-Jan-2024	–
Bought EUR 47 Sold CAD 70 @ 1.4636	18-Jan-2024	(1)
Bought USD 301 Sold CAD 408 @ 1.3247	18-Jan-2024	(9)
Bought JPY 8 339 Sold CAD 79 @ 0.0094	18-Jan-2024	–
Bought HKD 7 000 Sold CAD 1 216 @ 0.1697	18-Jan-2024	(27)
Bought EUR 1 000 Sold CAD 1 466 @ 1.4636	18-Jan-2024	(2)
Bought EUR 61 Sold CAD 89 @ 1.4636	18-Jan-2024	–
Bought EUR 28 Sold CAD 41 @ 1.4636	18-Jan-2024	–
Bought JPY 6 628 Sold CAD 63 @ 0.0094	18-Jan-2024	–
Bought CAD 151 Sold EUR 103 @ 1.4636	18-Jan-2024	–
Bought USD 1 900 Sold CAD 2 543 @ 1.3247	18-Jan-2024	(26)
Bought USD 4 000 Sold CAD 5 327 @ 1.3247	18-Jan-2024	(28)
Bought USD 581 Sold CAD 774 @ 1.3247	18-Jan-2024	(4)
Bought CAD 134 Sold JPY 14 158 @ 0.0094	18-Jan-2024	–
Bought CAD 184 Sold USD 140 @ 1.3247	18-Jan-2024	(1)
Bought CAD 946 Sold USD 717 @ 1.3247	18-Jan-2024	(3)
Bought CAD 86 Sold AUD 96 @ 0.9033	18-Jan-2024	–
		(1 101)
<b>TOTAL FOREIGN EXCHANGE</b>		<b>3 584</b>

All counterparties have a credit rating of at least A.



**BLUEBAY GLOBAL CONVERTIBLE BOND FUND (CANADA)**

**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	\$ 151 339	\$ 338 730
Cash	4 991	17 633
Subscriptions receivable	1	169
Margin receivable	3 651	15 144
Unrealized gain on foreign exchange contracts	4 685	7 634
Dividends receivable, interest accrued and other assets	466	1 006
<b>TOTAL ASSETS</b>	<b>165 133</b>	<b>380 316</b>
<b>LIABILITIES</b>		
Redemptions payable	1 121	391
Unrealized loss on futures contracts	78	–
Unrealized loss on foreign exchange contracts	1 101	10 659
Distributions payable	6	11
Accounts payable and accrued expenses	71	119
<b>TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>2 377</b>	<b>11 180</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")</b>	<b>\$ 162 756</b>	<b>\$ 369 136</b>
Investments at cost	\$ 145 096	\$ 348 082
<b>NAV</b>		
<b>SERIES A</b>	<b>\$ 28 187</b>	<b>\$ 32 389</b>
<b>ADVISOR SERIES</b>	<b>\$ –</b>	<b>\$ –</b>
<b>ADVISOR T5 SERIES</b>	<b>\$ –</b>	<b>\$ –</b>
<b>SERIES T5</b>	<b>\$ 864</b>	<b>\$ 1 359</b>
<b>SERIES D</b>	<b>\$ 6 778</b>	<b>\$ 6 592</b>
<b>SERIES F</b>	<b>\$ 35 811</b>	<b>\$ 58 306</b>
<b>SERIES FT5</b>	<b>\$ 1 208</b>	<b>\$ 5 527</b>
<b>SERIES O</b>	<b>\$ 89 908</b>	<b>\$ 264 963</b>
<b>NAV PER UNIT</b>		
<b>SERIES A</b>	<b>\$ 9.64</b>	<b>\$ 8.93</b>
<b>ADVISOR SERIES</b>	<b>\$ –</b>	<b>\$ –</b>
<b>ADVISOR T5 SERIES</b>	<b>\$ –</b>	<b>\$ –</b>
<b>SERIES T5</b>	<b>\$ 7.41</b>	<b>\$ 7.22</b>
<b>SERIES D</b>	<b>\$ 10.24</b>	<b>\$ 9.43</b>
<b>SERIES F</b>	<b>\$ 10.38</b>	<b>\$ 9.54</b>
<b>SERIES FT5</b>	<b>\$ 8.54</b>	<b>\$ 8.25</b>
<b>SERIES O</b>	<b>\$ 11.10</b>	<b>\$ 10.13</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>		
Dividends	\$ 112	\$ 429
Interest for distribution purposes	2 466	(700)
Derivative income (loss)	(6 131)	(13 432)
Net realized gain (loss) on investments	3 534	(95 722)
Change in unrealized gain (loss) on investments and derivatives	22 204	(1 560)
<b>TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES</b>	<b>22 185</b>	<b>(110 985)</b>
Other income (loss)	–	30
Net gain (loss) on foreign cash balances	277	622
<b>TOTAL OTHER INCOME (LOSS)</b>	<b>277</b>	<b>652</b>
<b>TOTAL INCOME (LOSS)</b>	<b>22 462</b>	<b>(110 333)</b>
<b>EXPENSES (see notes – Fund Specific Information)</b>		
Management fees	753	1 053
Administration fees	149	499
Independent Review Committee costs	2	2
GST/HST	93	156
Transaction costs	27	62
Withholding tax	52	153
<b>TOTAL EXPENSES</b>	<b>1 076</b>	<b>1 925</b>
<b>INCREASE (DECREASE) IN NAV</b>	<b>\$ 21 386</b>	<b>\$ (112 258)</b>
<b>INCREASE (DECREASE) IN NAV</b>		
<b>SERIES A</b>	<b>\$ 2 271</b>	<b>\$ (8 511)</b>
<b>ADVISOR SERIES</b>	<b>\$ –</b>	<b>\$ (156)</b>
<b>ADVISOR T5 SERIES</b>	<b>\$ –</b>	<b>\$ (3)</b>
<b>SERIES T5</b>	<b>\$ 87</b>	<b>\$ (329)</b>
<b>SERIES D</b>	<b>\$ 555</b>	<b>\$ (1 669)</b>
<b>SERIES F</b>	<b>\$ 3 614</b>	<b>\$ (15 795)</b>
<b>SERIES FT5</b>	<b>\$ 169</b>	<b>\$ (626)</b>
<b>SERIES O</b>	<b>\$ 14 690</b>	<b>\$ (85 169)</b>
<b>INCREASE (DECREASE) IN NAV PER UNIT</b>		
<b>SERIES A</b>	<b>\$ 0.69</b>	<b>\$ (2.15)</b>
<b>ADVISOR SERIES</b>	<b>\$ –</b>	<b>\$ (3.46)</b>
<b>ADVISOR T5 SERIES</b>	<b>\$ –</b>	<b>\$ (3.76)</b>
<b>SERIES T5</b>	<b>\$ 0.52</b>	<b>\$ (1.85)</b>
<b>SERIES D</b>	<b>\$ 0.78</b>	<b>\$ (2.18)</b>
<b>SERIES F</b>	<b>\$ 0.83</b>	<b>\$ (2.19)</b>
<b>SERIES FT5</b>	<b>\$ 0.50</b>	<b>\$ (1.34)</b>
<b>SERIES O</b>	<b>\$ 1.13</b>	<b>\$ (2.41)</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	\$ 21 386	\$ (112 258)
<b>ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS</b>		
Amortization of premium and discounts	649	2 753
Non-cash dividends	–	–
Non-cash distributions from underlying funds	–	–
Net realized loss (gain) on investments	(3 534)	95 722
Change in unrealized loss (gain) on investments and derivatives	(22 204)	1 560
(Increase) decrease in accrued receivables	540	(181)
Increase (decrease) in accrued payables	30	(57)
(Increase) decrease in margin accounts	11 493	7 160
Cost of investments purchased*	(196 106)	(549 420)
Proceeds from sale and maturity of investments*	401 977	711 629
<b>NET CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>	<b>214 231</b>	<b>156 908</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units*	34 761	103 806
Cash paid on redemption of redeemable units*	(261 521)	(266 522)
Distributions paid to holders of redeemable units	(113)	(143)
<b>NET CASH PROVIDED BY (USED IN)</b>		
<b>FINANCING ACTIVITIES</b>	<b>\$ (226 873)</b>	<b>\$ (162 859)</b>
Net increase (decrease) in cash for the period	(12 642)	(5 951)
Cash (bank overdraft), beginning of period	17 633	23 584
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<b>\$ 4 991</b>	<b>\$ 17 633</b>
Interest received (paid) <sup>†</sup>	\$ 3 604	\$ 1 790
Income from investment trusts received (paid) <sup>†‡</sup>	\$ –	\$ –
Dividends received (paid) <sup>†‡</sup>	\$ 94	\$ 365

\* Excludes in-kind transactions.

† Classified as part of operating activities.

‡ Net of withholding taxes, if applicable.



BLUEBAY GLOBAL CONVERTIBLE BOND FUND (CANADA)

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

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>NAV AT BEGINNING OF PERIOD</b>	\$ 32 389	\$ 41 519	\$ –	\$ 1 926	\$ –	\$ 42	\$ 1 359	\$ 1 140
<b>INCREASE (DECREASE) IN NAV</b>	<b>2 271</b>	<b>(8 511)</b>	<b>–</b>	<b>(156)</b>	<b>–</b>	<b>(3)</b>	<b>87</b>	<b>(329)</b>
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable units issued	490	11 056	–	–	–	–	30	955
Reinvestments of distributions to holders of redeemable units	–	–	–	–	–	–	17	18
Redemption of redeemable units	(6 963)	(11 675)	–	(1 770)	–	(39)	(570)	(340)
<b>NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS</b>	<b>(6 473)</b>	<b>(619)</b>	<b>–</b>	<b>(1 770)</b>	<b>–</b>	<b>(39)</b>	<b>(523)</b>	<b>633</b>
Distributions from net income	–	–	–	–	–	–	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	(59)	(85)
<b>TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(59)</b>	<b>(85)</b>
<b>NET INCREASE (DECREASE) IN NAV</b>	<b>(4 202)</b>	<b>(9 130)</b>	<b>–</b>	<b>(1 926)</b>	<b>–</b>	<b>(42)</b>	<b>(495)</b>	<b>219</b>
<b>NAV AT END OF PERIOD</b>	<b>\$ 28 187</b>	<b>\$ 32 389</b>	<b>\$ –</b>	<b>\$ –</b>	<b>\$ –</b>	<b>\$ –</b>	<b>\$ 864</b>	<b>\$ 1 359</b>

For the periods ended December 31 (see note 2 in the generic notes)	Series D		Series F		Series FT5	
	2023	2022	2023	2022	2023	2022
<b>NAV AT BEGINNING OF PERIOD</b>	\$ 6 592	\$ 9 206	\$ 58 306	\$ 79 209	\$ 5 527	\$ 1 289
<b>INCREASE (DECREASE) IN NAV</b>	<b>555</b>	<b>(1 669)</b>	<b>3 614</b>	<b>(15 795)</b>	<b>169</b>	<b>(626)</b>
Early redemption fees	–	–	–	–	–	–
Proceeds from redeemable units issued	574	2 618	4 814	30 158	1 750	6 225
Reinvestments of distributions to holders of redeemable units	–	–	–	–	71	181
Redemption of redeemable units	(943)	(3 563)	(30 923)	(35 266)	(6 188)	(1 283)
<b>NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS</b>	<b>(369)</b>	<b>(945)</b>	<b>(26 109)</b>	<b>(5 108)</b>	<b>(4 367)</b>	<b>5 123</b>
Distributions from net income	–	–	–	–	(4)	–
Distributions from net gains	–	–	–	–	–	–
Distributions from capital	–	–	–	–	(117)	(259)
<b>TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(121)</b>	<b>(259)</b>
<b>NET INCREASE (DECREASE) IN NAV</b>	<b>186</b>	<b>(2 614)</b>	<b>(22 495)</b>	<b>(20 903)</b>	<b>(4 319)</b>	<b>4 238</b>
<b>NAV AT END OF PERIOD</b>	<b>\$ 6 778</b>	<b>\$ 6 592</b>	<b>\$ 35 811</b>	<b>\$ 58 306</b>	<b>\$ 1 208</b>	<b>\$ 5 527</b>



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

For the periods ended December 31 (see note 2 in the generic notes)	Series 0		Total	
	2023	2022	2023	2022
<b>NAV AT BEGINNING OF PERIOD</b>	<b>\$ 264 963</b>	<b>\$ 510 216</b>	<b>\$ 369 136</b>	<b>\$ 644 547</b>
<b>INCREASE (DECREASE) IN NAV</b>	<b>14 690</b>	<b>(85 169)</b>	<b>21 386</b>	<b>(112 258)</b>
Early redemption fees	–	–	–	–
Proceeds from redeemable units issued	<b>27 691</b>	56 924	<b>35 349</b>	107 936
Reinvestments of distributions to holders of redeemable units	<b>25</b>	–	<b>113</b>	199
Redemption of redeemable units	<b>(217 420)</b>	(217 008)	<b>(263 007)</b>	(270 944)
<b>NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS</b>	<b>(189 704)</b>	(160 084)	<b>(227 545)</b>	(162 809)
Distributions from net income	<b>(41)</b>	–	<b>(45)</b>	–
Distributions from net gains	–	–	–	–
Distributions from capital	–	–	<b>(176)</b>	(344)
<b>TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS</b>	<b>(41)</b>	–	<b>(221)</b>	(344)
<b>NET INCREASE (DECREASE) IN NAV</b>	<b>(175 055)</b>	(245 253)	<b>(206 380)</b>	(275 411)
<b>NAV AT END OF PERIOD</b>	<b>\$ 89 908</b>	<b>\$ 264 963</b>	<b>\$ 162 756</b>	<b>\$ 369 136</b>



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

The investment objective of the Fund is to provide total returns consisting of interest income and modest capital appreciation by investing primarily in global convertible bonds issued by entities domiciled or carrying out business activities anywhere in the world.

Effective April 11, 2022, all Advisor Series and Advisor T5 Series units with a deferred sales charge option were re-designated as Series A and Series T5 units, as applicable. 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 (%)**

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2023	December 31 2022
A	8.9	5.2
BBB	33.0	7.4
BB	27.9	5.2
B	28.2	–
Unrated	2.0	82.2
<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
United States	47.2	46.5
China	8.6	9.5
Germany	3.6	1.7
South Korea	3.6	–
Japan	3.3	4.2
Belgium	3.3	2.2
France	3.3	3.1
Netherlands	3.0	3.3
Hong Kong	2.7	3.5
Italy	2.7	3.3
Other Countries	10.6	14.5
Cash/Other	8.1	8.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

**Interest rate risk (%)**

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2023	December 31 2022
Less than 1 year	6.8	3.7
1 – 5 years	76.1	82.7
5 – 10 years	15.7	12.8
> 10 years	1.4	0.8
<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 2.2% (December 31, 2022 – 2.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

**Currency risk (% of NAV)**

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

**Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2023 and 2022.

December 31, 2023	Level 1	Level 2	Level 3	Total
<b>Equities</b>	<b>2 221</b>	<b>2 463</b>	–	<b>4 684</b>
<b>Underlying funds</b>	–	–	–	–
<b>Fixed-income</b>				
and debt securities	–	146 655	–	146 655
<b>Short-term investments</b>	–	–	–	–
<b>Derivatives – assets</b>	–	4 685	–	4 685
<b>Derivatives – liabilities</b>	(78)	(1 101)	–	(1 179)
<b>Total financial instruments</b>	<b>2 143</b>	<b>152 702</b>	–	<b>154 845</b>
<b>% of total portfolio</b>	<b>1.4</b>	<b>98.6</b>	–	<b>100.0</b>

December 31, 2022	Level 1	Level 2	Level 3	Total
<b>Equities</b>	<b>1 331</b>	<b>5 236</b>	–	<b>6 567</b>
<b>Underlying funds</b>	–	–	–	–
<b>Fixed-income</b>				
and debt securities	–	332 163	–	332 163
<b>Short-term investments</b>	–	–	–	–
<b>Derivatives – assets</b>	–	7 634	–	7 634
<b>Derivatives – liabilities</b>	–	(10 659)	–	(10 659)
<b>Total financial instruments</b>	<b>1 331</b>	<b>334 374</b>	–	<b>335 705</b>
<b>% of total portfolio</b>	<b>0.4</b>	<b>99.6</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.



December 31, 2023

**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	1.35%	0.10%
Advisor Series	1.35%	0.10%
Advisor T5 Series	1.35%	0.10%
Series T5	1.35%	0.10%
Series D	0.75%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series O	n/a <sup>†</sup>	0.05%

\* Effective January 1, 2023, the administration fees for Series O units were reduced to 0.05% from 0.10%.

<sup>†</sup> 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 A	520	520
Series T5	642	611
Series D	126	126
Series F	253	253
Series FT5	301	287
Series O	128	128
<b>Value of all units</b>	<b>18</b>	<b>16</b>

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

The non-capital and capital losses for the Fund were approximately:

	December 31, 2023
Capital losses	45 748
Non-capital losses	—

**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	3 626	3 760
Issued number of units	53	1 093
Reinvested number of units	—	—
Redeemed number of units	(754)	(1 227)
Ending number of units	2 925	3 626
<b>Advisor Series</b>		
Opening units	—	175
Issued number of units	—	—
Reinvested number of units	—	—
Redeemed number of units	—	(175)
Ending number of units	—	—
<b>Advisor T5 Series</b>		
Opening units	—	4
Issued number of units	—	—
Reinvested number of units	—	—
Redeemed number of units	—	(4)
Ending number of units	—	—
<b>Series T5</b>		
Opening units	188	120
Issued number of units	5	113
Reinvested number of units	2	2
Redeemed number of units	(78)	(47)
Ending number of units	117	188
<b>Series D</b>		
Opening units	699	795
Issued number of units	60	247
Reinvested number of units	—	—
Redeemed number of units	(97)	(343)
Ending number of units	662	699
<b>Series F</b>		
Opening units	6 109	6 769
Issued number of units	487	2 865
Reinvested number of units	—	—
Redeemed number of units	(3 147)	(3 525)
Ending number of units	3 449	6 109
<b>Series FT5</b>		
Opening units	670	120
Issued number of units	206	672
Reinvested number of units	8	21
Redeemed number of units	(743)	(143)
Ending number of units	141	670





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

	2023	2022
<b>Series 0</b>		
Opening units	26 144	41 336
Issued number of units	2 635	5 061
Reinvested number of units	2	–
Redeemed number of units	(20 679)	(20 253)
Ending number of units	8 102	26 144

### Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2023		December 31 2022	
	\$	%	\$	%
Total transaction costs	27	100	62	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

\* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

### Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2023	December 31 2022
RBC Core Plus Bond Pool	–	14.8
RBC Strategic Income Bond Fund	–	27.1
Total	–	41.9

### 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
Gross amounts – assets (liabilities)	4 685	(1 101)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	4 685	(1 101)
Related amounts not set-off	(615)	615
Collateral (received) pledged	–	–
Net amount	4 070	(486)

December 31, 2022	Assets	Liabilities
Gross amounts – assets (liabilities)	7 634	(10 659)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	7 634	(10 659)
Related amounts not set-off	(2 332)	2 332
Collateral (received) pledged	–	–
Net amount	5 302	(8 326)

### Fund merger (000s except exchange ratios)

At the close of business on April 8, 2022, the BlueBay Global Convertible Bond Class (Canada) was merged into the BlueBay Global Convertible Bond Fund (Canada). The acquisition method of accounting was adopted for the fund merger. Under this method, the Continuing Fund is identified as the acquiring fund and the Terminated Fund is the acquired fund. This identification was based on aspects of the Continuing Fund such as investment objectives, portfolio composition and asset size of the Fund.

Details of the BlueBay Global Convertible Bond Class (Canada) (the “Terminated Fund”) and the BlueBay Global Convertible Bond Fund (Canada) (the “Continuing Fund”) are as follows:

Net assets acquired by Continuing Fund		
Series A	\$	8 583
Series T5	\$	846
Series D	\$	2 317
Series F	\$	16 890
Series FT5	\$	1 324
Series 0	\$	1
Exchange ratio Series A		1.14
Units issued by Continuing Fund Series A		849
Exchange ratio Series T5		0.91
Units issued by Continuing Fund Series T5		99
Exchange ratio Series D		1.15
Units issued by Continuing Fund Series D		218
Exchange ratio Series F		1.15
Units issued by Continuing Fund Series F		1 573
Exchange ratio Series FT5		0.85
Units issued by Continuing Fund Series FT5		136
Exchange ratio Series 0		1.18
Units issued by Continuing Fund Series 0		–

The Continuing Fund identified above acquired all of the assets and assumed all of the liabilities of the Terminated Fund at their fair market value, in return for the issuance by the Continuing Fund of its units equal in value to the net assets transferred from the Terminated Fund. As a result, the



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unitholders of the Terminated Fund became unitholders of the Continuing Fund. After the merger, the Terminated Fund was wound up.

As at April 8, 2022, all of the investments of the Terminated Fund were disposed of at their fair market value to the Continuing Fund.

The financial statements of the Continuing Fund include the operating results of the Terminated Fund from the date of the merger.

Under the tax reorganization rules in the *Income Tax Act* (Canada), the merger took place on a tax-deferred or “rollover” basis, and both the Terminated Fund and the Continuing Fund are deemed to have a taxation year-end as at April 8, 2022. Those investments with unrealized losses were deemed to have been disposed of at their fair market value and investments with unrealized gains were deemed to be disposed of at their fair market value or at their elected amount. The Fund had no tax liability as at April 8, 2022. All capital and non-capital loss carry forwards expired as a result of the fund merger.

None of the costs related to the merger have been charged to the funds or to the unitholders.

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## 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

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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.

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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)"

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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

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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.

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**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)

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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

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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.