

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 International Financial Reporting Standards ("IFRS") (and they include certain amounts that are based on estimates and judgments). The significant accounting policies, which we believe are appropriate for the Funds, are described in Note 3 to the financial statements.

PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, have performed an independent audit of the financial statements in accordance with IFRS. Their report is set out on the next page.



Damon G. Williams, FSA, FCIA, CFA
Chief Executive Officer
RBC Global Asset Management Inc.
March 10, 2022



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

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 Fund
(renamed 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 \$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)
(formerly, BlueBay Canadian Institutional Global High Yield Bond 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 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 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 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
(formerly, RBC Private Canadian Mid-Cap Equity Pool)
 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. Index Fund
 RBC U.S. Index Currency Neutral Fund
(renamed RBC U.S. Equity Currency Neutral Index ETF 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 Index Currency Neutral Fund
(renamed RBC International Equity Currency Neutral Index ETF Fund)
 RBC O'Shaughnessy International Equity Fund
 RBC European Dividend 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 Equity Focus Fund
 RBC Vision Fossil Fuel Free Emerging Markets Equity Fund
 RBC QUBE Low Volatility 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
 RBC Global Equity Leaders Fund
 RBC QUBE Global Equity Fund
 RBC QUBE Low Volatility Global Equity Fund
 RBC QUBE Low Volatility Global Equity Currency Neutral 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 Canadian Corporate Bond 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 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
 Phillips, Hager & North Inflation-Linked Bond Fund

PH&N FUNDS (cont.)

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, 2021 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 International Financial Reporting Standards (IFRS).

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, which include significant accounting policies 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 2021 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, 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 10, 2022



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL HIGH YIELD BOND FUND

December 31, 2021

Holdings	Security			Cost	Fair Value	% of Net Assets
EQUITIES						
United States						
320 103	Unit Corp.			\$ 3 278	\$ 13 074	
TOTAL EQUITIES				3 278	13 074	0.3
UNDERLYING FUNDS						
12 885 249	BlueBay Emerging Markets Corporate Bond Fund – Series O*			137 380	129 645	
177 000	iShares J.P. Morgan USD Emerging Markets Bond ETF			25 065	24 409	
1 064 000	VanEck J. P. Morgan EM Local Currency Bond ETF			46 143	38 479	
TOTAL UNDERLYING FUNDS				208 588	192 533	4.9
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Angola						
6 520	Republic of Angola USD	9.500	12-Nov-2025	\$ 9 437	\$ 8 844	
8 275	Republic of Angola USD	8.250	09-May-2028	10 103	10 533	
13 900	Republic of Angola USD	9.375	08-May-2048	15 831	17 267	
				35 371	36 644	0.9
Argentina						
3 750	Province of Santa Fe USD	6.900	01-Nov-2027	4 869	3 662	
1 649	Provincia de Buenos Aires USD	3.900	01-Sep-2037	1 976	895	
2 977	Provincia de Cordoba USD	7.125	10-Jun-2021	4 038	2 848	
4 275	Provincia de Mendoza Argentina USD	2.750	20-Mar-2029	5 516	3 636	
1 558	Republic of Argentina USD	1.000	09-Jul-2029	1 760	721	
3 665	Republic of Argentina USD	0.125	09-Jul-2030	3 662	1 632	
23 859	Republic of Argentina USD	0.125	09-Jul-2035	26 857	9 659	
				48 678	23 053	0.6
Armenia						
4 320	Republic of Armenia USD	7.150	26-Mar-2025	6 070	6 120	
5 700	Republic of Armenia USD	3.950	26-Sep-2029	6 921	7 018	
				12 991	13 138	0.3
Azerbaijan						
13 495	Republic of Azerbaijan USD	4.750	18-Mar-2024	17 936	18 097	
5 600	State Oil Co. of the Azerbaijan Republic USD	4.750	13-Mar-2023	7 139	7 338	
2 150	State Oil Co. of the Azerbaijan Republic USD	6.950	18-Mar-2030	3 385	3 291	
				28 460	28 726	0.7
Bahamas						
4 400	Bahamas Government USD	5.750	16-Jan-2024	5 797	5 306	
				5 797	5 306	0.2
Bahrain						
15 425	Bahrain Government USD	7.000	12-Oct-2028	20 837	21 211	
9 773	Bahrain Government USD	7.500	20-Sep-2047	13 608	12 550	
				34 445	33 761	0.9
Barbados						
576	Barbados Government USD	6.500	01-Oct-2029	838	734	
				838	734	–
Brazil						
4 550	Banco Nacional de Desenvolvimento Economico e Social USD	5.750	26-Sep-2023	6 410	6 191	
12 750	Petrobras Global Finance BV USD	7.375	17-Jan-2027	18 569	18 784	
5 800	Republic of Brazil USD	6.000	07-Apr-2026	8 204	8 227	

The accompanying notes are an integral part of the financial statements.



December 31, 2021

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Brazil (cont.)						
13 450	Republic of Brazil USD	4.625	13-Jan-2028	\$ 18 042	\$ 17 778	
16 200	Republic of Brazil USD	5.625	07-Jan-2041	21 923	21 004	
1 000	Republic of Brazil USD	4.750	14-Jan-2050	1 144	1 126	
				74 292	73 110	1.9
Canada						
5 560	1011778 B.C. ULC USD	3.875	15-Jan-2028	7 510	7 133	
3 820	1011778 B.C. ULC USD	4.375	15-Jan-2028	5 118	4 936	
6 140	Air Canada	4.625	15-Aug-2029	6 192	6 131	
2 790	Air Canada, Convertible USD	4.000	01-Jul-2025	4 847	4 706	
8 350	Bank of Nova Scotia	3.700	27-Jul-2081	8 364	8 167	
5 185	Bausch Health Co. Inc. USD	5.750	15-Aug-2027	6 984	6 812	
4 505	Bausch Health Co. Inc. USD	5.000	30-Jan-2028	5 942	5 250	
4 145	Bausch Health Co. Inc. USD	4.875	01-Jun-2028	5 288	5 388	
4 180	Bausch Health Co. Inc. USD	5.250	30-Jan-2030	5 651	4 660	
1 140	Baytex Energy Corp. USD	5.625	01-Jun-2024	1 067	1 443	
1 658	Baytex Energy Corp. USD	8.750	01-Apr-2027	1 941	2 198	
7 255	Enbridge Inc. USD	5.500	15-Jul-2077	8 335	9 666	
2 300	Enbridge Inc. USD	6.250	01-Mar-2078	2 319	3 159	
1 525	Ford Credit Canada Co.	4.460	13-Nov-2024	1 253	1 589	
5 500	Inter Pipeline Ltd.	6.875	26-Mar-2079	5 683	5 938	
8 050	Keyera Corp.	6.875	13-Jun-2079	8 181	8 860	
6 265	Mattamy Group Corp. USD	5.250	15-Dec-2027	8 552	8 343	
8 903	MEG Energy Corp. USD	7.125	01-Feb-2027	11 169	12 006	
4 500	National Bank of Canada	4.050	15-Aug-2081	4 500	4 427	
6 400	NOVA Chemicals Corp. USD	4.250	15-May-2029	7 953	8 138	
1 365	Open Text Corp. USD	3.875	15-Feb-2028	1 814	1 762	
2 750	Open Text Corp. USD	3.875	01-Dec-2029	3 422	3 527	
2 118	Ovintiv Inc.	6.500	15-Aug-2034	2 664	3 451	
4 930	Parkland Corp.	4.375	26-Mar-2029	4 946	4 920	
5 800	Parkland Corp. USD	4.500	01-Oct-2029	7 328	7 352	
1 156	Parkland Corp. USD	4.625	01-May-2030	1 438	1 455	
4 200	Pembina Pipeline Corp.	4.800	25-Jan-2081	4 229	4 141	
245	Precision Drilling Corp. USD	7.125	15-Jan-2026	307	316	
3 530	Precision Drilling Corp. USD	6.875	15-Jan-2029	4 314	4 556	
2 770	Rogers Communications Inc.	5.000	17-Dec-2081	2 770	2 812	
6 900	Royal Bank of Canada*	3.650	24-Nov-2081	6 894	6 689	
4 625	Secure Energy Services Inc.	7.250	30-Dec-2026	4 660	4 687	
7 395	Superior Plus Inc. USD	4.500	15-Mar-2029	9 392	9 625	
2 244	Superior Plus LP	4.250	18-May-2028	2 253	2 263	
4 345	Vermilion Energy Inc. USD	5.625	15-Mar-2025	5 664	5 564	
9 140	Videotron Ltd.	5.625	15-Jun-2025	9 437	9 826	
800	Videotron Ltd. USD	5.125	15-Apr-2027	1 009	1 043	
5 350	Videotron Ltd.	4.500	15-Jan-2030	5 388	5 484	
984	VRX Escrow Corp. USD	6.125	15-Apr-2025	1 324	1 269	
				196 102	199 692	5.1
Chile						
15 050	Corp Nacional del Cobre de Chile USD	4.375	05-Feb-2049	21 735	21 787	
16 450	Republic of Chile USD	3.860	21-Jun-2047	22 134	23 113	
				43 869	44 900	1.1
China						
14 900	Sinopec Group Overseas Development 2012 Ltd. USD	4.875	17-May-2042	23 469	23 296	
5 020	State Grid Overseas Investment 2014 Ltd. USD	4.125	07-May-2024	6 630	6 774	
4 375	The Export-Import Bank of China USD	3.625	31-Jul-2024	5 824	5 889	
				35 923	35 959	0.9

The accompanying notes are an integral part of the financial statements.



December 31, 2021

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Colombia						
9 375	Republic of Colombia USD	8.125	21-May-2024	\$ 14 531	\$ 13 443	
10 350	Republic of Colombia USD	4.500	28-Jan-2026	13 890	13 713	
11 675	Republic of Colombia USD	3.875	25-Apr-2027	15 524	14 879	
25 005	Republic of Colombia USD	6.125	18-Jan-2041	38 522	32 619	
				82 467	74 654	1.9
Costa Rica						
3 050	Costa Rica Government USD	6.125	19-Feb-2031	3 960	3 910	
12 120	Costa Rica Government USD	7.000	04-Apr-2044	14 929	15 081	
				18 889	18 991	0.5
Croatia						
4 775	Croatia Government USD	5.500	04-Apr-2023	6 762	6 381	
2 460	Hrvatska Elektroprivreda USD	5.875	23-Oct-2022	3 457	3 219	
				10 219	9 600	0.3
Dominican Republic						
8 100	Dominican Republic USD	6.875	29-Jan-2026	11 566	11 690	
9 000	Dominican Republic USD	4.500	30-Jan-2030	11 596	11 610	
20 875	Dominican Republic USD	7.450	30-Apr-2044	28 933	31 324	
11 250	Dominican Republic USD	6.400	05-Jun-2049	14 968	15 016	
				67 063	69 640	1.8
Ecuador						
1 656	Government of Ecuador USD	0.000	31-Jul-2030	2 149	1 182	
7 976	Government of Ecuador USD	0.500	31-Jul-2030	10 270	8 366	
16 325	Government of Ecuador USD	0.500	31-Jul-2035	20 748	13 553	
5 735	Government of Ecuador USD	0.500	31-Jul-2040	7 156	4 243	
				40 323	27 344	0.7
Egypt						
5 430	Arab Republic of Egypt USD	6.125	31-Jan-2022	7 188	6 904	
13 975	Arab Republic of Egypt USD	5.875	11-Jun-2025	18 218	18 221	
4 525	Arab Republic of Egypt EUR	4.750	16-Apr-2026	6 557	6 310	
13 600	Arab Republic of Egypt USD	7.500	31-Jan-2027	18 883	17 952	
16 625	Arab Republic of Egypt USD	8.500	31-Jan-2047	21 942	18 709	
				72 788	68 096	1.7
El Salvador						
16 625	Republic of El Salvador USD	7.650	15-Jun-2035	21 123	12 020	
7 250	Republic of El Salvador USD	7.125	20-Jan-2050	7 869	5 064	
				28 992	17 084	0.4
Ethiopia						
1 350	Government of Ethiopia USD	6.625	11-Dec-2024	1 740	1 157	
				1 740	1 157	—
France						
7 265	Altice France S.A. USD	5.500	15-Jan-2028	9 963	9 131	
2 265	Iliad Holding SASU USD	6.500	15-Oct-2026	2 853	3 013	
1 815	Iliad Holding SASU USD	7.000	15-Oct-2028	2 300	2 417	
				15 116	14 561	0.4
Gabon						
2 710	Gabonese Republic USD	6.375	12-Dec-2024	3 288	3 556	
				3 288	3 556	0.1
Georgia						
1 500	Georgia Government USD	2.750	22-Apr-2026	1 922	1 893	
				1 922	1 893	0.1
Ghana						
6 650	Ghana Government USD	8.125	26-Mar-2032	8 210	6 893	
26 975	Ghana Government USD	8.627	16-Jun-2049	33 283	27 090	
				41 493	33 983	0.9

The accompanying notes are an integral part of the financial statements.



December 31, 2021

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Guatemala						
13 493	Republic of Guatemala USD	4.500	03-May-2026	\$ 18 139	\$ 18 001	
3 950	Republic of Guatemala USD	6.125	01-Jun-2050	5 956	5 748	
				24 095	23 749	0.6
Honduras						
12 340	Honduras Government USD	6.250	19-Jan-2027	16 966	16 963	
				16 966	16 963	0.4
Hungary						
6 278	Hungary Government USD	5.375	25-Mar-2024	8 814	8 636	
4 650	Hungary Government USD	7.625	29-Mar-2041	9 364	9 635	
				18 178	18 271	0.5
India						
7 875	Export-Import Bank of India USD	3.375	05-Aug-2026	9 955	10 459	
9 700	Export-Import Bank of India USD	3.875	01-Feb-2028	12 741	13 136	
				22 696	23 595	0.6
Indonesia						
7 275	Government of Indonesia USD	4.125	15-Jan-2025	9 869	9 904	
16 785	Government of Indonesia USD	5.250	17-Jan-2042	25 716	26 731	
6 350	Pelabuhan Indonesia II PT USD	5.375	05-May-2045	8 286	9 505	
15 325	Pertamina Persero PT USD	5.625	20-May-2043	20 694	22 955	
7 025	Perusahaan Gas Negara Persero PT USD	5.125	16-May-2024	9 708	9 616	
1 000	Perusahaan Listrik Negara PT USD	6.150	21-May-2048	1 587	1 562	
				75 860	80 273	2.0
Italy						
4 745	Telecom Italia Capital S.A. USD	6.375	15-Nov-2033	7 428	6 470	
6 625	Telecom Italia Capital S.A. USD	7.200	18-Jul-2036	10 642	9 619	
				18 070	16 089	0.4
Ivory Coast						
7 430	Ivory Coast Government USD	5.750	31-Dec-2032	9 275	9 460	
				9 275	9 460	0.2
Jordan						
10 520	Jordan Government USD	6.125	29-Jan-2026	13 878	14 220	
				13 878	14 220	0.4
Kazakhstan						
9 520	Government of Kazakhstan USD	5.125	21-Jul-2025	13 350	13 575	
17 335	Government of Kazakhstan USD	4.875	14-Oct-2044	24 485	27 084	
15 325	KazMunayGas National Co. JSC USD	4.750	19-Apr-2027	21 929	21 439	
				59 764	62 098	1.6
Kenya						
4 250	Kenya Government USD	6.875	24-Jun-2024	5 672	5 686	
9 250	Kenya Government USD	7.250	28-Feb-2028	12 500	12 610	
8 450	Kenya Government USD	8.250	28-Feb-2048	11 313	10 880	
				29 485	29 176	0.7
Lebanon						
13 500	Lebanon Government USD	6.600	27-Nov-2026	14 659	1 844	
				14 659	1 844	0.1
Luxembourg						
3 680	Altice Financing S.A. USD	5.000	15-Jan-2028	4 845	4 548	
2 035	ArcelorMittal S.A. USD	4.250	16-Jul-2029	2 802	2 820	
1 225	ArcelorMittal S.A. USD	8.000	15-Oct-2039	2 039	2 136	
3 300	ArcelorMittal S.A. USD	7.000	01-Mar-2041	5 405	5 645	
				15 091	15 149	0.4

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Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Malaysia						
4 741	1MDB Energy Ltd. USD	5.990	11-May-2022	\$ 6 676	\$ 6 074	
5 345	Petronas Capital Ltd. USD	3.500	18-Mar-2025	7 184	7 166	
3 600	Petronas Capital Ltd. USD	3.500	21-Apr-2030	4 922	4 930	
8 933	Petronas Capital Ltd. USD	4.500	18-Mar-2045	14 294	13 792	
				33 076	31 962	0.8
Mexico						
7 750	Mexico City Airport Trust USD	5.500	31-Jul-2047	9 655	9 829	
21 045	Pemex Project Funding Master Trust USD	6.625	15-Jun-2035	25 908	25 613	
10 500	Petroleos Mexicanos USD	6.875	04-Aug-2026	14 217	14 616	
20 763	Petroleos Mexicanos USD	5.950	28-Jan-2031	25 439	25 564	
16 050	Petroleos Mexicanos USD	6.750	21-Sep-2047	16 632	18 052	
11 232	United Mexican States USD	5.750	12-Oct-2110	14 893	16 403	
				106 744	110 077	2.8
Mongolia						
5 250	Mongolia Government USD	5.125	07-Apr-2026	6 962	6 804	
				6 962	6 804	0.2
Morocco						
8 850	Morocco Government USD	3.000	15-Dec-2032	10 835	10 714	
2 700	OCP S.A. USD	5.625	25-Apr-2024	3 603	3 664	
2 435	OCP S.A. USD	6.875	25-Apr-2044	3 531	3 590	
				17 969	17 968	0.5
Netherlands						
5 800	OI European Group BV USD	4.750	15-Feb-2030	7 265	7 444	
9 044	Ziggo Bond Co. BV USD	5.125	28-Feb-2030	12 108	11 510	
				19 373	18 954	0.5
New Zealand						
5 920	Reynolds Group Issuer Inc. USD	4.000	15-Oct-2027	7 930	7 290	
				7 930	7 290	0.2
Nigeria						
2 575	Nigeria Government USD	6.375	12-Jul-2023	3 483	3 370	
17 200	Nigeria Government USD	7.875	16-Feb-2032	23 058	21 465	
14 110	Nigeria Government USD	7.625	28-Nov-2047	17 259	16 025	
				43 800	40 860	1.0
Oman						
2 060	Oman Government USD	3.875	08-Mar-2022	2 663	2 618	
27 710	Oman Government USD	4.750	15-Jun-2026	34 984	36 112	
18 525	Oman Government USD	6.500	08-Mar-2047	21 860	23 317	
				59 507	62 047	1.6
Pakistan						
4 450	Pakistan Government USD	8.250	15-Apr-2024	6 127	6 002	
5 150	Pakistan Government USD	6.875	05-Dec-2027	6 864	6 581	
3 700	The Third Pakistan International Sukuk Co. Ltd. USD	5.625	05-Dec-2022	4 566	4 778	
				17 557	17 361	0.4
Panama						
15 230	Republic of Panama USD	7.125	29-Jan-2026	23 166	23 129	
13 273	Republic of Panama USD	6.700	26-Jan-2036	21 842	22 532	
4 600	Republic of Panama USD	4.500	16-Apr-2050	6 709	6 425	
				51 717	52 086	1.3
Paraguay						
4 975	Republic of Paraguay USD	4.625	25-Jan-2023	6 640	6 525	
2 250	Republic of Paraguay USD	4.950	28-Apr-2031	3 254	3 200	
11 385	Republic of Paraguay USD	6.100	11-Aug-2044	16 538	17 756	
				26 432	27 481	0.7

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Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Peru						
5 150	Peruvian Government USD	7.350	21-Jul-2025	\$ 7 922	\$ 7 773	
19 785	Peruvian Government USD	8.750	21-Nov-2033	40 225	39 025	
6 350	Peruvian Government USD	5.625	18-Nov-2050	11 591	11 312	
				59 738	58 110	1.5
Philippines						
16 381	Republic of Philippines USD	7.750	14-Jan-2031	29 429	30 198	
7 350	Republic of Philippines USD	3.700	02-Feb-2042	10 971	10 183	
				40 400	40 381	1.0
Poland						
9 420	Government of Poland USD	3.250	06-Apr-2026	12 592	12 789	
				12 592	12 789	0.3
Qatar						
11 525	Qatar Government USD	3.250	02-Jun-2026	15 488	15 538	
12 910	Qatar Government USD	6.400	20-Jan-2040	21 630	24 132	
10 200	Qatar Government USD	4.817	14-Mar-2049	16 690	16 956	
2 950	Qatar Petroleum USD	2.250	12-Jul-2031	3 704	3 705	
				57 512	60 331	1.5
Romania						
2 895	Romanian Government USD	6.750	07-Feb-2022	4 154	3 683	
11 500	Romanian Government USD	3.000	14-Feb-2031	14 998	14 788	
7 930	Romanian Government USD	6.125	22-Jan-2044	13 110	13 193	
				32 262	31 664	0.8
Russia						
2 625	Gazprom PAO USD	4.950	19-Jul-2022	3 414	3 381	
9 725	Gazprom PAO USD	7.288	16-Aug-2037	15 169	16 385	
3 800	Russian Foreign Bond – Eurobond USD	4.875	16-Sep-2023	4 920	5 065	
12 000	Russian Foreign Bond – Eurobond USD	4.750	27-May-2026	16 515	16 610	
4 000	Russian Foreign Bond – Eurobond USD	5.250	23-Jun-2047	6 647	6 418	
				46 665	47 859	1.2
Saudi Arabia						
6 875	Saudi Government USD	4.000	17-Apr-2025	9 348	9 382	
22 630	Saudi Government USD	4.500	17-Apr-2030	31 563	33 421	
15 000	Saudi Government USD	5.250	16-Jan-2050	25 083	25 051	
				65 994	67 854	1.7
Senegal						
5 675	Senegal Government USD	6.750	13-Mar-2048	6 937	7 066	
				6 937	7 066	0.2
Serbia						
4 400	Republic of Serbia USD	2.125	01-Dec-2030	5 174	5 232	
				5 174	5 232	0.1
South Africa						
2 610	Eskom Holdings SOC Ltd. USD	7.125	11-Feb-2025	3 409	3 420	
12 300	Republic of South Africa USD	4.665	17-Jan-2024	16 215	16 396	
11 850	Republic of South Africa USD	4.850	27-Sep-2027	15 712	15 837	
13 660	Republic of South Africa USD	6.250	08-Mar-2041	18 840	18 388	
7 550	Republic of South Africa USD	5.650	27-Sep-2047	8 778	9 192	
5 750	Transnet SOC Ltd. USD	4.000	26-Jul-2022	7 322	7 256	
				70 276	70 489	1.8
Sri Lanka						
4 465	Sri Lanka Government USD	5.875	25-Jul-2022	6 173	3 865	
13 695	Sri Lanka Government USD	6.825	18-Jul-2026	16 896	8 915	
				23 069	12 780	0.3

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Supranational						
1 985	American Airlines Ltd. USD	5.500	20-Apr-2026	\$ 2 572	\$ 2 614	
3 405	American Airlines Ltd. USD	5.750	20-Apr-2029	4 439	4 610	
2 740	Ardagh Packaging Finance Plc. USD	4.125	15-Aug-2026	3 669	3 547	
5 350	Ardagh Packaging Finance Plc. USD	5.250	15-Aug-2027	7 293	6 815	
3 685	Axalta Coating Systems LLC USD	4.750	15-Jun-2027	5 062	4 862	
3 600	JBS USA Finance Inc. USD	5.500	15-Jan-2030	4 933	4 958	
				27 968	27 406	0.7
Turkey						
6 125	Export Credit Bank of Turkey USD	5.375	24-Oct-2023	7 524	7 518	
8 125	Republic of Turkey USD	7.375	05-Feb-2025	11 121	10 381	
20 100	Republic of Turkey USD	6.000	25-Mar-2027	25 949	24 006	
5 450	Republic of Turkey USD	6.875	17-Mar-2036	7 280	6 490	
21 615	Republic of Turkey USD	4.875	16-Apr-2043	22 718	21 024	
				74 592	69 419	1.8
Ukraine						
884	JSC Ukreximbank USD	9.625	27-Apr-2022	1 177	1 124	
14 325	Ukraine Government USD	7.750	01-Sep-2022	19 159	17 997	
18 525	Ukraine Government USD	7.750	01-Sep-2024	24 445	22 805	
15 950	Ukraine Government USD	7.375	25-Sep-2032	20 488	18 071	
				65 269	59 997	1.5
United Kingdom						
6 790	Atlantica Sustainable Infrastructure Plc. USD	4.125	15-Jun-2028	8 321	8 663	
10 750	Virgin Media Secured Finance Plc. USD	5.500	15-May-2029	14 555	14 377	
				22 876	23 040	0.6
United Arab Emirates						
8 925	Abu Dhabi Government USD	3.125	11-Oct-2027	12 210	12 141	
14 925	Abu Dhabi Government USD	4.125	11-Oct-2047	23 023	22 710	
8 531	Emirate of Dubai USD	5.250	30-Jan-2043	10 828	12 473	
4 490	International Game Technology Plc. USD	6.500	15-Feb-2025	6 483	6 167	
1 405	International Game Technology Plc. USD	5.250	15-Jan-2029	1 897	1 885	
9 750	MDC-GMTN BV USD	4.500	07-Nov-2028	14 289	14 236	
				68 730	69 612	1.8
United States						
7 380	Albertsons Cos. LLC	5.875	15-Feb-2028	10 514	9 905	
2 180	Albertsons Cos. LLC	4.875	15-Feb-2030	3 067	2 981	
4 100	Alcoa Nederland Holding BV	5.500	15-Dec-2027	5 561	5 555	
3 550	Alcoa Nederland Holding BV	4.125	31-Mar-2029	4 501	4 630	
2 255	American Airlines Inc.	11.750	15-Jul-2025	3 045	3 522	
5 380	American Axle & Manufacturing Inc.	6.500	01-Apr-2027	6 978	7 073	
2 125	American Axle & Manufacturing Inc.	6.875	01-Jul-2028	2 845	2 902	
2 567	Antero Resources Corp.	5.000	01-Mar-2025	2 415	3 301	
4 750	Antero Resources Corp.	5.375	01-Mar-2030	5 757	6 431	
1 810	Apache Corp.	5.350	01-Jul-2049	2 279	2 618	
6 150	Avantor Funding Inc.	3.875	01-Nov-2029	7 619	7 873	
2 020	Avis Budget Car Rental LLC	5.750	15-Jul-2027	2 631	2 653	
2 040	Avis Budget Car Rental LLC	5.375	01-Mar-2029	2 671	2 725	
8 675	Ball Corp.	2.875	15-Aug-2030	11 164	10 659	
2 800	Berry Global Escrow Corp.	5.625	15-Jul-2027	3 748	3 708	
2 680	Blue Racer Midstream LLC	6.625	15-Jul-2026	3 477	3 501	
3 120	Boyd Gaming Corp.	4.750	01-Dec-2027	3 766	4 031	
4 700	Boyd Gaming Corp.	4.750	15-Jun-2031	5 707	6 072	
4 775	Builders FirstSource Inc.	5.000	01-Mar-2030	6 351	6 487	
1 871	Calpine Corp.	5.250	01-Jun-2026	2 471	2 430	
7 700	Calpine Corp.	5.000	01-Feb-2031	10 209	9 752	

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Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
4 950	Carnival Corp. USD	9.875	01-Aug-2027	\$ 7 352	\$ 7 159	
3 850	Carnival Corp. USD	6.000	01-May-2029	4 762	4 854	
500	CCO Holdings LLC	5.125	01-May-2027	618	652	
13 820	CCO Holdings LLC	5.375	01-Jun-2029	18 277	18 888	
11 965	CCO Holdings LLC	4.500	15-Aug-2030	16 001	15 512	
1 845	Cedar Fair LP	5.375	15-Apr-2027	2 516	2 394	
7 050	Centene Corp.	4.625	15-Dec-2029	10 038	9 630	
11 005	Centene Corp.	3.375	15-Feb-2030	13 665	14 195	
450	Centene Corp.	3.000	15-Oct-2030	545	579	
3 670	Cheniere Energy Inc.	4.625	15-Oct-2028	4 896	4 944	
1 750	Cheniere Energy Partners LP	4.500	01-Oct-2029	2 408	2 349	
7 800	Cheniere Energy Partners LP	3.250	31-Jan-2032	10 001	9 981	
3 285	Cinemark USA Inc.	5.250	15-Jul-2028	3 999	4 057	
3 310	Clarivate Science Holdings Corp.	3.875	01-Jul-2028	4 032	4 215	
1 895	Clarivate Science Holdings Corp.	4.875	01-Jul-2029	2 339	2 434	
3 820	Clearway Energy Operating LLC	3.750	15-Feb-2031	4 840	4 826	
3 300	Cleveland-Cliffs Inc.	9.875	17-Oct-2025	4 859	4 728	
1 900	Cleveland-Cliffs Inc.	4.625	01-Mar-2029	2 385	2 454	
1 900	Cleveland-Cliffs Inc.	4.875	01-Mar-2031	2 372	2 500	
3 480	CNX Midstream Partners LP	4.750	15-Apr-2030	4 459	4 391	
6 870	CNX Resources Corp.	7.250	14-Mar-2027	8 765	9 223	
5 800	Colt Merger Sub Inc.	5.750	01-Jul-2025	7 866	7 668	
3 700	Colt Merger Sub Inc.	6.250	01-Jul-2025	5 061	4 917	
3 840	CommScope Finance LLC	6.000	01-Mar-2026	5 205	5 008	
1 280	CommScope Technologies LLC	5.000	15-Mar-2027	1 489	1 515	
7 635	Community Health Systems Inc.	5.625	15-Mar-2027	9 942	10 229	
3 245	Community Health Systems Inc.	8.000	15-Dec-2027	4 470	4 437	
1 605	Community Health Systems Inc.	6.000	15-Jan-2029	2 128	2 167	
2 354	Continental Resources Inc.	5.750	15-Jan-2031	3 389	3 510	
18 300	CSC Holdings LLC	5.500	15-Apr-2027	24 733	23 949	
1 410	CSC Holdings LLC	4.125	01-Dec-2030	1 884	1 743	
560	Dana Inc.	5.375	15-Nov-2027	723	744	
2 365	Dana Inc.	5.625	15-Jun-2028	3 116	3 182	
3 150	Dana Inc.	4.250	01-Sep-2030	3 905	4 044	
6 115	DaVita Inc.	4.625	01-Jun-2030	8 421	7 930	
1 471	Dell International LLC	8.100	15-Jul-2036	2 504	2 835	
9 690	DIRECTV Holdings LLC	5.875	15-Aug-2027	12 537	12 562	
5 110	DISH DBS Corp.	5.875	15-Nov-2024	5 892	6 646	
10 400	DISH DBS Corp.	5.750	01-Dec-2028	12 989	13 307	
2 245	EnLink Midstream Partners LP	4.150	01-Jun-2025	2 791	2 945	
3 525	EnLink Midstream Partners LP	4.850	15-Jul-2026	4 362	4 696	
1 100	EnLink Midstream Partners LP	5.050	01-Apr-2045	1 114	1 344	
3 830	Entegris Inc.	3.625	01-May-2029	4 826	4 862	
618	EQM Midstream Partners LP	4.750	15-Jul-2023	816	814	
1 140	EQM Midstream Partners LP	6.000	01-Jul-2025	1 558	1 569	
1 740	EQM Midstream Partners LP	6.500	01-Jul-2027	2 414	2 467	
3 780	EQM Midstream Partners LP	4.750	15-Jan-2031	4 819	5 062	
3 390	EQT Corp.	7.000	01-Feb-2030	3 750	5 515	
3 126	EQT Corp.	3.625	15-May-2031	3 891	4 107	
670	EQT Midstream Partners LP	6.500	15-Jul-2048	847	1 031	
11 075	Ford Motor Co.	3.250	12-Feb-2032	13 849	14 368	
4 810	Ford Motor Credit Co. LLC	3.810	09-Jan-2024	6 340	6 316	
1 075	Ford Motor Credit Co. LLC	3.664	08-Sep-2024	1 368	1 413	
3 855	Ford Motor Credit Co. LLC	4.687	09-Jun-2025	5 169	5 245	
2 710	Ford Motor Credit Co. LLC	5.125	16-Jun-2025	3 738	3 731	

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United States (cont.)						
2 305	Ford Motor Credit Co. LLC	4.542	01-Aug-2026	\$ 3 080	\$ 3 169	
2 525	Ford Motor Credit Co. LLC	4.125	17-Aug-2027	3 160	3 450	
2 225	Ford Motor Credit Co. LLC	4.000	13-Nov-2030	2 790	3 032	
3 600	Freedom Mortgage Corp.	6.625	15-Jan-2027	4 439	4 455	
1 725	Freeport-McMoRan Inc.	5.000	01-Sep-2027	2 393	2 272	
7 410	Freeport-McMoRan Inc.	4.375	01-Aug-2028	9 851	9 840	
5 415	Freeport-McMoRan Inc.	4.250	01-Mar-2030	7 085	7 234	
1 175	Freeport-McMoRan Inc.	4.625	01-Aug-2030	1 571	1 596	
3 755	Gartner Inc.	3.625	15-Jun-2029	4 615	4 808	
1 180	Gartner Inc.	3.750	01-Oct-2030	1 463	1 528	
3 305	Go Daddy Operating Co. LLC	3.500	01-Mar-2029	4 176	4 153	
2 715	Graphic Packaging International LLC	4.750	15-Jul-2027	3 814	3 719	
3 675	Greif Inc.	6.500	01-Mar-2027	4 954	4 826	
8 425	HCA Inc.	5.875	15-Feb-2026	11 918	12 029	
5 735	HCA Inc.	3.500	01-Sep-2030	7 485	7 679	
6 650	Herc Holdings Inc.	5.500	15-Jul-2027	8 941	8 755	
4 730	Hill-Rom Holdings Inc.	4.375	15-Sep-2027	6 423	6 254	
10 000	Hilton Domestic Operating Co. Inc.	3.625	15-Feb-2032	12 751	12 600	
73	Howmet Aerospace Inc.	6.875	01-May-2025	108	106	
9 350	Howmet Aerospace Inc.	3.000	15-Jan-2029	11 839	11 856	
2 500	Icahn Enterprises LP	4.750	15-Sep-2024	3 396	3 284	
1 520	Icahn Enterprises LP	5.250	15-May-2027	2 003	1 979	
3 200	Imola Merger Corp.	4.750	15-May-2029	4 065	4 159	
3 530	Ingles Markets Inc.	4.000	15-Jun-2031	4 347	4 504	
2 620	Iron Mountain Inc.	4.875	15-Sep-2027	3 540	3 441	
2 430	Iron Mountain Inc.	5.250	15-Mar-2028	3 311	3 201	
2 950	Iron Mountain Inc.	4.875	15-Sep-2029	3 992	3 867	
2 160	Iron Mountain Inc.	5.250	15-Jul-2030	2 988	2 883	
3 300	Kraft Heinz Foods Co.	6.375	15-Jul-2028	5 262	5 183	
12 880	Kraft Heinz Foods Co.	5.200	15-Jul-2045	18 736	20 756	
2 850	Kraft Heinz Foods Co.	4.875	01-Oct-2049	4 235	4 536	
900	L Brands Inc.	6.694	15-Jan-2027	1 210	1 310	
4 210	L Brands Inc.	5.250	01-Feb-2028	5 761	5 890	
675	L Brands Inc.	6.625	01-Oct-2030	941	968	
1 575	L Brands Inc.	6.875	01-Nov-2035	2 121	2 478	
1 320	L Brands Inc.	6.750	01-Jul-2036	1 937	2 064	
3 300	Lamar Media Corp.	3.625	15-Jan-2031	4 199	4 070	
5 650	Level 3 Financing Inc.	4.250	01-Jul-2028	7 283	7 085	
1 200	Level 3 Financing Inc.	3.625	15-Jan-2029	1 581	1 444	
8 120	Lumen Technologies Inc.	7.500	01-Apr-2024	10 817	11 255	
1 600	Macy's Retail Holdings LLC	6.700	15-Sep-2028	2 307	2 192	
3 415	Macy's Retail Holdings LLC	5.875	01-Apr-2029	4 399	4 611	
500	Mattel Inc.	3.375	01-Apr-2026	633	649	
845	Mattel Inc.	5.875	15-Dec-2027	1 169	1 150	
1 750	Mattel Inc.	3.750	01-Apr-2029	2 177	2 296	
6 520	Mercer International Inc.	5.125	01-Feb-2029	8 360	8 435	
6 411	MGM Resorts International	5.500	15-Apr-2027	8 251	8 642	
3 500	Mozart Debt Merger Sub Inc.	3.875	01-Apr-2029	4 436	4 419	
4 085	Mozart Debt Merger Sub Inc.	5.250	01-Oct-2029	5 237	5 247	
4 825	MPT Operating Partnership LP	4.625	01-Aug-2029	6 397	6 447	
4 745	MPT Operating Partnership LP	3.500	15-Mar-2031	6 207	6 077	
7 025	MSCI Inc.	3.875	15-Feb-2031	9 649	9 263	
4 470	Nationstar Mortgage Holdings Inc.	5.500	15-Aug-2028	5 682	5 774	
1 920	Nationstar Mortgage Holdings Inc.	5.125	15-Dec-2030	2 382	2 401	
3 755	Navient Corp.	5.500	25-Jan-2023	5 058	4 951	

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Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
160	Navient Corp.	6.125	25-Mar-2024	\$ 208	\$ 216	
2 475	Navient Corp.	5.875	25-Oct-2024	3 489	3 340	
925	NCL Corp. Ltd.	3.625	15-Dec-2024	884	1 105	
1 017	NCL Corp. Ltd.	10.250	01-Feb-2026	1 422	1 497	
575	NCL Corp. Ltd.	5.875	15-Mar-2026	729	725	
725	NCL Finance Ltd.	6.125	15-Mar-2028	918	905	
1 600	NCR Corp.	5.750	01-Sep-2027	2 177	2 116	
5 185	Netflix Inc.	6.375	15-May-2029	8 402	8 157	
3 060	New Albertson's Inc.	3.500	15-Mar-2029	3 839	3 884	
3 135	Newell Brands Inc.	4.875	01-Jun-2025	4 366	4 326	
900	Newell Brands Inc.	4.700	01-Apr-2026	1 288	1 243	
4 205	Newell Brands Inc.	5.500	01-Apr-2046	6 334	6 830	
1 565	Nordstrom Inc.	4.375	01-Apr-2030	2 039	1 999	
4 390	Nordstrom Inc.	4.250	01-Aug-2031	5 553	5 462	
1 740	Nordstrom Inc.	5.000	15-Jan-2044	2 190	2 055	
5 350	Novelis Corp.	4.750	30-Jan-2030	7 129	7 123	
6 895	NRG Energy Inc.	5.250	15-Jun-2029	9 342	9 353	
1 315	NRG Energy Inc.	3.875	15-Feb-2032	1 657	1 632	
1 990	Occidental Petroleum Corp.	5.875	01-Sep-2025	2 432	2 777	
2 770	Occidental Petroleum Corp.	5.500	01-Dec-2025	3 619	3 889	
3 875	Occidental Petroleum Corp.	3.200	15-Aug-2026	3 290	5 055	
9 615	Occidental Petroleum Corp.	4.300	15-Aug-2039	8 850	12 143	
2 960	Occidental Petroleum Corp.	4.500	15-Jul-2044	2 595	3 861	
4 125	Occidental Petroleum Corp.	4.100	15-Feb-2047	3 220	5 120	
4 760	Occidental Petroleum Corp.	4.200	15-Mar-2048	4 228	6 029	
515	Olin Corp.	5.125	15-Sep-2027	695	669	
4 805	Olin Corp.	5.625	01-Aug-2029	6 459	6 591	
535	Olin Corp.	5.000	01-Feb-2030	696	711	
6 445	ON Semiconductor Corp.	3.875	01-Sep-2028	8 539	8 365	
2 580	OneMain Finance Corp.	3.875	15-Sep-2028	3 237	3 202	
3 605	Open Text Holdings Inc.	4.125	15-Feb-2030	4 806	4 702	
2 750	Open Text Holdings Inc.	4.125	01-Dec-2031	3 422	3 518	
6 145	Outfront Media Capital LLC	5.000	15-Aug-2027	8 479	7 961	
2 580	Owens-Brockway Glass Container Inc.	6.375	15-Aug-2025	3 630	3 519	
3 320	Owens-Brockway Glass Container Inc.	6.625	13-May-2027	4 831	4 433	
692	Pacific Gas and Electric Co.	4.950	01-Jul-2050	931	955	
3 970	Park Intermediate Holdings LLC	5.875	01-Oct-2028	5 306	5 228	
2 000	PG&E Corp.	5.250	01-Jul-2030	2 436	2 657	
4 982	Picasso Finance Sub Inc.	6.125	15-Jun-2025	6 885	6 590	
2 165	Pilgrim's Pride Corp.	5.875	30-Sep-2027	2 918	2 894	
6 225	Pilgrim's Pride Corp.	4.250	15-Apr-2031	8 032	8 277	
1 350	Pilgrim's Pride Corp.	3.500	01-Mar-2032	1 738	1 727	
4 835	Post Holdings Inc.	5.750	01-Mar-2027	6 329	6 320	
5 040	Post Holdings Inc.	5.500	15-Dec-2029	6 746	6 706	
2 000	Post Holdings Inc.	4.625	15-Apr-2030	2 454	2 580	
715	Prime Security Services Borrower LLC	5.250	15-Apr-2024	1 001	963	
3 640	Prime Security Services Borrower LLC	5.750	15-Apr-2026	5 199	4 947	
1 970	Prime Security Services Borrower LLC	3.375	31-Aug-2027	2 317	2 408	
2 266	Range Resources Corp.	9.250	01-Feb-2026	3 026	3 092	
130	Range Resources Corp.	8.250	15-Jan-2029	175	184	
5 210	Rite Aid Corp.	7.500	01-Jul-2025	6 977	6 779	
1 175	Rite Aid Corp.	8.000	15-Nov-2026	1 500	1 517	
3 500	Rockcliff Energy II LLC	5.500	15-Oct-2029	4 503	4 566	
2 530	Royal Caribbean Cruises Ltd.	5.250	15-Nov-2022	3 049	3 247	
3 700	Royal Caribbean Cruises Ltd.	9.125	15-Jun-2023	5 168	4 954	

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December 31, 2021

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
1 050	Royal Caribbean Cruises Ltd.	7.500	15-Oct-2027	\$ 1 420	\$ 1 537	
4 140	Sabre GLBL Inc.	7.375	01-Sep-2025	5 519	5 478	
4 050	SBA Communications Corp.	3.125	01-Feb-2029	5 141	4 924	
5 000	Seagate HDD Cayman	3.125	15-Jul-2029	6 385	6 191	
1 415	Seagate HDD Cayman	4.125	15-Jan-2031	1 853	1 864	
2 835	Seagate HDD Cayman	3.375	15-Jul-2031	3 542	3 504	
6 085	Service Corp International	5.125	01-Jun-2029	8 457	8 263	
1 040	Sirius XM Radio Inc.	5.000	01-Aug-2027	1 430	1 368	
3 250	Sirius XM Radio Inc.	5.500	01-Jul-2029	4 547	4 435	
6 565	Sonic Automotive Inc.	4.875	15-Nov-2031	8 153	8 394	
353	Southwestern Energy Co.	6.450	23-Jan-2025	473	491	
2 200	Southwestern Energy Co.	8.375	15-Sep-2028	2 928	3 109	
1 700	Spirit AeroSystems Inc.	5.500	15-Jan-2025	2 285	2 230	
1 450	Spirit AeroSystems Inc.	7.500	15-Apr-2025	2 053	1 925	
2 677	Spirit Loyalty Cayman Ltd.	8.000	20-Sep-2025	3 698	3 741	
6 724	Springleaf Finance Corp.	6.625	15-Jan-2028	9 434	9 535	
18 095	Sprint Capital Corp.	6.875	15-Nov-2028	25 564	28 983	
3 200	Staples Inc.	7.500	15-Apr-2026	4 107	4 163	
4 510	Suburban Propane Partners LP	5.000	01-Jun-2031	5 509	5 777	
3 270	Tallgrass Energy Partners LP	7.500	01-Oct-2025	4 398	4 480	
3 798	Targa Resources Partners LP	5.375	01-Feb-2027	4 649	4 955	
4 975	Targa Resources Partners LP	5.000	15-Jan-2028	6 476	6 639	
3 075	Targa Resources Partners LP	4.000	15-Jan-2032	3 874	4 070	
1 900	Taylor Morrison Communities Inc.	5.750	15-Jan-2028	2 585	2 688	
3 780	Taylor Morrison Communities Inc.	5.125	01-Aug-2030	5 255	5 265	
4 075	Tempur Sealy International Inc.	4.000	15-Apr-2029	5 082	5 250	
1 950	Tenet Healthcare Corp.	4.875	01-Jan-2026	2 691	2 536	
150	Tenet Healthcare Corp.	6.250	01-Feb-2027	205	197	
6 875	Tenet Healthcare Corp.	6.125	01-Oct-2028	8 956	9 200	
8 965	Tenet Healthcare Corp.	4.250	01-Jun-2029	10 821	11 532	
3 200	Terex Corp.	5.000	15-May-2029	4 055	4 164	
2 365	TerraForm Power Operating LLC	5.000	31-Jan-2028	3 017	3 172	
6 150	TerraForm Power Operating LLC	4.750	15-Jan-2030	8 431	8 165	
3 815	The ADT Security Corp.	4.875	15-Jul-2032	5 400	4 933	
3 150	The Chemours Co.	5.750	15-Nov-2028	4 187	4 175	
2 850	The Goodyear Tire & Rubber Co.	4.875	15-Mar-2027	3 739	3 820	
4 850	The Scotts Miracle-Gro Co.	4.500	15-Oct-2029	6 482	6 402	
1 920	T-Mobile USA Inc.	4.750	01-Feb-2028	2 416	2 560	
6 580	T-Mobile USA Inc.	3.375	15-Apr-2029	8 039	8 492	
6 125	Toll Brothers Finance Corp.	3.800	01-Nov-2029	7 916	8 337	
55	TransDigm Inc.	8.000	15-Dec-2025	78	73	
6 145	TransDigm Inc.	6.250	15-Mar-2026	8 567	8 086	
3 598	TransDigm Inc.	5.500	15-Nov-2027	4 790	4 694	
4 185	TransDigm Inc.	4.875	01-May-2029	5 227	5 323	
4 950	Travel + Leisure Co.	6.625	31-Jul-2026	6 820	6 948	
1 720	TripAdvisor Inc.	7.000	15-Jul-2025	2 336	2 297	
2 750	Tronox Inc.	6.500	01-May-2025	3 822	3 679	
3 200	Tronox Inc.	4.625	15-Mar-2029	4 067	4 049	
3 745	TTM Technologies Inc.	4.000	01-Mar-2029	4 681	4 713	
2 825	United Airlines Inc.	4.625	15-Apr-2029	3 642	3 691	
2 040	United Rentals North America Inc.	5.250	15-Jan-2030	2 940	2 796	
1 275	United Rentals North America Inc.	4.000	15-Jul-2030	1 716	1 659	
9 210	United Rentals North America Inc.	3.875	15-Feb-2031	12 347	11 841	
20 200	United States Treasury	2.250	15-Feb-2027	24 847	26 774	
4 750	Valvoline Inc.	4.250	15-Feb-2030	6 414	6 137	

The accompanying notes are an integral part of the financial statements.



December 31, 2021

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
1 596	Vistra Operations Co. LLC	5.500	01-Sep-2026	\$ 2 090	\$ 2 087	
1 480	Vistra Operations Co. LLC	5.000	31-Jul-2027	2 024	1 945	
5 450	Vistra Operations Co. LLC	4.375	01-May-2029	6 696	6 917	
3 100	WESCO Distribution Inc.	7.125	15-Jun-2025	4 335	4 160	
5 820	Western Digital Corp.	4.750	15-Feb-2026	7 652	8 057	
1 135	Western Midstream Operating LP	4.100	01-Feb-2025	1 431	1 502	
1 700	Western Midstream Operating LP	3.950	01-Jun-2025	2 232	2 255	
3 125	Western Midstream Operating LP	4.750	15-Aug-2028	4 015	4 372	
1 135	Western Midstream Operating LP	5.300	01-Mar-2048	1 229	1 732	
1 115	Western Midstream Operating LP	6.250	01-Feb-2050	1 384	1 669	
1 450	Williams Scotsman International Inc.	4.625	15-Aug-2028	1 847	1 896	
6 370	Wynn Las Vegas LLC Corp.	5.250	15-May-2027	8 587	8 244	
970	Yum! Brands, Inc.	3.625	15-Mar-2031	1 190	1 224	
7 710	Yum! Brands, Inc.	4.625	31-Jan -2032	9 980	10 377	
				1 260 578	1 288 169	32.8
Uruguay						
4 250	Republic of Uruguay USD	4.500	14-Aug-2024	5 523	5 698	
10 725	Republic of Uruguay USD	7.625	21-Mar-2036	18 828	20 504	
6 975	Republic of Uruguay USD	5.100	18-Jun-2050	10 285	11 725	
				34 636	37 927	1.0
Venezuela						
7 250	Petroleos de Venezuela S.A. USD	6.000	15-Nov-2026	2 326	379	
12 895	Republic of Venezuela USD	7.650	21-Apr-2025	7 314	1 060	
30 855	Republic of Venezuela USD	7.000	31-Mar-2038	16 257	2 536	
				25 897	3 975	0.1
Vietnam						
7 700	Republic of Vietnam USD	4.800	19-Nov-2024	9 930	10 563	
				9 930	10 563	0.3
Zambia						
2 850	Zambia Government USD	8.970	30-Jul-2027	3 129	2 802	
				3 129	2 802	0.1
TOTAL BONDS				3 624 374	3 546 824	90.4
Holdings	Security			Cost	Fair Value	% of Net Assets
OTHER INVESTMENTS						
15 140 000	USD/CAD, Put @ 1.22 May 31, 2022			\$ 79	\$ 79	
TOTAL OTHER INVESTMENTS				79	79	–
SHORT-TERM INVESTMENTS[†]				144 009	144 009	3.7
TOTAL INVESTMENTS				3 980 328	3 896 519	99.3
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				–	12 333	0.3
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				–	(37 518)	(1.0)
TOTAL PORTFOLIO				\$ 3 980 328	3 871 334	98.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					54 105	1.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 3 925 439	100.0



December 31, 2021

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 61 788 Sold USD 48 170 @ 1.2827	07-Jan-2022	\$ 877
Bought CAD 109 249 Sold USD 86 256 @ 1.2666	11-Jan-2022	178
Bought CAD 80 880 Sold USD 63 150 @ 1.2808	12-Jan-2022	1 025
Bought CAD 94 945 Sold USD 73 920 @ 1.2844	13-Jan-2022	1 472
Bought USD 372 Sold CAD 467 @ 0.7970	14-Jan-2022	4
Bought CAD 111 035 Sold USD 87 668 @ 1.2665	18-Jan-2022	177
Bought USD 1 197 Sold CAD 1 478 @ 0.8098	18-Jan-2022	35
Bought CAD 19 429 Sold USD 15 336 @ 1.2669	19-Jan-2022	36
Bought CAD 435 Sold EUR 290 @ 1.4987	19-Jan-2022	17
Bought CAD 85 460 Sold USD 66 611 @ 1.2830	20-Jan-2022	1 228
Bought CAD 100 409 Sold USD 79 174 @ 1.2682	21-Jan-2022	292
Bought CAD 4 523 Sold USD 3 550 @ 1.2741	21-Jan-2022	34
Bought USD 9 640 Sold CAD 11 908 @ 0.8096	21-Jan-2022	282
Bought CAD 25 742 Sold USD 20 105 @ 1.2804	24-Jan-2022	318
Bought CAD 73 750 Sold USD 57 830 @ 1.2753	25-Jan-2022	622
Bought CAD 69 014 Sold USD 54 154 @ 1.2744	25-Jan-2022	535
Bought CAD 1 644 Sold USD 1 300 @ 1.2645	25-Jan-2022	—
Bought USD 2 635 Sold CAD 3 298 @ 0.7989	25-Jan-2022	34
Bought USD 489 Sold CAD 618 @ 0.7916	25-Jan-2022	1
Bought CAD 26 301 Sold USD 20 791 @ 1.2650	26-Jan-2022	10
Bought USD 88 Sold CAD 110 @ 0.8029	26-Jan-2022	2
Bought USD 414 Sold CAD 512 @ 0.8088	26-Jan-2022	12
Bought CAD 33 154 Sold USD 26 185 @ 1.2661	27-Jan-2022	42
Bought USD 1 930 Sold CAD 2 405 @ 0.8024	27-Jan-2022	35
Bought USD 6 225 Sold CAD 7 798 @ 0.7983	27-Jan-2022	74
Bought CAD 3 203 Sold USD 2 500 @ 1.2814	28-Jan-2022	42
Bought MXN 317 339 Sold CAD 19 152 @ 16.5698	31-Jan-2022	317
Bought CAD 83 619 Sold USD 65 935 @ 1.2682	01-Feb-2022	241
Bought CAD 57 115 Sold USD 45 000 @ 1.2692	01-Feb-2022	211
Bought CAD 22 158 Sold USD 17 500 @ 1.2662	01-Feb-2022	28
Bought USD 7 000 Sold CAD 8 781 @ 0.7972	01-Feb-2022	71
Bought CAD 37 096 Sold USD 29 012 @ 1.2787	02-Feb-2022	409
Bought PLN 124 007 Sold CAD 38 415 @ 3.2281	03-Feb-2022	374
Bought USD 3 060 Sold CAD 3 859 @ 0.7930	03-Feb-2022	11
Bought USD 408 Sold CAD 509 @ 0.8017	04-Feb-2022	7
Bought USD 4 920 Sold CAD 6 127 @ 0.8030	07-Feb-2022	94
Bought CAD 7 708 Sold USD 6 040 @ 1.2762	10-Feb-2022	70
Bought CAD 4 447 Sold USD 3 500 @ 1.2706	10-Feb-2022	21
Bought BRL 43 924 Sold CAD 9 652 @ 4.5510	14-Feb-2022	213
Bought CAD 10 271 Sold MXN 166 579 @ 0.0617	17-Feb-2022	82
Bought MXN 250 568 Sold CAD 14 939 @ 16.7728	17-Feb-2022	388
Bought USD 2 500 Sold CAD 3 156 @ 0.7921	22-Feb-2022	5
Bought NOK 68 486 Sold CAD 9 729 @ 7.0394	23-Feb-2022	93
Bought NOK 47 250 Sold CAD 6 619 @ 7.1386	23-Feb-2022	157
Bought NOK 21 348 Sold CAD 2 990 @ 7.1390	23-Feb-2022	71
Bought CAD 14 748 Sold USD 11 600 @ 1.2714	25-Feb-2022	79
Bought CAD 1 599 Sold USD 1 250 @ 1.2790	25-Feb-2022	18
Bought USD 1 625 Sold CAD 2 012 @ 0.8078	28-Feb-2022	43
Bought CAD 41 401 Sold USD 32 455 @ 1.2757	02-Mar-2022	358
Bought CAD 14 827 Sold USD 11 560 @ 1.2826	02-Mar-2022	208
Bought CAD 10 263 Sold USD 8 000 @ 1.2829	07-Mar-2022	146
Bought CAD 2 077 Sold EUR 1 440 @ 1.4426	09-Mar-2022	3
Bought CAD 2 296 Sold USD 1 800 @ 1.2757	09-Mar-2022	20

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 2 556 Sold USD 2 000 @ 1.2779	09-Mar-2022	\$ 26
Bought CAD 5 121 Sold USD 4 000 @ 1.2803	09-Mar-2022	63
Bought USD 7 000 Sold CAD 8 809 @ 0.7946	18-Mar-2022	44
Bought CAD 41 603 Sold USD 32 840 @ 1.2668	21-Mar-2022	69
Bought CAD 47 814 Sold USD 37 739 @ 1.2670	22-Mar-2022	84
Bought CAD 46 962 Sold USD 36 716 @ 1.2791	23-Mar-2022	525
Bought CAD 44 038 Sold USD 34 697 @ 1.2692	24-Mar-2022	155
Bought CAD 5 115 Sold USD 4 000 @ 1.2787	24-Mar-2022	56
Bought CAD 2 943 Sold USD 2 300 @ 1.2794	28-Mar-2022	34
Bought CAD 11 158 Sold USD 8 700 @ 1.2826	28-Mar-2022	155
		\$ 12 333
Contracts	Maturity Date	Unrealized Loss
Bought CAD 7 584 Sold USD 6 000 @ 1.2640	07-Jan-2022	\$ (3)
Bought CAD 54 797 Sold USD 43 702 @ 1.2539	10-Jan-2022	(465)
Bought USD 5 500 Sold CAD 6 991 @ 0.7867	13-Jan-2022	(36)
Bought CAD 106 944 Sold USD 84 679 @ 1.2629	14-Jan-2022	(134)
Bought CAD 6 182 Sold USD 5 000 @ 1.2364	14-Jan-2022	(140)
Bought CAD 61 792 Sold USD 50 000 @ 1.2358	18-Jan-2022	(1 435)
Bought CAD 1 360 Sold USD 1 100 @ 1.2365	18-Jan-2022	(31)
Bought USD 8 000 Sold CAD 10 142 @ 0.7888	18-Jan-2022	(26)
Bought CAD 74 845 Sold USD 60 502 @ 1.2371	19-Jan-2022	(1 661)
Bought CAD 92 867 Sold USD 73 460 @ 1.2642	20-Jan-2022	(25)
Bought CAD 7 843 Sold USD 6 315 @ 1.2420	20-Jan-2022	(142)
Bought USD 13 500 Sold CAD 17 159 @ 0.7868	20-Jan-2022	(88)
Bought CAD 2 500 Sold USD 2 011 @ 1.2432	21-Jan-2022	(43)
Bought USD 7 500 Sold CAD 9 693 @ 0.7738	21-Jan-2022	(209)
Bought CAD 33 717 Sold USD 26 848 @ 1.2559	25-Jan-2022	(233)
Bought CAD 49 002 Sold USD 39 700 @ 1.2343	25-Jan-2022	(1 200)
Bought USD 2 000 Sold CAD 2 531 @ 0.7903	25-Jan-2022	(2)
Bought USD 1 761 Sold CAD 2 247 @ 0.7837	25-Jan-2022	(20)
Bought USD 237 Sold CAD 303 @ 0.7816	25-Jan-2022	(4)
Bought USD 2 242 Sold CAD 2 878 @ 0.7791	25-Jan-2022	(43)
Bought USD 219 Sold CAD 280 @ 0.7822	25-Jan-2022	(3)
Bought USD 2 083 Sold CAD 2 636 @ 0.7901	25-Jan-2022	(2)
Bought USD 156 Sold CAD 200 @ 0.7812	26-Jan-2022	(2)
Bought USD 133 Sold CAD 170 @ 0.7822	27-Jan-2022	(2)
Bought USD 6 300 Sold CAD 8 129 @ 0.7750	27-Jan-2022	(162)
Bought CAD 41 317 Sold USD 32 725 @ 1.2626	28-Jan-2022	(65)
Bought USD 4 440 Sold CAD 5 674 @ 0.7825	28-Jan-2022	(60)
Bought CAD 4 908 Sold MXN 80 616 @ 0.0609	31-Jan-2022	(37)
Bought CAD 5 884 Sold USD 4 765 @ 1.2349	01-Feb-2022	(141)
Bought CAD 3 739 Sold USD 3 000 @ 1.2462	01-Feb-2022	(55)
Bought USD 13 000 Sold CAD 16 585 @ 0.7838	01-Feb-2022	(146)
Bought USD 2 061 Sold CAD 2 645 @ 0.7792	01-Feb-2022	(39)
Bought CAD 57 476 Sold USD 45 700 @ 1.2577	02-Feb-2022	(314)
Bought CAD 2 474 Sold USD 2 000 @ 1.2368	02-Feb-2022	(56)
Bought CAD 17 863 Sold USD 14 500 @ 1.2319	02-Feb-2022	(473)
Bought CAD 87 518 Sold USD 69 658 @ 1.2564	03-Feb-2022	(568)
Bought CAD 3 913 Sold USD 3 110 @ 1.2583	03-Feb-2022	(19)
Bought CAD 4 766 Sold PLN 15 685 @ 0.3039	03-Feb-2022	(140)
Bought CAD 5 081 Sold PLN 16 730 @ 0.3037	03-Feb-2022	(152)

The accompanying notes are an integral part of the financial statements.



December 31, 2021

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 4 368 Sold PLN 14 378 @ 0.3038	03-Feb-2022	\$ (130)
Bought CAD 3 954 Sold PLN 13 013 @ 0.3038	03-Feb-2022	(116)
Bought CAD 4 674 Sold PLN 15 465 @ 0.3022	03-Feb-2022	(164)
Bought CAD 4 669 Sold PLN 15 465 @ 0.3019	03-Feb-2022	(169)
Bought CAD 10 050 Sold PLN 33 271 @ 0.3021	03-Feb-2022	(357)
Bought CAD 1 842 Sold USD 1 458 @ 1.2632	04-Feb-2022	(2)
Bought CAD 4 331 Sold USD 3 500 @ 1.2374	04-Feb-2022	(95)
Bought CAD 84 375 Sold USD 67 135 @ 1.2568	07-Feb-2022	(522)
Bought CAD 57 231 Sold USD 45 291 @ 1.2636	07-Feb-2022	(43)
Bought CAD 3 716 Sold USD 3 000 @ 1.2386	07-Feb-2022	(78)
Bought USD 11 000 Sold CAD 13 965 @ 0.7877	07-Feb-2022	(55)
Bought CAD 42 184 Sold USD 33 795 @ 1.2482	08-Feb-2022	(552)
Bought RUB 221 451 Sold CAD 3 750 @ 59.0590	08-Feb-2022	(49)
Bought CAD 72 815 Sold USD 58 895 @ 1.2363	09-Feb-2022	(1 662)
Bought CAD 9 649 Sold USD 7 800 @ 1.2371	09-Feb-2022	(214)
Bought CAD 41 728 Sold USD 33 665 @ 1.2395	10-Feb-2022	(843)
Bought USD 2 483 Sold CAD 3 154 @ 0.7872	10-Feb-2022	(14)
Bought USD 591 Sold CAD 749 @ 0.7893	10-Feb-2022	(1)
Bought CAD 86 630 Sold USD 70 039 @ 1.2369	11-Feb-2022	(1 940)
Bought USD 500 Sold CAD 642 @ 0.7786	11-Feb-2022	(10)
Bought CAD 53 441 Sold USD 42 975 @ 1.2435	14-Feb-2022	(905)
Bought USD 2 500 Sold CAD 3 175 @ 0.7873	14-Feb-2022	(14)
Bought USD 1 262 Sold CAD 1 618 @ 0.7801	14-Feb-2022	(22)
Bought CAD 33 672 Sold USD 27 224 @ 1.2368	15-Feb-2022	(756)
Bought CAD 94 252 Sold USD 75 915 @ 1.2415	16-Feb-2022	(1 750)
Bought CAD 16 181 Sold USD 13 000 @ 1.2447	16-Feb-2022	(259)
Bought CAD 37 655 Sold USD 30 400 @ 1.2387	17-Feb-2022	(788)
Bought CAD 2 670 Sold EUR 1 874 @ 1.4250	18-Feb-2022	(28)
Bought CAD 21 616 Sold USD 17 453 @ 1.2385	22-Feb-2022	(455)
Bought CAD 45 363 Sold USD 36 518 @ 1.2422	23-Feb-2022	(818)
Bought CAD 6 206 Sold USD 5 000 @ 1.2412	23-Feb-2022	(117)
Bought USD 3 316 Sold CAD 4 279 @ 0.7750	23-Feb-2022	(86)
Bought CAD 126 367 Sold USD 102 204 @ 1.2364	25-Feb-2022	(2 881)
Bought CAD 2 488 Sold USD 2 000 @ 1.2440	25-Feb-2022	(41)
Bought CAD 1 855 Sold EUR 1 297 @ 1.4301	25-Feb-2022	(13)
Bought CAD 152 335 Sold USD 122 931 @ 1.2392	28-Feb-2022	(3 126)
Bought CAD 4 918 Sold USD 3 900 @ 1.2611	28-Feb-2022	(14)
Bought RUB 330 139 Sold CAD 5 674 @ 58.1815	28-Feb-2022	(180)
Bought USD 22 230 Sold CAD 28 407 @ 0.7825	03-Mar-2022	(294)
Bought CAD 52 147 Sold USD 41 925 @ 1.2438	04-Mar-2022	(873)
Bought CAD 10 363 Sold USD 8 320 @ 1.2456	04-Mar-2022	(159)
Bought CAD 81 085 Sold USD 65 133 @ 1.2449	07-Mar-2022	(1 286)
Bought CAD 112 446 Sold USD 90 407 @ 1.2438	08-Mar-2022	(1 889)
Bought CAD 91 526 Sold USD 73 552 @ 1.2444	09-Mar-2022	(1 493)
Bought USD 4 175 Sold CAD 5 352 @ 0.7801	09-Mar-2022	(72)
Bought USD 6 000 Sold CAD 7 740 @ 0.7752	09-Mar-2022	(152)
Bought CAD 20 927 Sold USD 16 670 @ 1.2554	10-Mar-2022	(155)
Bought USD 2 080 Sold CAD 2 690 @ 0.7731	10-Mar-2022	(60)
Bought CAD 70 655 Sold USD 56 542 @ 1.2496	14-Mar-2022	(854)
Bought CAD 65 714 Sold USD 52 601 @ 1.2493	14-Mar-2022	(811)
Bought CAD 50 431 Sold USD 40 000 @ 1.2608	15-Mar-2022	(157)
Bought CAD 124 190 Sold USD 98 888 @ 1.2559	16-Mar-2022	(875)
Bought USD 2 100 Sold CAD 2 675 @ 0.7850	16-Mar-2022	(19)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought USD 730 Sold CAD 932 @ 0.7829	16-Mar-2022	\$ (9)
Bought AUD 10 684 Sold CAD 9 831 @ 1.0868	17-Mar-2022	(6)
Bought CAD 52 315 Sold USD 41 422 @ 1.2630	17-Mar-2022	(72)
Bought CAD 57 734 Sold USD 46 113 @ 1.2520	18-Mar-2022	(586)
Bought USD 3 186 Sold CAD 4 070 @ 0.7828	22-Mar-2022	(40)
Bought CAD 11 751 Sold USD 9 300 @ 1.2636	24-Mar-2022	(11)
		<u>\$ (37 518)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (25 185)</u>

All counterparties have a credit rating of at least A.

\$23 569 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above foreign exchange contracts.

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

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 0.18% to 0.33% and mature between January 4, 2022 and June 23, 2022.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2021	December 31 2020
ASSETS		
Investments at fair value	\$ 3 896 519	\$ 3 614 501
Cash	2 316	1 167
Subscriptions receivable	1 390	3 614
Unrealized gain on foreign exchange contracts	12 333	85 099
Dividends receivable, interest accrued and other assets	50 949	45 142
TOTAL ASSETS	3 963 507	3 749 523
LIABILITIES		
Redemptions payable	194	221
Unrealized loss on foreign exchange contracts	37 518	2 505
Accounts payable and accrued expenses	356	395
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	38 068	3 121
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 3 925 439	\$ 3 746 402
Investments at cost	\$ 3 980 328	\$ 3 537 704
NAV		
SERIES A	\$ 118 092	\$ 145 230
ADVISOR SERIES	\$ 5 139	\$ 7 524
SERIES D	\$ 27 440	\$ 31 047
SERIES F	\$ 108 498	\$ 108 182
SERIES O	\$ 3 666 270	\$ 3 454 419
NAV PER UNIT		
SERIES A	\$ 10.25	\$ 10.66
ADVISOR SERIES	\$ 10.19	\$ 10.60
SERIES D	\$ 10.38	\$ 10.80
SERIES F	\$ 10.51	\$ 10.93
SERIES O	\$ 10.47	\$ 10.89

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2021	2020
INCOME (see note 3 in the generic notes)		
Dividends	\$ 488	\$ –
Interest for distribution purposes	179 513	175 682
Income from investment trusts	10 317	13 528
Derivative income (loss)	118 651	20 739
Net realized gain (loss) on investments	2 075	1 221
Change in unrealized gain (loss) on investments	(268 385)	17 520
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	42 659	228 690
Other income (loss)	–	8
Securities lending revenue (see note 7 in the generic notes)	427	464
Net gain (loss) on foreign cash balances	(1 133)	(923)
TOTAL OTHER INCOME (LOSS)	(706)	(451)
TOTAL INCOME (LOSS)	41 953	228 239
EXPENSES (see notes – Fund Specific Information)		
Management fees	3 125	3 445
Administration fees	850	817
Independent Review Committee costs	2	2
GST/HST	434	461
Transaction costs	12	59
Withholding tax	221	501
TOTAL EXPENSES	4 644	5 285
INCREASE (DECREASE) IN NAV	\$ 37 309	\$ 222 954
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 002)	\$ 5 339
ADVISOR SERIES	\$ (52)	\$ (667)
SERIES D	\$ (30)	\$ 976
SERIES F	\$ 211	\$ 4 460
SERIES O	\$ 38 182	\$ 212 846
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.08)	\$ 0.48
ADVISOR SERIES	\$ (0.09)	\$ (0.15)
SERIES D	\$ (0.01)	\$ 0.32
SERIES F	\$ 0.02	\$ 0.44
SERIES O	\$ 0.11	\$ 0.67



Statements of Cash Flow (in \$000s)

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

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 37 309	\$ 222 954
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	–	–
Non-cash dividends	(555)	–
Non-cash distributions from underlying funds	(5 857)	(7 535)
Net realized loss (gain) on investments	(2 075)	(1 221)
Change in unrealized loss (gain) on investments	268 385	(17 520)
(Increase) decrease in accrued receivables	(5 807)	(1 552)
Increase (decrease) in accrued payables	(39)	(69)
(Increase) decrease in margin accounts	–	–
Cost of investments purchased*	(4 646 528)	(4 727 612)
Proceeds from sale and maturity of investments*	4 212 391	4 609 904
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(142 776)	77 349
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	377 781	527 224
Cash paid on redemption of redeemable units*	(231 776)	(602 232)
Distributions paid to holders of redeemable units	(2 080)	(2 228)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 143 925	\$ (77 236)
Net increase (decrease) in cash for the period	1 149	113
Cash (bank overdraft), beginning of period	1 167	1 054
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2 316	\$ 1 167
Interest received (paid) [†]	\$ 173 581	\$ 174 136
Income from investment trusts received (paid) ^{†‡}	\$ 3 896	\$ 5 090
Dividends received (paid) ^{†‡}	\$ 399	\$ 397

* Excludes in-kind transactions.

[†] Classified as part of operating activities.

[‡] Net of withholding taxes, if applicable.



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

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2021	2020	2021	2020	2021	2020	2021	2020
NAV AT BEGINNING OF PERIOD	\$ 145 230	\$ 101 928	\$ 7 524	\$ 79 348	\$ 31 047	\$ 35 702	\$ 108 182	\$ 116 019
INCREASE (DECREASE) IN NAV	(1 002)	5 339	(52)	(667)	(30)	976	211	4 460
Early redemption fees	–	–	–	–	–	1	–	–
Proceeds from redeemable units issued	6 311	65 859	–	1 532	4 640	5 614	21 169	16 709
Reinvestments of distributions to holders of redeemable units	3 585	3 589	164	1 222	1 073	1 231	2 998	3 012
Redemption of redeemable units	(31 928)	(27 490)	(2 308)	(72 431)	(8 159)	(11 181)	(19 654)	(27 509)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(22 032)	41 958	(2 144)	(69 677)	(2 446)	(4 335)	4 513	(7 788)
Distributions from net income	(4 104)	(3 995)	(189)	(1 480)	(1 131)	(1 296)	(4 408)	(4 509)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 104)	(3 995)	(189)	(1 480)	(1 131)	(1 296)	(4 408)	(4 509)
NET INCREASE (DECREASE) IN NAV	(27 138)	43 302	(2 385)	(71 824)	(3 607)	(4 655)	316	(7 837)
NAV AT END OF PERIOD	\$ 118 092	\$ 145 230	\$ 5 139	\$ 7 524	\$ 27 440	\$ 31 047	\$ 108 498	\$ 108 182

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2021	2020	2021	2020
NAV AT BEGINNING OF PERIOD	\$ 3 454 419	\$ 3 265 180	\$ 3 746 402	\$ 3 598 177
INCREASE (DECREASE) IN NAV	38 182	212 846	37 309	222 954
Early redemption fees	–	–	–	1
Proceeds from redeemable units issued	349 615	444 461	381 735	534 175
Reinvestments of distributions to holders of redeemable units	176 545	172 974	184 365	182 028
Redemption of redeemable units	(175 878)	(468 066)	(237 927)	(606 677)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	350 282	149 369	328 173	109 527
Distributions from net income	(176 613)	(172 976)	(186 445)	(184 256)
Distributions from net gains	–	–	–	–
Distributions from capital	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(176 613)	(172 976)	(186 445)	(184 256)
NET INCREASE (DECREASE) IN NAV	211 851	189 239	179 037	148 225
NAV AT END OF PERIOD	\$ 3 666 270	\$ 3 454 419	\$ 3 925 439	\$ 3 746 402



December 31, 2021

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide above-average total returns comprised of interest income and capital growth by investing in higher-yielding corporate or government debt securities available from anywhere around the world.

Effective June 26, 2020, Advisor Series units have been capped. On August 4, 2020, Advisor Series units with initial sales charge and/or low-load sales charge options were re-designated as Series A units, as applicable.

Effective April 11, 2022, all Advisor Series units with a deferred sales charge option will be re-designated as Series A units. Any redemption fees associated with such re-designations will be 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 2021	December 31 2020
AAA	0.8	0.8
AA	3.5	2.4
A	5.3	7.0
BBB	16.7	16.8
BB	39.6	35.9
B	30.0	32.0
CCC	3.2	4.1
D	0.4	0.3
Unrated	0.5	0.7
Total	100.0	100.0

Concentration risk (%)

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

Investment mix	December 31 2021	December 31 2020
United States	33.1	33.2
Canada	5.1	5.2
Underlying Funds	4.9	7.8
Mexico	2.8	2.5
Indonesia	2.0	2.3
Brazil	1.9	1.7
Colombia	1.9	1.4
Turkey	1.8	1.5

Please see the generic notes at the back of the financial statements.

Investment mix	December 31 2021	December 31 2020
South Africa	1.8	1.3
Dominican Republic	1.8	1.2
United Arab Emirates	1.8	1.0
Egypt	1.7	1.5
Saudi Arabia	1.7	1.2
Kazakhstan	1.6	1.6
Oman	1.6	1.3
Ukraine	1.5	1.5
Peru	1.5	1.1
Qatar	1.5	1.1
Panama	1.3	0.9
Russia	1.2	1.8
Chile	1.1	1.0
Nigeria	1.0	1.1
Philippines	1.0	1.0
Ghana	0.9	0.9
Other Countries	19.1	19.0
Cash/Other	4.4	5.9
Total	100.0	100.0

Interest rate risk (%)

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

Term to maturity	December 31 2021	December 31 2020
Less than 1 year	2.6	2.7
1 – 5 years	22.0	24.4
5 – 10 years	43.7	38.0
> 10 years	31.7	34.9
Total	100.0	100.0

As at December 31, 2021, 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 6.1% (December 31, 2020 – 6.0%). 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.



December 31, 2021

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, 2021 and 2020.

December 31, 2021	Level 1	Level 2	Level 3	Total
Equities	13 074	–	–	13 074
Underlying funds	192 533	–	–	192 533
Fixed-income				
and debt securities	–	3 546 824	–	3 546 824
Short-term investments	–	144 009	–	144 009
Derivatives – assets	–	12 412	–	12 412
Derivatives – liabilities	–	(37 518)	–	(37 518)
Total financial instruments	205 607	3 665 727	–	3 871 334
% of total portfolio	5.3	94.7	–	100.0

December 31, 2020	Level 1	Level 2	Level 3	Total
Equities	–	2 954	–	2 954
Underlying funds	293 903	–	–	293 903
Fixed-income				
and debt securities	–	3 228 786	–	3 228 786
Short-term investments	–	88 858	–	88 858
Derivatives – assets	–	85 099	–	85 099
Derivatives – liabilities	–	(2 505)	–	(2 505)
Total financial instruments	293 903	3 403 192	–	3 697 095
% of total portfolio	7.9	92.1	–	100.0

For the period ended December 31, 2021, there were transfers of \$2,954 of financial instruments into Level 1 from Level 2. The securities transferred into Level 1 relate to the exchange of restricted-trading, discount-priced securities for listed, actively traded equity positions. For the period ended December 31, 2020, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	1.50%	0.05%
Advisor Series	1.50%	0.05%
Series D	0.90%	0.05%
Series F	0.75%	0.05%
Series O	n/a [†]	0.02%

* Effective March 1, 2020, the administration fees for Series A units were reduced to 0.05% from 0.10%.

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Please see the generic notes at the back of the financial statements.

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2021		December 31 2020	
	NAV	Ownership	NAV	Ownership
BlueBay Emerging Markets				
Corporate Bond Fund	3.3	7.3	3.5	7.5

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2021		December 31 2020	
	NAV	Ownership	NAV	Ownership
iShares iBoxx \$ High Yield				
Corporate Bond ETF	–	–	1.1	0.1
iShares J.P. Morgan USD				
Emerging Markets				
Bond ETF	0.6	0.1	1.2	0.2
SPDR Bloomberg				
High Yield Bond ETF	–	–	1.1	0.3
VanEck J.P.				
Morgan EM Local				
Currency Bond ETF	1.0	0.9	1.0	0.8

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

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

As at December 31, 2021	
Capital losses	8 681
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)	2021	2020
	Series A	
Opening units	13 621	9 589
Issued number of units	602	6 364
Reinvested number of units	347	365
Redeemed number of units	(3 052)	(2 697)
Ending number of units	11 518	13 621



December 31, 2021

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

	2021	2020
Advisor Series		
Opening units	710	7 511
Issued number of units	–	151
Reinvested number of units	16	131
Redeemed number of units	(222)	(7 083)
Ending number of units	504	710
Series D		
Opening units	2 875	3 316
Issued number of units	436	540
Reinvested number of units	103	125
Redeemed number of units	(771)	(1 106)
Ending number of units	2 643	2 875
Series F		
Opening units	9 894	10 643
Issued number of units	1 972	1 605
Reinvested number of units	283	301
Redeemed number of units	(1 829)	(2 655)
Ending number of units	10 320	9 894
Series O		
Opening units	317 353	300 908
Issued number of units	32 677	44 501
Reinvested number of units	16 739	17 320
Redeemed number of units	(16 490)	(45 376)
Ending number of units	350 279	317 353

Transaction costs (\$000s except %)

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

	December 31 2021		December 31 2020	
	\$	%	\$	%
Total transaction costs	12	100	59	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	1	2

* 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.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

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

	December 31 2021	December 31 2020
Fair value of securities loaned	280 103	164 780
Fair value of collateral received	285 708	168 077

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

	December 31 2021		December 31 2020	
	\$	%	\$	%
Gross revenue	577	100	648	100
RBC IS (paid)	(144)	(25)	(162)	(25)
Tax withheld	(6)	(1)	(22)	(3)
Fund revenue	427	74	464	72

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 2021	December 31 2020
RBC Balanced Growth & Income Class	0.3	0.3
RBC Balanced Growth & Income Fund	2.2	2.3
RBC Conservative Bond Pool	1.0	0.9
RBC Conservative Growth & Income Fund	0.5	0.4
RBC Core Bond Pool	5.0	5.2
RBC Core Plus Bond Pool	5.6	5.8
RBC Global Growth & Income Fund	1.1	0.9
RBC Managed Payout Solution	3.6	3.7
RBC Managed Payout Solution – Enhanced	8.5	8.5
RBC Managed Payout Solution – Enhanced Plus	4.3	4.0
RBC Retirement 2020 Portfolio	0.1	0.1
RBC Retirement 2025 Portfolio	0.1	0.1
RBC Retirement 2030 Portfolio	0.2	0.1
RBC Retirement 2035 Portfolio	0.1	0.1
RBC Retirement 2040 Portfolio	0.1	0.1
RBC Retirement 2045 Portfolio	0.1	0.1
RBC Retirement 2050 Portfolio	0.1	0.1
RBC Retirement 2055 Portfolio	–	–
RBC Retirement 2060 Portfolio	–	–
RBC Retirement Income Solution	0.1	0.1
RBC Select Balanced Portfolio	10.4	10.0
RBC Select Choices Balanced Portfolio	–	–
RBC Select Choices Conservative Portfolio	0.1	0.1
RBC Select Choices Growth Portfolio	–	0.1
RBC Select Conservative Portfolio	28.5	28.7
RBC Select Very Conservative Portfolio	8.2	8.4
RBC Strategic Income Bond Fund	8.5	7.9
Total	88.7	88.0



December 31, 2021

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, 2021	Assets	Liabilities
Gross amounts – assets (liabilities)	12 333	(37 518)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	12 333	(37 518)
Related amounts not set-off	(10 442)	10 442
Collateral (received) pledged	–	11 646
Net amount	1 891	(15 430)

December 31, 2020	Assets	Liabilities
Gross amounts – assets (liabilities)	85 099	(2 505)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	85 099	(2 505)
Related amounts not set-off	(2 505)	2 505
Collateral (received) pledged	(9 235)	–
Net amount	73 359	–

December 31, 2021

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 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 10, 2022.

The Funds may issue an unlimited number of units in some or all of Series A, Advisor Series, Advisor T5 Series, Series T5, Series T8, Series H, Series D, Series DZ, Series F, Series FT5, Series FT8, Series I, Series N and Series O.

Series A 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 with an initial sales charge or low-load sales charge option. Effective August 4, 2020, such Advisor Series and Advisor T5 Series were re-designated as Series A and Series T5, respectively. For certain of the Funds, Advisor Series units and Advisor T5 Series units are available with a deferred sales charge option. Under the initial sales charge option, investors pay a sales charge ranging from 0% to 5% of the amount invested. Under the deferred sales charge or low-load sales charge option, sales charges may be applicable, as described in the Simplified Prospectus.

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 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.

2. Financial year

The information provided in these financial statements and notes thereto is as at December 31, 2021 and December 31, 2020, as applicable, and for the 12-month periods ended December 31, 2021 and December 31, 2020, as applicable, except for Funds or series established during either period, in which case the information for the Fund, or series, is provided for the period from the start date as described in the Notes to Financial Statements – Fund Specific Information of the Fund.

3. Summary of significant accounting policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). The significant accounting policies of the Funds are 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.

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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.

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 accordingly not presented in the Statements of Financial Position. 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 investing in a portfolio of securities and other funds in line

with each of their documented investment strategies. The underlying funds apply various investment strategies to accomplish their respective investment objectives.

The underlying funds finance their operations by issuing redeemable units which are puttable at the unitholder's option, and entitle the unitholder to a proportional stake in the respective underlying funds' NAV.

The Funds do not consolidate their investment in underlying funds but account for these investments at fair value. The manager has determined that the Funds are investment entities in accordance with IFRS 10 Consolidated Financial Statements, since the Funds meet the following criteria:

- (i) The Funds obtain capital from one or more investors for the purpose of providing those investors with investment management services,
- (ii) The Funds commit to their investors that their business purpose is to invest funds solely for the returns from capital appreciation, investment income or both, and
- (iii) The Funds measure and evaluate the performance of substantially all of their investments on a fair value basis.

Therefore, the fair value of investments in the underlying funds is included in the Schedule of Investment Portfolio and included in "Investments at fair value" in the Funds' Statements of Financial Position. The change in fair value of the investment held in the underlying funds is included in "Change in unrealized gain (loss) on investments" in the Statements of Comprehensive Income.

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.

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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.

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" 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.

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 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

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from the market makers and the change in value, if any, is recorded in “Change in unrealized gain (loss) on investments” 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.

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.

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 paid or received are recorded as “Interest for distribution purposes” 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.

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

In-Kind Transactions In accordance with IAS 7, the Funds exclude non-cash transactions from their operating and financing activities within the Statements of Cash Flow. The primary difference between amounts issued and redeemed within the Statements of Changes in NAV and the Statements of Cash Flow relates to in-kind transactions. Similarly, the “Cost of investments purchased” and “Proceeds from sale and maturity of investments” within the Statements of Cash Flow appropriately exclude these 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.

The financial markets experienced significant volatility as a result of the developing COVID-19 global pandemic. The effects of the pandemic and its impact on individual companies, nations and the market in general can not necessarily be foreseen at the present time and may have an adverse impact on the financial performance of the Funds. The impact of the pandemic may be short-term or may last for an extended period of time.

In February 2022, Russian forces invaded Ukraine, resulting in an armed conflict and economic sanctions on Russia. Price volatility, trading restrictions, including the potential

for extended halting of Russian market trading, and general default risk related to Russian securities may have an adverse impact on the financial performance of a Fund. The manager is actively monitoring the situation.

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 and short-term deposits are held with counterparties with a credit rating of AA/Aa 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

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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). 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.

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.

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

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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.

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 \$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 Bond Fund (for a portion of the Fund)
- RBC U.S. Monthly Income Fund (for a portion of the Fund)

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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 Dividend 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 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
 Phillips, Hager & North Overseas Equity Fund
 Phillips, Hager & North Global Equity Fund

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)
 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

BlueBay Asset Management LLP is the sub-advisor for:
 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)
 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)
 BlueBay Global Alternative Bond Fund (Canada) (for a portion of the 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.

December 31, 2021

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 administers 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 and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

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

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the 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 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.