

The accompanying financial statements have been prepared by RBC Global Asset Management Inc. ("RBC GAM") as manager of the RBC GAM Investment Funds (the "Funds") and approved by the Board of Directors of RBC GAM. We are responsible for the information contained within the financial statements.

We have maintained appropriate procedures and controls to ensure that timely and reliable financial information is produced. The financial statements have been prepared in compliance with IFRS Accounting Standards (and they include certain amounts that are based on estimates and judgments). The material accounting policies, which we believe are appropriate for the Funds, are described in Note 3 to the financial statements.

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



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



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

March 7, 2024

To the Unitholders and Trustee of

RBC FUNDS

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

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

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

RBC PRIVATE POOLS

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

RBC ALTERNATIVE FUNDS

BlueBay Global Alternative Bond Fund (Canada)

PH&N FUNDS

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

PH&N FUNDS (cont.)

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

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

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

Our opinion

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

What we have audited

The financial statements of each Fund comprise:

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

Basis for opinion

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

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

Independence

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

Other information

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements of each Fund in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 7, 2024



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
RBC U.S. MONTHLY INCOME FUND

December 31, 2023

	Holdings	Cost (\$)	Fair Value (\$)	% of Net Assets
COMMON EQUITIES				
Communication Services				
Alphabet Inc. Class A	186 600	21 147	26 066	
AT&T Inc.	136 900	2 399	2 297	
Comcast Corp. Class A	221 000	9 124	9 691	
Meta Platforms Inc. Class A	42 600	13 309	15 079	
T-Mobile U.S. Inc.	18 500	2 723	2 966	
Verizon Communications Inc.	107 500	4 066	4 053	
Walt Disney Co.	82 600	7 848	7 458	
		60 616	67 610	4.8
Consumer Discretionary				
Amazon.com Inc.	164 200	17 491	24 949	
DR Horton Inc.	9 300	1 282	1 413	
General Motors Co.	47 400	1 617	1 703	
Home Depot Inc.	18 000	4 947	6 238	
Lennar Corp. Class A	9 200	1 274	1 371	
Lowe's Companies Inc.	11 300	2 355	2 515	
McDonald's Corp.	19 600	4 239	5 812	
NIKE Inc. Class B	18 200	1 809	1 976	
TJX Companies Inc.	50 000	4 479	4 691	
		39 493	50 668	3.6
Consumer Staples				
Colgate-Palmolive Co.	37 300	2 888	2 973	
Kenvue Inc.	193 400	3 916	4 164	
PepsiCo Inc.	22 800	3 710	3 872	
Philip Morris International Inc.	105 400	9 812	9 916	
Procter & Gamble Co.	38 800	5 436	5 686	
Target Corp.	23 600	3 195	3 361	
Walmart Inc.	46 000	6 758	7 252	
		35 715	37 224	2.7
Energy				
Chevron Corp.	63 300	8 198	9 442	
ConocoPhillips	38 500	3 470	4 469	
Exxon Mobil Corp.	130 700	12 327	13 067	
Hess Corp.	35 500	3 846	5 118	
		27 841	32 096	2.3
Financials				
Ameriprise Financial Inc.	12 600	4 256	4 786	
Bank of America Corp.	268 850	8 423	9 052	
BlackRock Inc.	2 900	2 123	2 354	
Fifth Third Bancorp	90 100	2 678	3 108	
Goldman Sachs Group Inc.	20 000	6 413	7 715	
J.P. Morgan Chase & Co.	93 400	11 375	15 887	
Mastercard Inc. Class A	23 000	7 719	9 810	
Morgan Stanley	108 000	8 061	10 071	
PNC Financial Services Group Inc.	22 700	3 208	3 515	
US Bancorp	79 900	3 220	3 458	
Visa Inc. Class A	29 900	5 940	7 784	
Wells Fargo & Co.	142 100	6 214	6 994	
		69 630	84 534	6.0

	Holdings	Cost (\$)	Fair Value (\$)	% of Net Assets
Health Care				
Abbott Laboratories	65 400	6 362	7 199	
AbbVie Inc.	73 000	7 063	11 313	
Amgen Inc.	26 300	6 309	7 575	
Cardinal Health Inc.	32 500	2 917	3 276	
Cencora Inc.	25 600	4 089	5 258	
CVS Health Corp.	44 691	3 371	3 529	
Elevance Health Inc.	7 700	3 096	3 631	
Eli Lilly & Co.	13 300	2 907	7 753	
Humana Inc.	5 500	2 448	2 518	
Johnson & Johnson	82 700	12 641	12 962	
McKesson Corp.	8 400	3 356	3 889	
Medtronic Plc.	53 100	4 014	4 374	
Merck & Co. Inc.	122 500	10 702	13 355	
Stryker Corp.	14 900	4 222	4 462	
UnitedHealth Group Inc.	19 800	7 041	10 424	
		80 538	101 518	7.2
Industrials				
Boeing Co.	9 700	2 227	2 528	
Caterpillar Inc.	8 500	2 035	2 513	
CSX Corp.	129 000	3 972	4 472	
Eaton Corp. Plc.	17 600	2 613	4 238	
Emerson Electric Co.	17 600	1 647	1 713	
FedEx Corp.	23 400	5 843	5 919	
Honeywell International Inc.	33 200	6 232	6 962	
Johnson Controls International Plc.	24 200	1 297	1 395	
Parker-Hannifin Corp.	6 200	1 948	2 856	
RTX Corp.	48 600	3 789	4 089	
Trane Technologies Plc.	15 400	3 166	3 756	
Union Pacific Corp.	32 000	6 616	7 860	
United Parcel Service Inc. Class B	30 600	4 655	4 811	
		46 040	53 112	3.8
Information Technology				
Advanced Micro Devices Inc.	26 900	2 686	3 965	
Apple Inc.	222 600	30 183	42 857	
Applied Materials Inc.	14 200	1 625	2 301	
Broadcom Inc.	9 000	3 918	10 046	
Cisco Systems Inc.	68 700	3 370	3 471	
Hewlett Packard Enterprise Co.	113 000	1 932	1 919	
HP Inc.	169 500	4 727	5 100	
Intel Corp.	70 300	2 175	3 533	
International Business Machines Corp.	39 800	6 176	6 509	
KLA Corp.	6 500	3 065	3 778	
Lam Research Corp.	2 200	1 149	1 723	
Microsoft Corp.	124 424	28 798	46 788	
NetApp Inc.	34 500	2 451	3 042	
NVIDIA Corp.	42 200	9 928	20 898	
Oracle Corp.	25 400	2 243	2 678	
QUALCOMM Inc.	35 600	4 153	5 149	
Texas Instruments Inc.	8 000	1 263	1 364	
		109 842	165 121	11.8



December 31, 2023

	Holdings	Cost (\$)	Fair Value (\$)	% of Net Assets
Materials				
Linde Plc.	11 800	3 750	4 834	
		3 750	4 834	0.3
Real Estate				
American Tower Corp.	15 400	3 065	3 325	
Prologis Inc.	13 500	1 641	1 800	
Realty Income Corp.	46 700	2 665	2 682	
Simon Property Group Inc.	44 590	4 871	6 360	
VICI Properties Inc.	84 000	2 549	2 678	
		14 791	16 845	1.2
Utilities				
American Electric Power Co. Inc.	45 800	4 121	3 720	
Duke Energy Corp.	38 900	3 460	3 775	
Entergy Corp.	24 800	2 515	2 510	
Southern Co.	59 900	4 188	4 200	
		14 284	14 205	1.0
TOTAL COMMON EQUITIES		502 540	627 767	44.7

	Holdings	Cost (\$)	Fair Value (\$)	% of Net Assets
UNDERLYING FUNDS				
iShares J.P. Morgan USD Emerging Markets Bond ETF	247 559	26 117	22 048	
Vanguard Real Estate ETF	49 400	3 964	4 365	
TOTAL UNDERLYING FUNDS		30 081	26 413	1.9

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
BONDS				
Australia				
Santos Finance Ltd. 6.875% Sep 19, 2033 USD	5 000	4 980	5 307	
		4 980	5 307	0.4
Bermuda				
Triton Container International Ltd. 1.150% Jun 07, 2024 USD	6 265	5 849	6 114	
		5 849	6 114	0.4
Canada				
Bank of Nova Scotia 4.588% May 04, 2037 USD	3 400	3 400	3 044	
Canadian Imperial Bank of Commerce 6.092% Oct 03, 2033 USD	4 200	4 200	4 485	
Enbridge Inc. 8.500% Jan 15, 2084 USD	3 330	3 330	3 550	
Rogers Communications Inc. 4.550% Mar 15, 2052 USD	2 556	1 943	2 232	
		12 873	13 311	0.9
Chile				
Corp Nacional del Cobre de Chile 6.300% Sep 08, 2053 USD	2 750	2 739	2 796	
Empresa de los Ferrocarriles del Estado 3.830% Sep 14, 2061 USD	5 200	4 233	3 577	
		6 972	6 373	0.5
France				
Electricite de France S.A. 6.900% May 23, 2053 USD	1 960	1 947	2 221	
Electricite de France S.A. 3.000% Perpetual EUR	3 800	3 856	3 835	
Electricite de France S.A. 5.875% Perpetual GBP	2 200	2 859	2 576	
Electricite de France S.A. 6.000% Perpetual GBP	2 700	3 037	3 360	
Electricite de France S.A. 7.500% Perpetual EUR	4 600	4 810	5 557	
Electricite de France S.A. 9.125% Perpetual USD	1 740	1 740	1 947	
Société Générale S.A. 9.375% Perpetual USD	3 094	2 966	3 245	
		21 215	22 741	1.6
Germany				
Commerzbank AG 6.125% Perpetual EUR	2 800	3 176	2 993	
Deutsche Bank AG 4.625% Perpetual EUR	2 600	2 638	2 361	
Deutsche Bank AG 6.750% Perpetual EUR	2 400	2 239	2 470	
		8 053	7 824	0.6
Ireland				
AerCap Ireland Capital DAC / AerCap Global Aviation Trust 4.625% Oct 15, 2027 USD	2 700	2 716	2 646	
AIB Group Plc. 6.608% Sep 13, 2029 USD	2 530	2 530	2 668	
Avolon Holdings Funding Ltd. 3.950% Jul 01, 2024 USD	4 800	4 770	4 737	
Avolon Holdings Funding Ltd. 3.250% Feb 15, 2027 USD	3 370	3 145	3 119	
		13 161	13 170	0.9



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
Italy				
Intesa Sanpaolo S.p.A. 6.625% Jun 20, 2033 USD	4 030	4 027	4 134	
Intesa Sanpaolo S.p.A. 8.248% Nov 21, 2033 USD	3 735	3 736	4 056	
Intesa Sanpaolo S.p.A. 5.875% Perpetual EUR	2 300	2 453	2 522	
UniCredit S.p.A. 3.127% Jun 03, 2032 USD	4 000	3 528	3 384	
		13 744	14 096	1.0
Japan				
Mizuho Financial Group Inc. 5.669% Sep 13, 2033 USD	1 496	1 496	1 546	
Nomura Holdings Inc. 5.605% Jul 06, 2029 USD	3 150	3 150	3 220	
		4 646	4 766	0.3
Mexico				
Mexico Government International Bond 4.000% Mar 15, 2115 EUR	2 900	2 898	2 484	
		2 898	2 484	0.2
Netherlands				
Upjohn Finance BV 1.908% Jun 23, 2032 EUR	2 900	2 856	2 702	
		2 856	2 702	0.2
Norway				
Var Energi ASA 8.000% Nov 15, 2032 USD	6 713	6 758	7 547	
		6 758	7 547	0.5
Singapore				
Pfizer Investment Enterprises Pte Ltd. 5.340% May 19, 2063 USD	3 020	2 961	3 051	
		2 961	3 051	0.2
Spain				
Banco Bilbao Vizcaya Argentaria S.A. 6.000% Perpetual EUR	2 600	2 768	2 868	
CaixaBank S.A. 6.840% Sep 13, 2034 USD	2 211	2 211	2 337	
CaixaBank S.A. 6.750% Perpetual EUR	2 400	2 606	2 652	
		7 585	7 857	0.6
Supranational				
JBS USA LUX S.A. / JBS USA Food Co. / JBS USA Finance Inc. 5.750% Apr 01, 2033 USD	4 230	4 170	4 195	
		4 170	4 195	0.3
Switzerland				
UBS Group AG 7.750% Mar 01, 2029 EUR	8 885	9 612	11 317	
UBS Group AG 9.016% Nov 15, 2033 USD	5 663	5 973	6 966	
Credit Suisse Group AG 9.750% Perpetual USD	2 600	2 600	–	
		18 185	18 283	1.3
United Kingdom				
Barclays Plc. 7.125% Perpetual GBP	2 050	2 429	2 548	
Barclays Plc. 9.250% Perpetual GBP	2 620	2 972	3 337	
HSBC Holdings Plc. 4.755% Jun 09, 2028 USD	3 800	3 800	3 746	
HSBC Holdings Plc. 5.875% Perpetual GBP	3 300	3 663	4 007	
Royalty Pharma Plc. 3.550% Sep 02, 2050 USD	3 900	3 190	2 773	
		16 054	16 411	1.2
United States				
Aircastle Ltd. 2.850% Jan 26, 2028	3 177	2 819	2 837	
Ally Financial Inc. 6.992% Jun 13, 2029	3 200	3 200	3 308	
American Tower Corp. 4.625% May 16, 2031 EUR	2 185	2 384	2 546	
Amgen Inc. 5.750% Mar 02, 2063	3 240	3 210	3 403	
AT&T Inc. 3.650% Sep 15, 2059	4 350	3 494	3 121	
Bank of America Corp. 5.288% Apr 25, 2034	4 060	4 060	4 072	
Bank of America Corp. 2.482% Sep 21, 2036	5 600	4 733	4 438	
Broadcom Inc. 4.926% May 15, 2037	6 158	5 606	5 963	
Charter Communications Operating LLC / Charter Communications Operating Capital 3.850% Apr 01, 2061	3 600	2 882	2 247	
Citigroup Inc. 3.057% Jan 25, 2033	5 100	4 729	4 353	
Citigroup Inc. 4.910% May 24, 2033	2 560	2 560	2 508	
Constellation Energy Generation LLC 6.125% Jan 15, 2034	2 420	2 418	2 592	
Constellation Energy Generation LLC 6.500% Oct 01, 2053	2 170	2 175	2 452	
Discover Financial Services 7.964% Nov 02, 2034	3 400	3 400	3 784	



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
United States (cont.)				
Energy Transfer LP 6.550% Dec 01, 2033	2 380	2 377	2 586	
Energy Transfer LP 6.250% Apr 15, 2049	2 475	2 485	2 565	
Ford Motor Credit Co. LLC 7.122% Nov 07, 2033	2 500	2 504	2 695	
Foundry JV Holdco LLC 5.875% Jan 25, 2034	5 072	4 952	5 215	
Fox Corp. 6.500% Oct 13, 2033	3 720	3 690	4 029	
General Motors Financial Co. Inc. 6.436% Feb 26, 2027	4 100	4 100	4 053	
Global Payments Inc. 5.950% Aug 15, 2052	2 290	2 185	2 338	
Goldman Sachs Group Inc. 2.383% Jul 21, 2032	7 647	6 190	6 285	
KeyBank 4.390% Dec 14, 2027	2 893	2 411	2 723	
KeyBank 6.950% Feb 01, 2028	2 307	2 260	2 351	
KeyCorp 4.789% Jun 01, 2033	3 531	2 900	3 244	
Kyndryl Holdings Inc. 3.150% Oct 15, 2031	5 600	4 695	4 684	
Kyndryl Holdings Inc. 4.100% Oct 15, 2041	3 954	3 066	2 973	
LKQ Corp. 6.250% Jun 15, 2033	1 980	1 966	2 071	
LPL Holdings Inc. 6.750% Nov 17, 2028	2 392	2 390	2 551	
M&T Bank Corp. 7.413% Oct 30, 2029	2 180	2 180	2 347	
M&T Bank Corp. 5.053% Jan 27, 2034	2 900	2 648	2 749	
Meta Platforms Inc. 4.450% Aug 15, 2052	3 152	3 148	2 898	
Micron Technology Inc. 5.875% Sep 15, 2033	3 680	3 662	3 829	
Morgan Stanley 4.889% Jul 20, 2033	3 970	3 970	3 873	
Morgan Stanley 5.250% Apr 21, 2034	3 880	3 880	3 881	
Morgan Stanley 2.484% Sep 16, 2036	5 538	4 715	4 392	
NextEra Energy Capital Holdings Inc. 5.250% Feb 28, 2053	1 247	1 246	1 227	
Oracle Corp. 4.100% Mar 25, 2061	3 400	2 846	2 596	
Ovintiv Inc. 6.250% Jul 15, 2033	3 628	3 627	3 754	
Pilgrim's Pride Corp. 6.250% Jul 01, 2033	2 910	2 890	2 998	
Tapestry Inc. 7.000% Nov 27, 2026	3 870	3 862	4 014	
United States Treasury Note 3.875% Sep 30, 2029	11 400	11 022	11 384	
United States Treasury Note 4.500% Nov 15, 2033	15 400	15 411	16 181	
United States Treasury Note 1.875% Nov 15, 2051	62 400	44 822	39 570	
United States Treasury Note 3.625% May 15, 2053	16 850	14 419	15 624	
United States Treasury Note 4.750% Nov 15, 2053	2 000	2 277	2 250	
Viatris Inc. 4.000% Jun 22, 2050	4 514	2 976	3 181	
Warnermedia Holdings Inc. 5.141% Mar 15, 2052	6 150	6 150	5 283	
Wells Fargo & Co. 5.389% Apr 24, 2034	3 920	3 920	3 939	
Wells Fargo & Co. 5.557% Jul 25, 2034	3 990	3 990	4 064	
Western Midstream Operating LP 6.150% Apr 01, 2033	2 530	2 531	2 632	
		242 033	240 653	17.1
		394 993	396 885	28.2

TOTAL BONDS

MORTGAGE-BACKED SECURITIES

United States

ACM Auto Trust 6.610% Jan 22, 2030	977	977	976	
BX Commercial Mortgage Trust 2021-21M 6.902% Oct 15, 2036	3 325	3 288	3 192	
BX Commercial Mortgage Trust 2022-CSMO 9.250% Jun 15, 2027	5 100	5 074	5 117	
BX Trust 2022-IND 8.201% Apr 15, 2037	4 559	4 546	4 512	
Connecticut Avenue Securities Trust 2022-R01 7.237% Dec 25, 2041	4 121	4 124	4 133	
Connecticut Avenue Securities Trust 2022-R04 8.437% Mar 25, 2042	2 016	2 016	2 083	
Connecticut Avenue Securities Trust 2023-R04 8.887% May 25, 2043	7 676	7 676	8 184	
Connecticut Avenue Securities Trust 2023-R05 8.437% Jun 25, 2043	5 816	5 816	6 087	
Connecticut Avenue Securities Trust 2023-R06 8.037% Jul 25, 2043	1 870	1 870	1 910	
Connecticut Avenue Securities Trust 2023-R08 7.837% Oct 25, 2043	2 750	2 750	2 820	
Dell Equipment Finance Trust 2023-2 6.740% Jul 23, 2029	1 750	1 750	1 762	
Ellington Financial Mortgage Trust 3.469% Nov 25, 2059	1 000	1 003	896	
Exeter Automobile Receivables Trust 4.000% Aug 17, 2026	6 850	6 983	6 796	
Exeter Automobile Receivables Trust 5.560% Jun 15, 2027	2 500	2 528	2 465	
Exeter Automobile Receivables Trust 1.960% Jan 17, 2028	7 000	7 000	6 600	
Exeter Automobile Receivables Trust 3.020% Jun 15, 2028	5 919	5 911	5 606	
Exeter Automobile Receivables Trust 4.560% Jul 17, 2028	6 250	6 250	6 065	



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
United States (cont.)				
Exeter Automobile Receivables Trust 6.680% Apr 16, 2029	1 300	1 300	1 314	
Exeter Automobile Receivables Trust 6.320% Aug 15, 2029	7 925	7 923	7 947	
Fannie Mae Pool (254725) 5.000% May 01, 2033	6	6	6	
Fannie Mae Pool (254793) 5.000% Jul 01, 2033	4	4	4	
Fannie Mae Pool (254868) 5.000% Sep 01, 2033	35	37	36	
Fannie Mae Pool (555800) 5.500% Oct 01, 2033	14	14	15	
Fannie Mae Pool (555880) 5.500% Nov 01, 2033	14	14	14	
Fannie Mae Pool (888283) 5.000% Aug 01, 2034	40	42	41	
Fannie Mae Pool (888890) 6.500% Oct 01, 2037	24	26	25	
Fannie Mae Pool (AE0698) 4.500% Dec 01, 2040	697	748	697	
Fannie Mae Pool (AJ8124) 4.000% Dec 01, 2041	1 583	1 691	1 531	
Fannie Mae Pool (AL0160) 4.500% May 01, 2041	536	575	534	
Fannie Mae Pool (AX0841) 4.000% Sep 01, 2044	805	864	777	
Fannie Mae Pool (AY1394) 3.000% Apr 01, 2045	1 719	1 727	1 572	
Fannie Mae Pool (AY4200) 3.000% May 01, 2045	1 412	1 434	1 291	
Fannie Mae Pool (AZ7353) 3.500% Nov 01, 2045	2 619	2 672	2 446	
Fannie Mae Pool (BC8393) 3.000% Jun 01, 2046	3 385	3 483	3 088	
Fannie Mae Pool (BQ4469) 2.000% Feb 01, 2051	203	211	167	
Fannie Mae Pool (BQ4493) 1.500% Feb 01, 2051	256	259	201	
Fannie Mae Pool (BQ5723) 2.000% Oct 01, 2050	60	62	49	
Fannie Mae Pool (BQ6601) 2.500% Sep 01, 2051	1 761	1 835	1 501	
Fannie Mae Pool (BQ7523) 2.000% Nov 01, 2050	152	160	126	
Fannie Mae Pool (BQ7524) 2.500% Oct 01, 2050	119	126	102	
Fannie Mae Pool (BQ7758) 2.000% Mar 01, 2051	1 548	1 578	1 271	
Fannie Mae Pool (BQ8239) 2.000% Nov 01, 2050	74	77	61	
Fannie Mae Pool (BR0940) 2.000% Apr 01, 2051	913	919	749	
Fannie Mae Pool (BR1037) 2.500% May 01, 2051	1 568	1 642	1 338	
Fannie Mae Pool (BR1114) 1.500% Nov 01, 2050	240	244	188	
Fannie Mae Pool (BR1115) 2.500% Dec 01, 2050	235	251	201	
Fannie Mae Pool (BR2051) 2.500% Jun 01, 2051	1 212	1 263	1 034	
Fannie Mae Pool (BR2234) 2.500% Aug 01, 2051	1 419	1 488	1 209	
Fannie Mae Pool (BT6821) 2.500% Oct 01, 2051	908	941	774	
Fannie Mae Pool (BT7932) 5.500% Oct 01, 2052	3 480	3 496	3 544	
Fannie Mae Pool (BT8271) 4.000% Jul 01, 2052	7 798	7 811	7 380	
Fannie Mae Pool (BT9419) 2.500% Nov 01, 2051	1 391	1 445	1 184	
Fannie Mae Pool (BT9520) 2.500% Dec 01, 2051	1 481	1 522	1 261	
Fannie Mae Pool (BV4205) 3.000% Feb 01, 2052	2 140	2 172	1 894	
Fannie Mae Pool (CA3641) 4.000% Jun 01, 2049	2 977	3 123	2 858	
Fannie Mae Pool (CA4976) 3.000% Jan 01, 2050	2 870	3 035	2 572	
Fannie Mae Pool (CA7317) 2.000% Oct 01, 2050	254	263	208	
Fannie Mae Pool (CA8811) 2.000% Jan 01, 2051	1 811	1 870	1 489	
Fannie Mae Pool (CA9048) 2.000% Feb 01, 2051	1 287	1 335	1 057	
Fannie Mae Pool (CB0063) 2.500% Apr 01, 2051	2 055	2 117	1 753	
Fannie Mae Pool (CB0437) 2.500% May 01, 2051	1 832	1 909	1 562	
Fannie Mae Pool (CB0480) 2.500% May 01, 2051	1 868	1 945	1 594	
Fannie Mae Pool (CB2205) 2.500% Nov 01, 2051	1 154	1 198	983	
Fannie Mae Pool (CB2467) 2.500% Dec 01, 2051	1 449	1 488	1 234	
Fannie Mae Pool (CB2515) 2.500% Dec 01, 2051	1 949	2 002	1 660	
Fannie Mae Pool (CB2524) 2.500% Jan 01, 2052	4 964	5 064	4 227	
Fannie Mae Pool (CB2797) 3.000% Feb 01, 2052	4 068	4 189	3 605	
Fannie Mae Pool (CB2938) 3.000% Feb 01, 2052	1 825	1 862	1 615	
Fannie Mae Pool (CB3227) 3.500% Mar 01, 2052	7 977	8 279	7 323	
Fannie Mae Pool (CB4473) 4.500% Aug 01, 2052	2 687	2 761	2 609	
Fannie Mae Pool (CB4766) 5.000% Sep 01, 2052	1 769	1 812	1 764	
Fannie Mae Pool (CB4768) 5.000% Sep 01, 2052	6 471	6 633	6 476	
Fannie Mae Pool (CB4969) 5.500% Oct 01, 2052	1 141	1 157	1 162	
Fannie Mae Pool (CB5344) 6.500% Dec 01, 2052	7 004	7 319	7 281	
Fannie Mae Pool (CB7202) 6.500% Oct 01, 2053	7 029	7 179	7 206	
Fannie Mae Pool (FM4821) 1.500% Nov 01, 2050	1 924	1 946	1 506	



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
United States (cont.)				
Fannie Mae Pool (FM4959) 2.000% Dec 01, 2050	4 147	4 312	3 409	
Fannie Mae Pool (MA3466) 3.500% Sep 01, 2048	1 456	1 475	1 359	
Fannie Mae Pool (MA3870) 2.500% Dec 01, 2049	2 210	2 272	1 897	
Freddie Mac Gold Pool (A95565) 4.000% Dec 01, 2040	476	472	464	
Freddie Mac Gold Pool (A97047) 4.500% Feb 01, 2041	397	412	397	
Freddie Mac Gold Pool (C03517) 4.500% Sep 01, 2040	70	73	70	
Freddie Mac Gold Pool (C03823) 3.500% Apr 01, 2042	1 063	1 091	1 009	
Freddie Mac Gold Pool (C09007) 3.500% Aug 01, 2042	887	952	839	
Freddie Mac Gold Pool (G01740) 5.500% Dec 01, 2034	7	7	7	
Freddie Mac Gold Pool (G04997) 5.000% Jan 01, 2037	46	50	47	
Freddie Mac Gold Pool (G08477) 3.500% Feb 01, 2042	908	942	861	
Freddie Mac Gold Pool (G08628) 4.000% Feb 01, 2045	1 048	1 125	1 012	
Freddie Mac Gold Pool (G08640) 3.000% May 01, 2045	2 130	2 114	1 951	
Freddie Mac Gold Pool (G08731) 2.500% Nov 01, 2046	2 992	3 110	2 605	
Freddie Mac Gold Pool (G08732) 3.000% Nov 01, 2046	2 350	2 368	2 131	
Freddie Mac Gold Pool (G18303) 4.500% Mar 01, 2024	1	1	1	
Freddie Mac Gold Pool (Q03505) 4.000% Sep 01, 2041	462	477	450	
Freddie Mac Gold Pool (Q10378) 3.000% Aug 01, 2042	751	772	693	
Freddie Mac Gold Pool (Q26814) 4.000% Jun 01, 2044	1 244	1 337	1 204	
Freddie Mac Gold Pool (V81429) 4.000% Nov 01, 2044	571	615	552	
Freddie Mac Pool (QB5148) 2.000% Nov 01, 2050	76	78	62	
Freddie Mac Pool (QB5731) 2.000% Nov 01, 2050	236	248	195	
Freddie Mac Pool (QB5732) 2.500% Nov 01, 2050	265	282	228	
Freddie Mac Pool (QB6982) 2.000% Nov 01, 2050	768	804	630	
Freddie Mac Pool (QC4969) 2.000% Jul 01, 2051	805	826	660	
Freddie Mac Pool (QC9571) 2.500% Oct 01, 2051	1 687	1 741	1 438	
Freddie Mac Pool (QD4183) 2.500% Dec 01, 2051	1 958	2 011	1 668	
Freddie Mac Pool (QD7419) 3.000% Feb 01, 2052	487	494	431	
Freddie Mac Pool (QF4133) 6.000% Nov 01, 2052	2 635	2 725	2 726	
Freddie Mac Pool (RA1108) 3.500% Jul 01, 2049	1 241	1 285	1 156	
Freddie Mac Pool (RA3751) 2.000% Oct 01, 2050	394	409	325	
Freddie Mac Pool (RA3861) 1.500% Oct 01, 2050	116	117	90	
Freddie Mac Pool (RA3862) 2.000% Oct 01, 2050	325	338	267	
Freddie Mac Pool (RA3928) 1.500% Nov 01, 2050	86	88	68	
Freddie Mac Pool (RA3929) 2.000% Oct 01, 2050	102	106	84	
Freddie Mac Pool (RA3974) 2.000% Nov 01, 2050	98	102	81	
Freddie Mac Pool (RA4153) 2.000% Dec 01, 2050	515	537	421	
Freddie Mac Pool (RA4254) 2.000% Dec 01, 2050	1 799	1 876	1 479	
Freddie Mac Pool (RA4274) 1.500% Dec 01, 2050	2 000	2 024	1 563	
Freddie Mac Pool (RA4503) 2.000% Feb 01, 2051	1 258	1 305	1 033	
Freddie Mac Pool (RA4598) 2.000% Feb 01, 2051	1 228	1 275	1 008	
Freddie Mac Pool (RA4745) 2.000% Mar 01, 2051	1 554	1 582	1 276	
Freddie Mac Pool (RA4835) 2.500% Mar 01, 2051	1 825	1 895	1 563	
Freddie Mac Pool (RA4872) 2.500% Apr 01, 2051	1 079	1 115	922	
Freddie Mac Pool (RA4927) 2.000% Mar 01, 2051	1 298	1 317	1 065	
Freddie Mac Pool (RA5197) 2.500% May 01, 2051	1 668	1 741	1 424	
Freddie Mac Pool (RA5234) 2.500% May 01, 2051	247	258	210	
Freddie Mac Pool (RA5404) 2.500% Jun 01, 2051	1 875	1 955	1 598	
Freddie Mac Pool (RA5452) 2.500% Jun 01, 2051	1 351	1 409	1 150	
Freddie Mac Pool (RA5509) 2.500% Jul 01, 2051	750	780	640	
Freddie Mac Pool (RA5541) 2.500% Jul 01, 2051	938	974	799	
Freddie Mac Pool (RA5571) 2.500% Jul 01, 2051	1 326	1 379	1 130	
Freddie Mac Pool (RA5621) 2.500% Aug 01, 2051	1 438	1 506	1 226	
Freddie Mac Pool (RA5951) 2.500% Sep 01, 2051	1 580	1 658	1 347	
Freddie Mac Pool (RA6317) 2.500% Nov 01, 2051	2 805	2 912	2 389	
Freddie Mac Pool (RA6687) 3.000% Jan 01, 2052	2 130	2 208	1 885	
Freddie Mac Pool (RA6743) 2.500% Jan 01, 2052	2 430	2 453	2 069	
Freddie Mac Pool (RA6760) 3.000% Feb 01, 2052	4 627	4 802	4 096	
Freddie Mac Pool (RA6930) 3.500% Mar 01, 2052	2 279	2 347	2 099	



December 31, 2023

	Par Value (000s)	Cost (\$)	Fair Value (\$)	% of Net Assets
United States (cont.)				
Freddie Mac Pool (RA7628) 4.500% Jul 01, 2052	4 688	4 745	4 552	
Freddie Mac Pool (RA7718) 4.500% Jul 01, 2052	6 041	6 143	5 860	
Freddie Mac Pool (SD7504) 3.500% Aug 01, 2049	2 379	2 478	2 215	
Freddie Mac Pool (ZT1545) 4.000% Dec 01, 2048	2 335	2 444	2 247	
Freddie Mac STACR REMIC Trust 2022-DNA1 7.187% Jan 25, 2042	1 100	1 100	1 102	
Freddie Mac STACR REMIC Trust 2022-DNA2 7.737% Feb 25, 2042	8 740	8 740	8 859	
Freddie Mac STACR REMIC Trust 2022-DNA3 7.337% Apr 25, 2042	1 630	1 630	1 646	
Freddie Mac STACR REMIC Trust 2023-DNA1 7.437% Mar 25, 2043	1 527	1 527	1 553	
Freddie Mac Structured Agency Credit Risk Debt Notes 8.687% Jun 25, 2043	8 400	8 400	8 881	
Ginnie Mae I Pool (604337) 5.500% May 15, 2033	4	4	4	
Ginnie Mae I Pool (781778) 5.000% Nov 15, 2033	17	16	17	
Ginnie Mae I Pool (781835) 5.500% Nov 15, 2034	15	15	15	
Ginnie Mae I Pool (781885) 5.000% Mar 15, 2035	26	26	26	
Ginnie Mae II Pool (MA3106) 4.000% Sep 20, 2045	736	789	716	
Ginnie Mae II Pool (MA3873) 3.000% Aug 20, 2046	1 529	1 556	1 406	
Ginnie Mae II Pool (MA4588) 4.500% Jul 20, 2047	970	1 021	962	
Home Partners of America 2021-3 Trust 2.999% Jan 17, 2041	2 848	2 848	2 450	
HONO 2021-LULU Mortgage Trust 6.626% Oct 15, 2036	4 250	4 123	4 075	
MVW 2021-2 LLC 1.830% May 20, 2039	1 502	1 459	1 376	
Santander Drive Auto Receivables Trust 5.770% Nov 15, 2030	3 320	3 319	3 366	
SMRT 2022-MINI 7.312% Jan 15, 2039	7 300	7 300	6 960	
Verus Securitization Trust 3.279% Nov 25, 2059	1 925	1 949	1 757	
Vista Point Securitization Trust 4.151% Mar 25, 2065	2 000	2 047	1 895	
TOTAL MORTGAGE-BACKED SECURITIES		326 728	301 919	21.5
SHORT-TERM INVESTMENTS*		18 319	18 319	1.3
TOTAL INVESTMENTS		1 272 661	1 371 303	97.6
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)			(970)	(0.1)
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)			23	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)			(2 600)	(0.2)
UNREALIZED LOSS ON CREDIT DEFAULT SWAPS (SCHEDULE C)		(3 581)	(4 844)	(0.3)
TOTAL PORTFOLIO		1 269 080	1 362 912	97.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			42 737	3.0
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			1 405 649	100.0

SCHEDULE A

Futures Contracts

	Number of Contracts	Contracted Value (\$)	Unrealized Loss (\$)
Euro – Bobl Future, March 2024			
Contracts at EUR 119.28 per contract	(173)	(22 032)	(436)
Euro-Bund Future, March 2024			
Contracts at EUR 137.22 per contract	(4)	(578)	(19)
Euro-Buxl 30-Year Bond Future, March 2024			
Contracts at EUR 141.72 per contract	(22)	(3 129)	(266)
Euro-Schatz Future, March 2024			
Contracts at EUR 106.55 per contract	(28)	(3 226)	(20)
United Kingdom Long Gilt Future, March 2024			
Contracts at GBP 102.65 per contract	(30)	(3 635)	(229)
TOTAL FUTURES		(32 600)	(970)



December 31, 2023

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain (\$)
Bought CAD 98 Sold USD 72 @ 0.7549	18-Jan-2024	2
Bought CAD 54 Sold USD 40 @ 0.7549	18-Jan-2024	1
Bought CAD 51 Sold USD 37 @ 0.7549	18-Jan-2024	1
Bought CAD 199 Sold USD 144 @ 0.7549	18-Jan-2024	7
Bought GBP 140 Sold USD 174 @ 1.2748	18-Jan-2024	5
Bought EUR 170 Sold USD 184 @ 1.1049	18-Jan-2024	5
Bought EUR 87 Sold USD 95 @ 1.1049	18-Jan-2024	1
Bought CAD 200 Sold USD 150 @ 0.7549	18-Jan-2024	1
		<u>23</u>

Contracts	Maturity Date	Unrealized Loss (\$)
Bought USD 11 188 Sold GBP 9 185 @ 1.2748	18-Jan-2024	(522)
Bought USD 16 543 Sold EUR 15 640 @ 1.1049	18-Jan-2024	(736)
Bought USD 27 137 Sold EUR 25 639 @ 1.1049	18-Jan-2024	(1 191)
Bought USD 293 Sold CAD 400 @ 0.7549	18-Jan-2024	(9)
Bought USD 146 Sold CAD 200 @ 0.7549	18-Jan-2024	(6)
Bought USD 1 195 Sold GBP 960 @ 1.2748	18-Jan-2024	(29)
Bought USD 2 480 Sold GBP 2 000 @ 1.2748	18-Jan-2024	(70)
Bought USD 1 586 Sold EUR 1 459 @ 1.1049	18-Jan-2024	(26)
Bought USD 1 042 Sold EUR 953 @ 1.1049	18-Jan-2024	(11)
		<u>(2 600)</u>

TOTAL FOREIGN EXCHANGE

(2 577)

All counterparties have a credit rating of at least A.

SCHEDULE C

Credit Default Swaps

Reference Entity	Notional Amount (000s)	Currency	Pay/Receive Fixed Rate	Fixed Rate (%)	Expiration Date	Counterparty	Credit Rating	Cost (\$)	Fair Value (\$)	% of Net Assets
Markit CDX North America Investment Grade Index	126 128	USD	Pay	1.00	20-Dec-2028	Morgan Stanley & Company LLC	A+	(1 806)	(2 447)	(0.2)
Markit CDX North America Investment Grade Index	110 334	USD	Pay	1.00	20-Dec-2028	Morgan Stanley & Company LLC	A+	(1 585)	(2 140)	(0.1)
Markit CDX North America Investment Grade Index	13 248	USD	Pay	1.00	20-Dec-2028	Morgan Stanley & Company LLC	A+	(190)	(257)	—
TOTAL CREDIT DEFAULT SWAPS								<u>(3 581)</u>	<u>(4 844)</u>	<u>(0.3)</u>

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 5.40% and mature on January 2, 2024.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2023	December 31 2022
ASSETS		
Investments at fair value	\$ 1 371 303	\$ 1 497 895
Cash	24 167	11 746
Due from investment dealers	1 306	4 334
Subscriptions receivable	334	86
Unrealized gain on futures contracts	–	1 274
Margin receivable	14 513	10 014
Unrealized gain on foreign exchange contracts	23	232
Dividends receivable, interest accrued and other assets	6 456	6 221
TOTAL ASSETS	1 418 102	1 531 802
LIABILITIES		
Due to investment dealers	994	1 777
Redemptions payable	573	904
Payable on open swap contracts	4 844	2 523
Unrealized loss on futures contracts	970	–
Unrealized loss on foreign exchange contracts	2 600	2 148
Distributions payable	794	840
Accounts payable and accrued expenses	1 678	1 877
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	12 453	10 069
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (“NAV”)	\$ 1 405 649	\$ 1 521 733
Investments at cost	\$ 1 269 080	\$ 1 500 159
NAV		
SERIES A	\$ 1 117 283	\$ 1 213 262
SERIES D	\$ 5 222	\$ 4 717
SERIES F	\$ 250 300	\$ 258 613
SERIES I	\$ 29 185	\$ 40 319
SERIES O	\$ 3 659	\$ 4 822
NAV PER UNIT		
SERIES A	\$ 10.83	\$ 10.14
SERIES D	\$ 12.32	\$ 11.45
SERIES F	\$ 12.10	\$ 11.23
SERIES I	\$ 12.23	\$ 11.34
SERIES O	\$ 11.21	\$ 10.31

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2023	2022
INCOME (see note 3 in the generic notes)		
Dividends	\$ 13 489	\$ 17 016
Interest for distribution purposes	38 383	28 825
Interest expense	(3 018)	–
Income from investment trusts	1 734	2 780
Derivative income (loss)	(6 954)	9 474
Net realized gain (loss) on investments	23 741	(59 894)
Change in unrealized gain (loss) on investments and derivatives	101 505	(262 124)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	168 880	(263 923)
Other income (loss)	50	–
Securities lending revenue (see note 7 in the generic notes)	13	–
Net gain (loss) on foreign cash balances	38	(68)
TOTAL OTHER INCOME (LOSS)	101	(68)
TOTAL INCOME (LOSS)	168 981	(263 991)
EXPENSES (see notes – Fund Specific Information)		
Management fees	18 194	21 537
Administration fees	729	860
Independent Review Committee costs	2	2
GST/HST	1 786	2 106
Transaction costs	623	774
Withholding tax	2 076	2 599
TOTAL EXPENSES	23 410	27 878
INCREASE (DECREASE) IN NAV	\$ 145 571	\$ (291 869)
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 113 855	\$ (236 426)
SERIES D	\$ 525	\$ (5 008)
SERIES F	\$ 27 169	\$ (41 722)
SERIES I	\$ 3 513	\$ (7 323)
SERIES O	\$ 509	\$ (1 390)
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 1.01	\$ (1.85)
SERIES D	\$ 1.27	\$ (3.16)
SERIES F	\$ 1.23	\$ (1.83)
SERIES I	\$ 1.08	\$ (1.90)
SERIES O	\$ 1.56	\$ (2.19)



Statements of Cash Flow (in \$000s)

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

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 145 571	\$ (291 869)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Amortization of premium and discounts	-	-
Non-cash dividends	-	-
Non-cash distributions from underlying funds	-	-
Net realized loss (gain) on investments	(23 741)	59 894
Change in unrealized loss (gain) on investments and derivatives	(101 505)	262 124
(Increase) decrease in accrued receivables	1 039	(3 351)
Increase (decrease) in accrued payables	771	(526)
(Increase) decrease in margin accounts	(4 499)	(10 014)
Cost of investments purchased*	(4 509 470)	(7 814 134)
Proceeds from sale and maturity of investments*	4 766 535	7 991 426
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	274 701	193 550
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	64 433	168 469
Cash paid on redemption of redeemable units*	(316 783)	(343 818)
Distributions paid to holders of redeemable units	(9 930)	(10 290)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (262 280)	\$ (185 639)
Net increase (decrease) in cash for the period	12 421	7 911
Cash (bank overdraft), beginning of period	11 746	3 835
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 24 167	\$ 11 746
Interest received (paid) [†]	\$ 35 199	\$ 26 167
Income from investment trusts received (paid) ^{†‡}	\$ 1 474	\$ 2 548
Dividends received (paid) ^{†‡}	\$ 11 545	\$ 15 248

* 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		Series D		Series F		Series I	
	2023	2022	2023	2022	2023	2022	2023	2022
NAV AT BEGINNING OF PERIOD	\$ 1 213 262	\$ 1 621 743	\$ 4 717	\$ 64 443	\$ 258 613	\$ 256 543	\$ 40 319	\$ 51 816
INCREASE (DECREASE) IN NAV	113 855	(236 426)	525	(5 008)	27 169	(41 722)	3 513	(7 323)
Early redemption fees	–	–	–	–	–	(3)	–	–
Proceeds from redeemable units issued	46 573	127 106	454	4 154	36 194	126 549	231	1 413
Reinvestments of distributions to holders of redeemable units	34 090	39 165	129	612	5 633	6 015	406	718
Redemption of redeemable units	(250 356)	(292 582)	(440)	(58 927)	(68 770)	(79 827)	(14 044)	(4 807)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(169 693)	(126 311)	143	(54 161)	(26 943)	52 734	(13 407)	(2 676)
Distributions from net income	(18 409)	(20 818)	(75)	(254)	(3 916)	(4 069)	(569)	(682)
Distributions from net gains	(6 639)	–	(27)	–	(1 412)	–	(205)	–
Distributions from capital	(15 093)	(24 926)	(61)	(303)	(3 211)	(4 873)	(466)	(816)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(40 141)	(45 744)	(163)	(557)	(8 539)	(8 942)	(1 240)	(1 498)
NET INCREASE (DECREASE) IN NAV	(95 979)	(408 481)	505	(59 726)	(8 313)	2 070	(11 134)	(11 497)
NAV AT END OF PERIOD	\$ 1 117 283	\$ 1 213 262	\$ 5 222	\$ 4 717	\$ 250 300	\$ 258 613	\$ 29 185	\$ 40 319

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2023	2022	2023	2022
NAV AT BEGINNING OF PERIOD	\$ 4 822	\$ 5 905	\$ 1 521 733	\$ 2 000 450
INCREASE (DECREASE) IN NAV	509	(1 390)	145 571	(291 869)
Early redemption fees	–	–	–	(3)
Proceeds from redeemable units issued	4 895	13 156	88 347	272 378
Reinvestments of distributions to holders of redeemable units	50	157	40 308	46 667
Redemption of redeemable units	(6 508)	(12 791)	(340 118)	(448 934)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(1 563)	522	(211 463)	(129 892)
Distributions from net income	(50)	(98)	(23 019)	(25 921)
Distributions from net gains	(18)	–	(8 301)	–
Distributions from capital	(41)	(117)	(18 872)	(31 035)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(109)	(215)	(50 192)	(56 956)
NET INCREASE (DECREASE) IN NAV	(1 163)	(1 083)	(116 084)	(478 717)
NAV AT END OF PERIOD	\$ 3 659	\$ 4 822	\$ 1 405 649	\$ 1 521 733



December 31, 2023

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide regular U.S. dollar monthly income and modest capital growth.

Effective June 30, 2016, Series I units of the Fund are capped and are no longer available for purchase by new investors. Existing investors who hold Series I units of the Fund can continue to make additional investments into this series.

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

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 50.1% (December 31, 2022 – 50.0%) of the NAV of the Fund. The table below summarizes the Fund’s credit risk exposure grouped by credit ratings as at:

Rating	December 31 2023	December 31 2022
AAA	34.6	35.3
AA	6.2	4.8
A	8.6	12.6
BBB	45.5	45.4
BB	5.1	1.9
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 2023	December 31 2022
United States Equities	44.7	45.0
International Bonds	27.3	25.5
Mortgage-Backed Securities	21.5	23.6
Underlying Funds	1.9	2.9
Canadian Bonds	0.9	0.5
Cash/Other	3.7	2.5
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 49.7% (December 31, 2022 – 50.8%) of the NAV of the Fund. The table below summarizes the Fund’s exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2023	December 31 2022
Less than 1 year	1.6	–
1 – 5 years	8.7	13.9
5 – 10 years	23.2	20.4
> 10 years	66.5	65.7
Total	100.0	100.0

As at December 31, 2023, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively, by approximately 3.5% (December 31, 2022 – 3.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 10% change in the broad-based index (noted below) on the Fund’s NAV, using a 36-month historical correlation of data of the Fund’s return and the index, with all other factors kept constant, as at:

	December 31 2023	December 31 2022
S&P 500 Total Return Index (USD)	+ or - 5.7	+ or - 5.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

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

December 31, 2023	Level 1	Level 2	Level 3	Total
Equities	627 767	–	–	627 767
Underlying funds	26 413	–	–	26 413
Fixed-income				
and debt securities	–	698 804	–	698 804
Short-term investments	–	18 319	–	18 319
Derivatives – assets	–	23	–	23
Derivatives – liabilities	(970)	(7 444)	–	(8 414)
Total financial instruments	653 210	709 702	–	1 362 912
% of total portfolio	47.9	52.1	–	100.0



December 31, 2023

December 31, 2022	Level 1	Level 2	Level 3	Total
Equities	686 645	–	–	686 645
Underlying funds	43 852	–	–	43 852
Fixed-income and debt securities	–	754 785	–	754 785
Short-term investments	–	12 613	–	12 613
Derivatives – assets	1 274	232	–	1 506
Derivatives – liabilities	–	(4 671)	–	(4 671)
Total financial instruments	731 771	762 959	–	1 494 730
% of total portfolio	49.0	51.0	–	100.0

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

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

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

	Management fees	Administration fees
Series A	1.40%	0.05%
Series D	0.80%	0.05%
Series F	0.65%	0.05%
Series I	0.60%	0.05%
Series O	n/a*	0.02%

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

Investments by related parties (USD000s except unit amounts)

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

	December 31 2023	December 31 2022
Units held		
Series A	156	150
Series I	151	146
Series O	124	120
Value of all units	5	4

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

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

	December 31 2023		December 31 2022	
	NAV	Ownership	NAV	Ownership
iShares J.P. Morgan USD Emerging Markets Bond ETF	1.6	0.1	1.4	0.1
Utilities Select Sector SPDR Fund	–	–	0.5	–
Vanguard Real Estate ETF	0.3	–	1.0	–

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

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

As at December 31, 2023	
Capital losses	3 839
Non-capital losses	–

Redeemable units (000s)

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

For the periods ended December 31 (see note 2 in the generic notes)	2023	2022
Series A		
Opening units	119 514	131 765
Issued number of units	4 480	11 216
Reinvested number of units	3 287	3 677
Redeemed number of units	(24 142)	(27 144)
Ending number of units	103 139	119 514
Series D		
Opening units	412	4 673
Issued number of units	38	316
Reinvested number of units	11	36
Redeemed number of units	(37)	(4 613)
Ending number of units	424	412



December 31, 2023

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

	2023	2022
Series F		
Opening units	23 018	19 001
Issued number of units	3 144	10 250
Reinvested number of units	488	521
Redeemed number of units	(5 961)	(6 754)
Ending number of units	20 689	23 018
Series I		
Opening units	3 554	3 804
Issued number of units	19	111
Reinvested number of units	35	61
Redeemed number of units	(1 222)	(422)
Ending number of units	2 386	3 554
Series O		
Opening units	467	480
Issued number of units	463	1 161
Reinvested number of units	5	6
Redeemed number of units	(609)	(1 180)
Ending number of units	326	467

Transaction costs (USD000s except %)

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

	December 31		December 31	
	2023	2022	2023	2022
	\$	%	\$	%
Total transaction costs	623	100	774	100
Related-party brokerage commissions*	47	8	54	7
Commission arrangements†	53	9	68	9

* 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 (USD000s except %) (see note 7 in the generic notes)

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

	December 31	December 31
	2023	2022
Fair value of securities loaned	73 497	–
Fair value of collateral received	74 967	–

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		December 31	
	2023	2022	2023	2022
	\$	%	\$	%
Gross revenue	18	100	–	–
RBC IS (paid)	(4)	(20)	–	–
Tax withheld	(1)	(5)	–	–
Fund revenue	13	75	–	–

Offsetting financial assets and liabilities (USD000s) (see note 3 in the generic notes)

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

December 31, 2023	Assets	Liabilities
Gross amounts – assets (liabilities)	23	(7 444)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	23	(7 444)
Related amounts not set-off	(13)	13
Collateral (received) pledged	–	6 105
Net amount	10	(1 326)

December 31, 2022	Assets	Liabilities
Gross amounts – assets (liabilities)	232	(4 671)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	232	(4 671)
Related amounts not set-off	(35)	35
Collateral (received) pledged	–	2 577
Net amount	197	(2 059)

December 31, 2023

1. The Funds

The Funds (“Fund” or “Funds”) are open-ended mutual fund trusts governed by the laws of the Province of Ontario or British Columbia. RBC Global Asset Management Inc. (“RBC GAM”) is the manager and portfolio manager of the Funds and its head office is located at 155 Wellington Street West, 22nd Floor, Toronto, Ontario. RBC GAM is also the trustee of those Funds governed by the laws of the Province of Ontario. These financial statements were approved for issuance by the Board of Directors of RBC GAM on March 7, 2024.

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

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

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

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

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

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

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

Series I units have no sales charges, have lower fees than Series F units, Series FT5 units and Series FT8 units and are only available to investors who invest and maintain the required minimum balance and who have accounts with dealers who have signed a fee-based agreement with RBC GAM.

Series N units are only available to related funds.

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

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

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

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

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

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

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

2. Financial year

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

3. Material accounting policy information

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

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

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

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

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

Classification of Redeemable Units The Funds have multiple features across the different series of the Funds. Consequently, the Funds’ outstanding redeemable units are classified as financial liabilities in accordance with the requirements of IAS 32 Financial Instruments: Presentation.

Unconsolidated Structured Entities The Funds may invest in other Funds and exchange-traded funds (“ETFs”) managed by the manager or an affiliate of the manager (“sponsored funds”) and may invest in other funds and ETFs managed by unaffiliated entities (“unsponsored funds”); collectively, “underlying funds.” The underlying funds are determined to be unconsolidated structured entities, as decision making in the underlying fund is not governed by the voting rights or other similar rights held by the Fund. The investments in underlying funds are subject to the terms and conditions of the offering documents of the respective underlying funds and are susceptible to market price risk arising from uncertainties about future values of those underlying funds. The underlying funds’ objectives are generally to achieve long-term capital appreciation and/or current income by

investing in a portfolio of securities and other funds in line with each of their documented investment strategies. The underlying funds apply various investment strategies to accomplish their respective investment objectives.

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

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

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

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

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

Determination of Fair Value The fair value of a financial instrument is the amount at which the financial instrument could be exchanged in an arm's-length transaction between knowledgeable and willing parties under no compulsion to act. In determining fair value, a three-tier hierarchy based on inputs is used to value the Funds' financial instruments. The hierarchy of inputs is summarized below:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), including broker quotes, vendor prices, vendor fair value factors and prices of underlying funds that are not daily traded; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Changes in valuation methods may result in transfers into or out of an investment's assigned level.

The three-tier hierarchy of investments and derivatives is included in Notes to Financial Statements – Fund Specific Information.

Investments and derivatives are recorded at fair value, which is determined as follows:

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

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

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

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

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

December 31, 2023

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

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

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

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

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

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

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

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

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

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

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

December 31, 2023

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

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

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

Fair Valuation of Investments – The Funds have procedures to determine the fair value of securities and other financial instruments for which market prices are not readily available or which may not be reliably priced. Procedures are in place to determine the fair value of foreign securities traded in countries outside of North America daily to avoid stale prices and to take into account, among other things, any significant events occurring after the close of a foreign market.

Management also has procedures where the Funds primarily employ a market-based approach, which may use related or comparable assets or liabilities, NAV per unit (for exchange-traded funds), recent transactions, market multiples, book values and other relevant information for the investment to determine its fair value. The Funds may also use an income-based valuation approach in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments, but only if they arise as a feature of the instrument itself. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

All security valuation techniques are periodically reviewed by the Valuation Committee (“VC”) of the manager and are approved by the manager. The VC provides oversight of the Funds’ valuation policies and procedures.

Cash Cash is comprised of cash and deposits with banks and is recorded at amortized cost. The carrying amount of cash approximates its fair value because it is short term in nature.

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

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

Foreign Exchange The value of investments and other assets and liabilities in foreign currencies is translated into Canadian dollars (U.S. dollars in the case of the USD Funds) at the rate of exchange on each valuation date. Gains/losses on foreign cash balances are included in “Net gain (loss) on foreign cash balances” in the Statements of Comprehensive Income. Purchases and sales of investments, income and expenses are translated at the rate of exchange prevailing on the respective dates of such transactions. Realized foreign exchange gains/losses on spot and forward currency contracts are included in “Derivative income (loss)” in the Statements of Comprehensive Income.

Valuation of Series A different NAV is calculated for each series of units of a Fund. The NAV of a particular series of units is computed by calculating the value of the series' proportionate share of the assets and liabilities of the Fund common to all series less the liabilities of the Fund attributable only to that series. Expenses directly attributable to a series are charged to that series. Other expenses are allocated proportionately to each series based upon the relative NAV of each series. Expenses are accrued daily.

Investment Transactions Investment transactions are accounted for as of the trade date. Transaction costs, such as brokerage commissions, incurred by the Funds are recorded in the Statements of Comprehensive Income for the period. The unrealized gain and loss on investments is the difference between fair value and average cost for the period. The basis of determining the cost of portfolio assets, and realized and unrealized gains and losses on investments, is average cost which does not include amortization of premiums or discounts on fixed-income and debt securities with the exception of zero coupon bonds and short-term investments.

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

Increase (Decrease) in NAV per Unit Increase (decrease) in NAV per unit in the Statements of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units by series, divided by the average units outstanding per series during the period.

Early Redemption Fees Early redemption fees (short-term trading fees) are paid directly to a Fund and are designed to deter excessive trading and its associated costs. With the exception of money market funds, a Fund may apply a fee of 2% of the current value of units if the unitholder redeems or switches out units within seven days of purchasing or previously switching into a Fund. These amounts are included in the Statements of Changes in NAV.

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

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

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

4. Critical accounting judgments and estimates

The preparation of financial statements requires the use of judgment in applying the Funds' accounting policies and making estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that management has made in preparing the financial statements.

Fair value measurement of securities not quoted in an active market

The Funds have established policies and control procedures that are intended to ensure these estimates are well controlled, independently reviewed and consistently applied from period to period. The estimates of the value of the Funds' assets and liabilities are believed to be appropriate as at the reporting date.

The Funds may hold financial instruments that are not quoted in active markets. Note 3 discusses the policies used by management for the estimates used in determining fair value.

5. Financial instrument risk and capital management

RBC GAM is responsible for managing each Fund's capital, which is its NAV and consists primarily of its financial instruments.

A Fund's investment activities expose it to a variety of financial risks. RBC GAM seeks to minimize potential adverse effects of these risks on a Fund's performance by employing professional, experienced portfolio managers, daily monitoring of the Fund's holdings and market events, diversifying its investment portfolio within the constraints of its investment objectives and, in some cases, periodically hedging certain risk exposures through the use of derivatives. To assist in managing risks, RBC GAM also uses internal guidelines, maintains a governance structure that oversees each Fund's investment activities and monitors compliance with the Fund's investment strategies, internal guidelines and securities regulations.

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

Financial instrument risk, as applicable to a Fund, is disclosed in its Notes to Financial Statements – Fund Specific Information. These risks include a Fund's direct risks and pro rata exposure to the risks of underlying funds, as applicable.

Liquidity risk

Liquidity risk is the possibility that investments in a Fund cannot be readily converted into cash when required. A Fund is exposed to daily cash redemptions of redeemable units. Liquidity risk is managed by investing the majority of a Fund's assets in investments that are traded in an active market and that can be readily disposed. In accordance with securities regulations, a Fund must maintain at least 90% of its assets in liquid investments. In addition, a Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity, and has the ability to borrow up to 5% of its NAV for the purpose of funding redemptions. All non-derivative financial liabilities, other than redeemable units, are due within 90 days.

Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty not being able to meet its financial obligations. The carrying amount of investments and other assets represents the maximum credit risk exposure as disclosed in a Fund's Statements of Financial Position.

The Funds measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. All other receivables, amounts due from brokers, cash, margin and short-term deposits are held with counterparties with a credit rating of BBB- or higher. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognized based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Funds. The fair value of fixed-income and debt securities includes a consideration of the creditworthiness of the debt issuer. Credit risk exposure to over-the-counter derivative instruments is based on a Fund's unrealized gain on the contractual obligations with the counterparty. Credit risk exposure is mitigated for those Funds participating in a securities lending program (see note 7). RBC GAM monitors each Fund's credit exposure and counterparty ratings daily.

Concentration risk

Concentration risk arises as a result of net financial instrument exposures to the same category, such as geographical region, asset type, industry sector or market segment. Financial instruments in the same category have similar characteristics and may be affected similarly by changes in economic or other conditions.

Interest rate risk

Interest rate risk is the risk that the fair value of a Fund's interest-bearing investments will fluctuate due to changes in market interest rates. The value of fixed-income and debt securities, such as bonds, debentures, mortgages or other income-producing securities, is affected by interest rates. Generally, the value of these securities increases if interest rates fall and decreases if interest rates rise.

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

Currency risk

Currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of a Fund, will fluctuate due to changes in foreign exchange rates. The value of investments denominated in a currency other than the functional currency is affected by changes in the value of the functional currency in relation to the value of the currency in which the investment is denominated. When the value of the functional currency falls in relation to foreign currencies, then the value of the foreign investments rises. When the value of the functional currency rises, the value of the foreign investments falls. The currency risk as disclosed in the Fund Specific Information in the Notes to Financial Statements represents the monetary and non-monetary foreign exchange exposure of a Fund.

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

6. Taxes

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

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

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

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

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

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

December 31, 2023

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

7. Securities lending revenue

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

8. Administrative and other related-party transactions

Manager and Portfolio Manager

RBC GAM is an indirect wholly owned subsidiary of Royal Bank of Canada ("Royal Bank"). RBC GAM is the manager and portfolio manager of the Funds. RBC GAM is responsible for the Funds' day-to-day operations, provides investment advice and portfolio management services to the Funds and appoints distributors for the Funds. RBC GAM is paid a management fee by the Funds as compensation for its services. The management fee is calculated and accrued daily as a percentage of the NAV of each series of units of the Funds. No management fees are paid by the Funds with respect to Series O units. Unitholders of Series O units pay a negotiated fee directly to RBC GAM for investment-counselling services.

The Funds pay a fixed administration fee to RBC GAM. The fixed administration fee is calculated and accrued daily as a percentage of the NAV of each series of units of the Funds. RBC GAM in turn pays certain operating expenses of the Funds. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees and the costs of preparing and distributing annual and interim reports, prospectuses, statements and investor communications.

Notwithstanding the fixed administration fee, the Funds also pay certain operating expenses directly, including any costs and expenses of the Independent Review Committee ("IRC") of the Funds that are not related to annual fees, meeting fees and reimbursement for expenses to members of the IRC, the cost of any new government or regulatory requirements introduced and any borrowing costs (collectively, "other fund costs"), and taxes (including, but not limited to, GST/HST). RBC GAM, not the Funds, is responsible for the costs related to annual fees, meeting fees and reimbursement for expenses to members of the IRC. Other fund costs are allocated proportionately to each series based upon the relative NAV of each series. RBC GAM may, in some years and in certain cases, absorb a portion of operating expenses. The decision to absorb the operating expenses is reviewed annually and determined at the discretion of RBC GAM, without notice to unitholders.

Certain Funds may invest in units of other Funds managed by RBC GAM or its affiliates ("underlying funds"). A Fund will not invest in units of an underlying fund if the Fund would be required to pay any management or incentive fees in respect of that investment that a reasonable person would believe duplicates a fee payable by the underlying fund for the same service. To the extent a Fund invests in underlying funds managed by RBC GAM or its affiliates, the fees and expenses payable by the underlying funds are in addition to the fees and expenses payable by the Fund. However, a Fund may only invest in one or more underlying funds provided that no management fees or incentive fees are payable that would duplicate a fee payable by the underlying fund for the same service. The Fund's ownership interest in underlying funds is disclosed in the Notes to Financial Statements – Fund Specific Information.

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

Sub-Advisors

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

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

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

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

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

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

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

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

December 31, 2023

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

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

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

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

RBC Asian Equity Fund (for the underlying funds)

RBC Asia Pacific ex-Japan Equity Fund

RBC China Equity Fund

RBC Japanese Equity Fund

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

Trustee

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

Distributors

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

Custodian

RBC IS is the custodian and holds the assets of the Funds. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Funds.

Registrars

RBC GAM, RBC IS or Royal Bank (or a combination thereof) are the registrars of the Funds and keep records of who owns the units of the Funds. The registrars also process orders and issue account statements. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Funds.

Brokers and Dealers

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

Securities Lending Agent

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

Mortgage Administrator Agent

Royal Bank may administer mortgages on behalf of the Funds. Royal Bank earns a fee, which is paid by the manager from the fixed administration fee paid by the Funds.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Funds relied on the standing instructions from the IRC with respect to one or more of the following transactions:

Related-Party Trading Activities

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

Inter-Fund Trading

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

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the IRC of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced

December 31, 2023

by considerations other than the best interests of the Funds, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Funds. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

9. Auditor fees

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