

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

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



Damon G. Williams, FSA, FCIA, CFA
Chief Executive Officer
RBC Global Asset Management Inc.
August 9, 2021



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

Unaudited Interim Financial Statements

The accompanying interim financial statements have not been reviewed by the external auditors of the Funds. The external auditors will be auditing the annual financial statements of the Funds in accordance with Canadian generally accepted auditing standards.



SCHEDULE OF INVESTMENT PORTFOLIO (unaudited) (in \$000s)
RBC CANADIAN EQUITY FUND

June 30, 2021

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
CANADIAN EQUITIES				
Communication Services				
354 907	BCE Inc.	\$ 13 116	\$ 21 695	
355 155	Rogers Communications Inc., Class B	20 130	23 405	
360 182	Shaw Communications Inc., Class B	8 634	12 934	
921 754	TELUS Corp.	20 966	25 625	
		62 846	83 659	3.6
Consumer Discretionary				
41 266	Canadian Tire Corp. Ltd., Class A	6 434	8 095	
333 610	Dollarama Inc.	17 692	18 929	
33 642	Linamar Corp.	2 609	2 616	
265 760	Magna International Inc., Class A	19 568	30 501	
310 584	Restaurant Brands International Inc.	24 647	24 806	
		70 950	84 947	3.7
Consumer Staples				
484 509	Alimentation Couche-Tard Inc.	15 994	22 069	
247 091	Empire Co. Ltd., Class A	9 718	9 661	
178 430	George Weston Ltd.	17 330	21 082	
165 845	Loblaw Companies Ltd.	11 080	12 652	
303 115	Maple Leaf Foods Inc.	6 624	7 799	
249 897	Metro Inc., Class A	13 714	14 851	
		74 460	88 114	3.8
Energy				
991 588	ARC Resources Ltd.	13 038	10 461	
233 596	Brookfield Business Partners LP	9 882	13 385	
369 416	Cameco Corp.	6 327	8 776	
997 000	Canadian Natural Resources Ltd.	32 853	44 864	
887 909	Cenovus Energy Inc.	12 189	10 530	
1 374 011	Enbridge Inc.	61 683	68 192	
283 656	Gibson Energy Inc.	5 999	6 737	
108 867	Imperial Oil Ltd.	5 024	4 113	
113 638	Inter Pipeline Ltd.	1 505	2 290	
371 902	Keyera Corp.	11 443	12 388	
300 000	Parkland Corp.	11 452	12 018	
419 326	Pembina Pipeline Corp.	17 350	16 517	
215 827	PrairieSky Royalty Ltd.	6 478	3 240	
1 747 699	Suncor Energy Inc.	57 159	51 889	
884 345	TC Energy Corp.	48 410	54 246	
		300 792	319 646	13.9
Financials				
359 168	Bank of Montreal	26 822	45 636	
848 790	Bank of Nova Scotia	53 966	68 429	
1 161 973	Brookfield Asset Management Inc., Class A	28 351	73 483	
8 013	Brookfield Asset Management Reinsurance Partners Ltd.	553	417	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
431 556	Canadian Imperial Bank of Commerce	\$ 45 263	\$ 60 897	
195 535	CI Financial Corp.	3 456	4 448	
536 198	Element Fleet Management Corp.	4 178	7 753	
76 762	iA Financial Corp Inc.	4 950	5 181	
151 402	Intact Financial Corp.	20 619	25 498	
1 179 417	Manulife Financial Corporation	23 984	28 778	
285 149	National Bank of Canada	20 112	26 453	
202 249	Onex Corporation	13 691	18 204	
166 327	Power Corporation of Canada	5 013	6 517	
1 209 361	Royal Bank of Canada*	92 927	151 884	
646 017	Sun Life Financial Inc.	30 100	41 293	
1 157 810	Toronto-Dominion Bank	57 719	100 579	
		431 704	665 450	28.8
Health Care				
990 649	Chartwell Retirement Residences Real Estate Investment Trust	11 380	13 126	
94 648	Canopy Growth Corp.	3 724	2 838	
		15 104	15 964	0.7
Industrials				
420 688	Air Canada	9 717	10 728	
333 628	Ballard Power Systems Inc.	9 915	7 500	
401 532	Canadian National Railway Co.	22 719	52 516	
495 467	Canadian Pacific Railway Ltd.	25 971	47 228	
87 539	Cargojet Inc.	16 379	16 110	
424 586	Finning International Inc.	11 400	13 778	
399 549	NFI Group Inc.	7 673	11 255	
301 837	SNC-Lavalin Group Inc.	11 141	9 734	
211 218	Stantec Inc.	9 342	11 682	
74 169	Thomson Reuters Corp.	3 401	9 132	
298 805	Transcontinental Inc., Class A	6 374	6 956	
108 756	Waste Connections Inc.	9 887	16 107	
		143 919	212 726	9.2
Information Technology				
229 297	CGI Inc.	20 962	25 771	
9 989	Constellation Software Inc.	16 394	18 753	
125 968	Enghouse Systems Ltd.	9 150	6 952	
38 460	Kinaxis Inc.	5 047	6 272	
51 946	Lightspeed POS Inc.	4 342	5 389	
429 916	Open Text Corp.	22 180	27 063	
68 467	Shopify Inc., Class A	95 225	124 122	
130 815	TELUS International CDA Inc.	4 187	5 036	
		177 487	219 358	9.5
Materials				
173 048	Agnico Eagle Mines Ltd.	8 209	12 972	
462 366	Alamos Gold Inc., Class A	4 172	4 379	
652 049	B2Gold Corp.	2 390	3 391	
1 039 331	Barrick Gold Corp.	24 238	26 648	
4 071 430	Beretta Farms Inc.† (Private)	5 700	122	

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



June 30, 2021

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
198 499	CCL Industries, Class B	\$ 11 161	\$ 13 552	
189 077	Endeavour Mining Corp.	3 906	5 033	
561 872	First Quantum Minerals Ltd.	6 846	16 053	
122 150	Franco-Nevada Corp.	16 587	21 974	
39 285	Interfor Corp.	466	1 219	
547 949	K92 Mining Inc.	2 836	4 910	
877 041	Kinross Gold Corp.	7 052	6 894	
182 470	Kirkland Lake Gold Ltd.	5 960	8 717	
91 380	MAG Silver Corp.	1 744	2 369	
509 393	Nutrien Ltd.	33 819	38 261	
165 559	Pan American Silver Corp.	5 691	5 861	
216 646	SilverCrest Metals Inc.	2 186	2 353	
153 070	SSR Mining Inc.	4 395	2 963	
481 920	Teck Resources Ltd., Class B	10 171	13 759	
218 651	Torex Gold Resources Inc.	3 544	3 122	
323 605	Wheaton Precious Metals Corp.	13 333	17 682	
579 130	Yamana Gold Inc.	3 808	3 023	
		<u>178 214</u>	<u>215 257</u>	<u>9.3</u>
Real Estate				
155 234	Allied Properties Real Estate Investment Trust	5 628	6 993	
298 026	Brookfield Property Partners LP	6 237	6 995	
146 975	Canadian Apartment Properties Real Estate Investment Trust	7 315	8 542	
535 331	Choice Properties Real Estate Investment Trust	6 889	7 650	
37 117	Colliers International Group Inc.	4 621	5 153	
361 539	DREAM Unlimited Corp.	4 814	9 574	
482 992	Killam Apartment Real Estate Investment Trust	8 447	9 790	
169 563	Real Matters Inc.	4 391	3 032	
529 530	RioCan Real Estate Investment Trust	10 212	11 692	
916 144	Tricon Residential Inc.	10 227	13 064	
		<u>68 781</u>	<u>82 485</u>	<u>3.6</u>
Utilities				
387 237	AltaGas Ltd.	7 000	10 076	
127 714	Atco Ltd., Class I, Non-Voting	5 441	5 614	
327 159	Boralex Inc., Class A	10 544	12 350	
166 195	Brookfield Infrastructure Partners LP	8 896	11 438	
367 703	Fortis Inc.	16 751	20 176	
278 989	Northland Power Inc.	10 577	11 798	
1 096 107	TransAlta Corp.	7 564	13 537	
		<u>66 773</u>	<u>84 989</u>	<u>3.7</u>
TOTAL CANADIAN EQUITIES		<u>1 591 030</u>	<u>2 072 595</u>	<u>89.8</u>
UNITED STATES EQUITIES				
Communication Services				
3 713	Alphabet Inc., Class A	3 851	11 239	
		<u>3 851</u>	<u>11 239</u>	<u>0.5</u>
Financials				
29 750	Berkshire Hathaway Inc., Class B	5 403	10 249	
		<u>5 403</u>	<u>10 249</u>	<u>0.4</u>

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
48 740	Edwards Lifesciences Corp.	\$ 5 341	\$ 6 258	
23 294	UnitedHealth Group Incorporated	1 923	11 563	
		<u>7 264</u>	<u>17 821</u>	<u>0.8</u>
Industrials				
20 000	Honeywell International Inc.	5 494	5 438	
60 000	Otis Worldwide Corp.	5 322	6 082	
50 000	Quanta Services Inc.	5 348	5 614	
		<u>16 164</u>	<u>17 134</u>	<u>0.7</u>
Information Technology				
54 836	Microsoft Corp.	3 289	18 414	
20 000	Mastercard Inc.	8 754	9 051	
		<u>12 043</u>	<u>27 465</u>	<u>1.2</u>
Utilities				
127 600	Dominion Energy Inc.	12 013	11 637	
		<u>12 013</u>	<u>11 637</u>	<u>0.5</u>
TOTAL UNITED STATES EQUITIES		<u>56 738</u>	<u>95 545</u>	<u>4.1</u>
TOTAL EQUITIES		<u>1 647 768</u>	<u>2 168 140</u>	<u>93.9</u>
UNDERLYING FUNDS				
16 910 582	RBC Canadian Small & Mid-Cap Resources Fund - Series O*	157 676	102 774	
TOTAL UNDERLYING FUNDS		<u>157 676</u>	<u>102 774</u>	<u>4.5</u>
SHORT-TERM INVESTMENTS[‡]		<u>35 101</u>	<u>35 101</u>	<u>1.5</u>
TOTAL INVESTMENTS		<u>1 840 545</u>	<u>2 306 015</u>	<u>99.9</u>
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		–	299	–
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		–	(775)	–
TOTAL PORTFOLIO		<u>\$ 1 840 545</u>	<u>2 305 539</u>	<u>99.9</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			<u>1 396</u>	<u>0.1</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			<u>\$ 2 306 935</u>	<u>100.0</u>

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



June 30, 2021

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 3 154 Sold USD 2 500 @ 1.2614	08-Jul-2021	\$ 55
Bought USD 912 Sold CAD 1 128 @ 0.8087	08-Jul-2021	3
Bought CAD 469 Sold USD 375 @ 1.2499	23-Jul-2021	4
Bought CAD 1 843 Sold USD 1 470 @ 1.2534	28-Jul-2021	20
Bought USD 1 000 Sold CAD 1 221 @ 0.8193	28-Jul-2021	19
Bought CAD 1 047 Sold USD 831 @ 1.2603	30-Jul-2021	17
Bought CAD 2 481 Sold USD 2 001 @ 1.2400	03-Aug-2021	1
Bought USD 3 915 Sold CAD 4 730 @ 0.8277	06-Aug-2021	123
Bought USD 45 Sold CAD 54 @ 0.8257	09-Aug-2021	1
Bought USD 1 600 Sold CAD 1 928 @ 0.8299	16-Aug-2021	56
		\$ 299

Contracts	Maturity Date	Unrealized Loss
Bought CAD 8 800 Sold USD 7 163 @ 1.2286	05-Aug-2021	\$ (79)
Bought CAD 8 426 Sold USD 6 866 @ 1.2272	11-Aug-2021	(85)
Bought CAD 968 Sold USD 800 @ 1.2105	12-Aug-2021	(23)
Bought CAD 886 Sold USD 730 @ 1.2143	13-Aug-2021	(18)
Bought CAD 1 931 Sold USD 1 600 @ 1.2066	23-Aug-2021	(53)
Bought CAD 3 793 Sold USD 3 143 @ 1.2067	24-Aug-2021	(106)
Bought CAD 1 381 Sold USD 1 120 @ 1.2332	27-Aug-2021	(7)
Bought CAD 986 Sold USD 811 @ 1.2162	31-Aug-2021	(19)
Bought CAD 1 931 Sold USD 1 600 @ 1.2069	03-Sep-2021	(52)
Bought CAD 2 416 Sold USD 2 000 @ 1.2080	14-Sep-2021	(63)
Bought CAD 4 965 Sold USD 4 112 @ 1.2075	15-Sep-2021	(132)
Bought CAD 5 166 Sold USD 4 270 @ 1.2099	17-Sep-2021	(127)
Bought CAD 988 Sold USD 800 @ 1.2347	23-Sep-2021	(4)
Bought CAD 2 596 Sold USD 2 100 @ 1.2362	28-Sep-2021	(7)
		\$ (775)
TOTAL FOREIGN EXCHANGE		\$ (476)

All counterparties have a credit rating of at least A.

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

† Illiquid security.

‡ Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 0.16% to 0.18% and mature between July 5, 2021 and July 21, 2021.



Statements of Financial Position (unaudited)

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	June 30 2021	December 31 2020
ASSETS		
Investments at fair value	\$ 2 306 015	\$ 2 082 864
Cash	1 065	1 193
Due from investment dealers	–	3 064
Subscriptions receivable	913	714
Unrealized gain on foreign exchange contracts	299	1 891
Dividends receivable, interest accrued and other assets	4 709	4 910
TOTAL ASSETS	2 313 001	2 094 636
LIABILITIES		
Due to investment dealers	–	2 090
Redemptions payable	2 884	770
Unrealized loss on foreign exchange contracts	775	461
Distributions payable	1	3
Accounts payable and accrued expenses	2 406	2 256
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	6 066	5 580
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 306 935	\$ 2 089 056
Investments at cost	\$ 1 840 545	\$ 1 850 890
NAV		
SERIES A	\$ 1 371 482	\$ 1 242 497
ADVISOR SERIES	\$ 2 629	\$ 2 574
SERIES T5	\$ 71	\$ 53
SERIES D	\$ 122 252	\$ 107 791
SERIES F	\$ 224 752	\$ 191 737
SERIES FT5	\$ 443	\$ 578
SERIES I	\$ 231 161	\$ 195 654
SERIES O	\$ 354 145	\$ 348 172
NAV PER UNIT		
SERIES A	\$ 26.93	\$ 22.79
ADVISOR SERIES	\$ 27.11	\$ 22.95
SERIES T5	\$ 25.53	\$ 22.10
SERIES D	\$ 27.70	\$ 23.34
SERIES F	\$ 30.06	\$ 25.30
SERIES FT5	\$ 28.29	\$ 24.36
SERIES I	\$ 30.23	\$ 25.37
SERIES O	\$ 24.97	\$ 20.93

Statements of Comprehensive Income (unaudited)

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	2021	2020
For the periods ended June 30		
INCOME (see note 3 in the generic notes)		
Dividends	\$ 28 705	\$ 46 984
Interest for distribution purposes	35	321
Income from investment trusts	1 383	1 376
Derivative income	3 484	(3 421)
Net realized gain (loss) on investments	120 116	44 741
Change in unrealized gain (loss) on investments	231 590	(388 528)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	385 313	(298 527)
Other income (loss)	–	9
Securities lending revenue (see note 7 in the generic notes)	44	50
Net gain (loss) on foreign cash balances	67	109
TOTAL OTHER INCOME (LOSS)	111	168
TOTAL INCOME (LOSS)	385 424	(298 359)
EXPENSES (see notes – Fund Specific Information)		
Management fees	11 723	10 743
Administration fees	868	830
Independent Review Committee costs	1	1
GST/HST	1 249	1 150
Transaction costs	748	655
Withholding tax	76	80
TOTAL EXPENSES	14 665	13 459
INCREASE (DECREASE) IN NAV	\$ 370 759	\$ (311 818)
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 218 032	\$ (200 005)
ADVISOR SERIES	\$ 436	\$ (1 477)
SERIES T5	\$ 10	\$ 1
SERIES D	\$ 19 449	\$ (16 646)
SERIES F	\$ 35 318	\$ (28 427)
SERIES FT5	\$ 59	\$ (114)
SERIES I	\$ 37 039	\$ (27 094)
SERIES O	\$ 60 416	\$ (38 056)
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 4.15	\$ (3.59)
ADVISOR SERIES	\$ 4.19	\$ (3.33)
SERIES T5	\$ 3.87	\$ 0.06
SERIES D	\$ 4.36	\$ (3.59)
SERIES F	\$ 4.77	\$ (3.85)
SERIES FT5	\$ 3.77	\$ (6.39)
SERIES I	\$ 4.86	\$ (3.72)
SERIES O	\$ 4.11	\$ (2.51)



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

For the periods ended June 30 (see note 2 in the generic notes)	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 370 759	\$ (311 818)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	–	–
Non-cash dividends	(553)	–
Non-cash distributions from underlying funds	–	–
Net realized loss (gain) on investments	(120 116)	(44 741)
Change in unrealized loss (gain) on investments	(231 590)	388 528
(Increase) decrease in accrued receivables	201	(40)
Increase (decrease) in accrued payables	150	(513)
(Increase) decrease in margin accounts	–	–
Cost of investments purchased*	(1 017 904)	(898 039)
Proceeds from sale and maturity of investments*	1 149 892	929 413
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	150 839	62 790
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	50 255	88 237
Cash paid on redemption of redeemable units*	(201 213)	(150 928)
Distributions paid to holders of redeemable units	(9)	(11)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (150 967)	\$ (62 702)
Net increase (decrease) in cash for the period	(128)	88
Cash (bank overdraft), beginning of period	1 193	1 406
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 065	\$ 1 494
Interest received (paid) [†]	\$ 37	\$ 381
Income from investment trusts received (paid) ^{†‡}	\$ 1 503	\$ 1 304
Dividends received (paid) ^{†‡}	\$ 28 156	\$ 46 876

* Excludes in-kind transactions.

† Classified as part of operating activities.

‡ Net of withholding taxes, if applicable.



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

For the periods ended June 30 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2021	2020	2021	2020	2021	2020	2021	2020
NAV AT BEGINNING OF PERIOD	\$ 1 242 497	\$ 1 405 298	\$ 2 574	\$ 11 588	\$ 53	\$ 36	\$ 107 791	\$ 118 511
INCREASE (DECREASE) IN NAV	218 032	(200 005)	436	(1 477)	10	1	19 449	(16 646)
Early redemption fees	–	2	–	–	–	–	1	1
Proceeds from redeemable units issued	22 912	24 589	214	647	24	42	4 716	5 377
Reinvestments of distributions to holders of redeemable units	–	–	–	–	1	1	–	–
Redemption of redeemable units	(111 959)	(94 980)	(595)	(1 800)	(16)	(45)	(9 705)	(9 803)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(89 047)	(70 389)	(381)	(1 153)	9	(2)	(4 988)	(4 425)
Distributions from net income	–	–	–	–	(1)	(2)	–	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	–	–	–	–	(1)	(2)	–	–
NET INCREASE (DECREASE) IN NAV	128 985	(270 394)	55	(2 630)	18	(3)	14 461	(21 071)
NAV AT END OF PERIOD	\$ 1 371 482	\$ 1 134 904	\$ 2 629	\$ 8 958	\$ 71	\$ 33	\$ 122 252	\$ 97 440

For the periods ended June 30 (see note 2 in the generic notes)	Series F		Series FT5		Series I	
	2021	2020	2021	2020	2021	2020
NAV AT BEGINNING OF PERIOD	\$ 191 737	\$ 198 670	\$ 578	\$ 155	\$ 195 654	\$ 198 915
INCREASE (DECREASE) IN NAV	35 318	(28 427)	59	(114)	37 039	(27 094)
Early redemption fees	1	–	–	–	–	–
Proceeds from redeemable units issued	19 892	17 861	153	598	5 704	5 487
Reinvestments of distributions to holders of redeemable units	–	–	2	–	–	–
Redemption of redeemable units	(22 196)	(16 346)	(340)	(107)	(7 236)	(8 393)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(2 303)	1 515	(185)	491	(1 532)	(2 906)
Distributions from net income	–	–	(9)	(12)	–	–
Distributions from net gains	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	–	–	(9)	(12)	–	–
NET INCREASE (DECREASE) IN NAV	33 015	(26 912)	(135)	365	35 507	(30 000)
NAV AT END OF PERIOD	\$ 224 752	\$ 171 758	\$ 443	\$ 520	\$ 231 161	\$ 168 915



Statements of Changes in NAV (cont.) (unaudited) (in \$000s)

For the periods ended June 30 (see note 2 in the generic notes)	Series 0		Total	
	2021	2020	2021	2020
NAV AT BEGINNING OF PERIOD	\$ 348 172	\$ 330 892	\$ 2 089 056	\$ 2 264 065
INCREASE (DECREASE) IN NAV	60 416	(38 056)	370 759	(311 818)
Early redemption fees	–	–	2	3
Proceeds from redeemable units issued	11 743	46 598	65 358	101 199
Reinvestments of distributions to holders of redeemable units	–	–	3	1
Redemption of redeemable units	(66 186)	(32 975)	(218 233)	(164 449)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(54 443)	13 623	(152 870)	(63 246)
Distributions from net income	–	–	(10)	(14)
Distributions from net gains	–	–	–	–
Distributions from capital	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	–	–	(10)	(14)
NET INCREASE (DECREASE) IN NAV	5 973	(24 433)	217 879	(375 078)
NAV AT END OF PERIOD	\$ 354 145	\$ 306 459	\$ 2 306 935	\$ 1 888 987



June 30, 2021

Effective June 26, 2020, Advisor Series units have been capped. On August 4, 2020, Advisor Series units with initial sales charge and/or low-load sales charge options were re-designated as Series A units, as applicable. Advisor Series units with a deferred sales charge option, as applicable, remain capped and invested based on their existing redemption schedule.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing in equity securities of major Canadian companies to provide broad exposure to economic growth opportunities in Canada.

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

Liquidity risk (%)

Any securities deemed to be illiquid are identified in the Schedule of Investment Portfolio. Illiquid securities represent approximately 0.0% (December 31, 2020 – 0.0%) of the NAV of the Fund.

Concentration risk (%)

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

Investment mix	June 30 2021	December 31 2020
Financials	28.8	26.6
Energy	13.9	13.2
Information Technology	9.5	6.6
Materials	9.3	12.5
Industrials	9.2	10.0
Underlying Funds	4.5	3.8
Foreign Equities	4.1	6.1
Consumer Staples	3.8	4.0
Utilities	3.7	4.3
Consumer Discretionary	3.7	2.6
Real Estate	3.6	4.2
Communication Services	3.6	3.1
Health Care	0.7	0.6
Cash/Other	1.6	2.4
Total	100.0	100.0

Other price risk (% impact on NAV)

In light of current market volatility related to COVID-19, management has applied 10% for other price risk sensitivity.

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:

	June 30 2021	December 31 2020
S&P/TSX Capped Composite		
Total Return Index	+ or - 10.5	+ or - 10.4

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

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

The following is a summary of the inputs used as of June 30, 2021 and December 31, 2020.

June 30, 2021	Level 1	Level 2	Level 3	Total
Equities	2 168 018	–	122	2 168 140
Underlying funds	102 774	–	–	102 774
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	35 101	–	35 101
Derivatives – assets	–	299	–	299
Derivatives – liabilities	–	(775)	–	(775)
Total financial instruments	2 270 792	34 625	122	2 305 539
% of total portfolio	98.5	1.5	–	100.0

December 31, 2020	Level 1	Level 2	Level 3	Total
Equities	1 942 404	16 135	122	1 958 661
Underlying funds	79 136	–	–	79 136
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	45 067	–	45 067
Derivatives – assets	–	1 891	–	1 891
Derivatives – liabilities	–	(461)	–	(461)
Total financial instruments	2 021 540	62 632	122	2 084 294
% of total portfolio	97.0	3.0	–	100.0

For the period ended June 30, 2021, there were transfers of \$16,135 of financial instruments into Level 1 from Level 2.

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



June 30, 2021

During the periods ended June 30, 2021 and December 31, 2020, the reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	June 30 2021	December 31 2020
Balance at beginning of period	122	326
Net purchases	–	–
Net sales	–	–
Net transfers in (out)	–	–
Realized gains (losses)	–	–
Change in unrealized gains (losses)	–	(204)
Balance at end of period	122	122
Change in unrealized gains (losses) for Level 3 assets held at end of period	–	(204)

The Fund fair values certain of its Level 3 investments (privately held investments) using prior transaction prices (acquisition cost), although the transaction may not have occurred during the current reporting period. As there may not be a secondary market, and/or there are a limited number of investors, the valuations are reviewed utilizing available market information to determine if the carrying value should be adjusted. Such market information may include, but is not limited to, observations of the trading multiples of public companies considered comparable to the private companies being valued, financial or operational information released by the company, and/or news or corporate events that affect the investment. Valuations may be adjusted to account for company-specific issues, the lack of liquidity inherent in a non-public investment and the fact that comparable public companies are not identical to the investments being fair valued by the Fund.

As at June 30, 2021, a 5% increase or decrease in the fair valuations using significant unobservable inputs on Level 3 investments would have increased or decreased the Fund's NAV, respectively, by approximately 0.0% (December 31, 2020 – 0.0%).

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, unless otherwise negotiated, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	1.60%	0.10%
Advisor Series	1.60%	0.10%
Series T5	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series I	0.20%	0.02%
Series O	n/a†	0.02%

* Effective March 1, 2020, the administration fees for Series A units were reduced to 0.10% from 0.12%.

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

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

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

	June 30 2021	December 31 2020
Units held		
Series T5	52	51
Series FT5	49	48
Series I	422	422
Series O	527	527
Value of all units	29	24

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

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

	June 30 2021		December 31 2020	
	NAV	Ownership	NAV	Ownership
RBC Canadian Small & Mid-Cap Resources Fund	4.5	35.8	3.8	35.4

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

The Fund had no capital or non-capital losses as at December 31, 2020.



June 30, 2021

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 June 30
(see note 2 in the generic notes)

	2021	2020
--	------	------

Series A

Opening units	54 521	57 741
Issued number of units	927	1 180
Reinvested number of units	–	–
Redeemed number of units	(4 526)	(4 315)
Ending number of units	50 922	54 606

Advisor Series

Opening units	112	473
Issued number of units	9	35
Reinvested number of units	–	–
Redeemed number of units	(24)	(80)
Ending number of units	97	428

Series T5

Opening units	2	2
Issued number of units	2	2
Reinvested number of units	–	–
Redeemed number of units	(1)	(2)
Ending number of units	3	2

Series D

Opening units	4 618	4 754
Issued number of units	183	262
Reinvested number of units	–	–
Redeemed number of units	(387)	(457)
Ending number of units	4 414	4 559

Series F

Opening units	7 579	7 352
Issued number of units	709	717
Reinvested number of units	–	–
Redeemed number of units	(812)	(667)
Ending number of units	7 476	7 402

Series FT5

Opening units	24	6
Issued number of units	6	24
Reinvested number of units	–	–
Redeemed number of units	(14)	(6)
Ending number of units	16	24

Series I

Opening units	7 711	7 335
Issued number of units	203	246
Reinvested number of units	–	–
Redeemed number of units	(267)	(346)
Ending number of units	7 647	7 235

For the periods ended June 30
(see note 2 in the generic notes)

	2021	2020
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Series O

Opening units	16 631	14 786
Issued number of units	533	2 605
Reinvested number of units	–	–
Redeemed number of units	(2 980)	(1 503)
Ending number of units	14 184	15 888

Transaction costs (\$000s except %)

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

	June 30 2021		June 30 2020	
	\$	%	\$	%
Total transaction costs	748	100	655	100
Related-party brokerage commissions*	185	25	85	13
Commission arrangements [†]	287	38	214	33

* See note 8 in the generic notes.

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

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

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

	June 30 2021		June 30 2020	
Fair value of securities loaned	105 664		79 487	
Fair value of collateral received	107 778		81 076	

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.

	June 30 2021		June 30 2020	
	\$	%	\$	%
Gross revenue	60	100	79	100
RBC IS (paid)	(15)	(25)	(20)	(25)
Tax withheld	(1)	(1)	(9)	(11)
Fund revenue	44	74	50	64



June 30, 2021

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

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

	June 30 2021	December 31 2020
RBC Select Choices Aggressive Growth Portfolio	0.7	0.8
RBC Select Choices Balanced Portfolio	0.7	0.7
RBC Select Choices Conservative Portfolio	0.3	0.3
RBC Select Choices Growth Portfolio	0.8	0.9
RBC Target 2025 Education Fund	2.9	3.9
RBC Target 2030 Education Fund	5.9	6.5
RBC Target 2035 Education Fund	1.9	1.6
Total	13.2	14.7

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

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

June 30, 2021	Assets	Liabilities
Gross amounts – assets (liabilities)	299	(773)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	299	(773)
Related amounts not set-off	(22)	22
Collateral (received) pledged	–	–
Net amount	277	(751)

December 31, 2020	Assets	Liabilities
Gross amounts – assets (liabilities)	1 891	(461)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	1 891	(461)
Related amounts not set-off	(396)	396
Collateral (received) pledged	–	–
Net amount	1 495	(65)

1. The Funds

The Funds (“Fund” or “Funds”) are open-ended mutual fund trusts governed by the laws of the Province of Ontario or British Columbia. RBC GAM is the manager and portfolio manager of the Funds and its head office is located at 155 Wellington Street West, 22nd Floor, Toronto, Ontario.

RBC GAM is also the trustee of those Funds governed by the laws of the Province of Ontario. These financial statements were approved for issuance by the Board of Directors of RBC GAM on August 9, 2021.

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

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

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

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

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

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

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

Series N units are only available to related funds.

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

2. Financial period

The information provided in these financial statements and notes thereto is as at June 30, 2021 and December 31, 2020, as applicable, and for the six-month periods ended June 30, 2021 and June 30, 2020, as applicable, except for Funds or series established during either period, in which case the information for the Fund, or series, is provided for the period from the start date as described in the Notes to Financial Statements – Fund Specific Information of the Fund.

3. Summary of significant accounting policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and in accordance with International Accounting Standard (“IAS”) 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). The significant accounting policies of the Funds are as follows:

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

June 30, 2021

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

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

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

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

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

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

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

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

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

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:

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

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), including broker quotes, vendor prices and vendor fair value factors; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

June 30, 2021

Unrealized gains and losses are recorded as “Receivable on open swap contracts” or “Payable on open swap contracts” in the Statements of Financial Position, as applicable. The risks of total return swap contracts include changes in market conditions and the possible inability of the counterparty to fulfill its obligations under the agreement.

Futures Contracts – Futures contracts entered into by the Funds are financial agreements to purchase or sell a financial instrument at a contracted price on a specified future date. However, the Funds do not intend to purchase or sell the financial instrument on the settlement date; rather, they intend to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. Futures contracts are valued at the gain or loss that would arise as a result of closing the position at the valuation date. Any gain or loss at the close of business on each valuation date is recorded as “Derivative income” in the Statements of Comprehensive Income. The receivable/payable on futures contracts is recorded separately in the Statements of Financial Position.

Credit Default Swap Contracts – Credit default swaps are agreements between a protection buyer and protection seller. The protection buyer pays a periodic fee in exchange for a payment by the protection seller contingent on the occurrence of a credit event, such as a default, bankruptcy or restructuring, with respect to a referenced entity. Periodic fees paid or received are recorded as “Interest for distribution purposes” in the Statements of Comprehensive Income. When the contract is terminated or expires, the payments received or paid are recorded as “Derivative income” 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, RBC \$U.S. Core Bond Pool, RBC \$U.S. Core Plus Bond Pool, RBC U.S. Monthly Income Fund

June 30, 2021

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” in the Statements of Comprehensive Income.

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

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

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

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

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

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

AUD – Australian dollar	KZT – Kazakhstan tenge
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	RUB – Russian ruble
EUR – Euro	SEK – Swedish krona
GBP – Pound sterling	SGD – Singapore dollar
HKD – Hong Kong dollar	THB – Thailand baht
HUF – Hungarian forint	TRY – Turkish new lira
IDR – Indonesian rupiah	TWD – New Taiwan dollar
ILS – Israeli new shekel	USD – United States dollar
INR – Indian rupee	UYU – Uruguay peso
JPY – Japanese yen	ZAR – South African rand
KRW – South Korean won	

4. Critical accounting judgments and estimates

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

Fair value measurement of securities not quoted in an active market

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

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

5. Financial instrument risk and capital management

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

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

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

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

Liquidity risk

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

Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty not being able to meet its financial obligations. The carrying amount of investments and other assets represents the maximum credit risk exposure as disclosed in a Fund's Statements of Financial Position. The Funds measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. All other receivables, amounts due from brokers, cash and short-term deposits are held with counterparties with a credit rating of AA/Aa or higher. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognized based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Funds. The fair value of fixed-income and debt securities includes a consideration of the creditworthiness of the debt issuer. Credit risk exposure to over-the-counter derivative instruments is based on a Fund's unrealized gain on the contractual obligations with the counterparty. Credit risk exposure is mitigated for those 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.

Currency risk

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

Other price risk

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

6. Taxes

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

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

7. Securities lending revenue

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

8. Administrative and other related-party transactions**Manager and Portfolio Manager**

RBC GAM is an indirect wholly owned subsidiary of Royal Bank of Canada ("Royal Bank"). RBC GAM is the manager and portfolio manager of the Funds. RBC GAM is responsible for the Funds' day-to-day operations, provides investment advice and portfolio management services to the Funds and appoints distributors for the Funds. RBC GAM 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 the costs related to the Independent Review Committee of the Funds, and 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). Effective January 1, 2020, RBC GAM, not the Funds, is responsible for the costs related to annual fees, meeting fees and reimbursement for expenses to members of the Independent Review Committee. The Funds will continue to be responsible for paying any Independent Review Committee costs that are not related to annual fees, meeting fees and reimbursement for expenses to members of the Independent Review Committee. 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)
- RBC U.S. Monthly Income Fund (for a portion of the 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
- Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund

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

- RBC Short-Term Global Bond Fund (for a portion of the Fund)
- RBC Bond Fund (for a portion of the Fund)
- RBC Global Bond Fund (for a portion of the Fund)
- RBC \$U.S. Global Bond Fund (for a portion of the Fund)
- RBC Global Corporate Bond Fund (for a portion of the Fund)
- RBC Global High Yield Bond Fund (for a portion of the Fund)
- RBC Emerging Markets Bond Fund (for a portion of the Fund)
- RBC U.S. Monthly Income Fund (for a portion of the Fund)
- RBC Balanced Fund (for a portion of the Fund)
- RBC Global Balanced Fund (for a portion of the Fund)
- RBC International Dividend Growth Fund
- RBC International Equity Fund (for the European equity portion of the Fund)
- RBC International Equity Currency Neutral Fund (for the European equity portion of the underlying fund)
- RBC European Dividend Fund
- RBC European Equity Fund
- RBC European Mid-Cap Equity Fund
- RBC Emerging Markets Multi-Strategy Equity Fund (for the underlying funds)
- RBC Emerging Markets Dividend Fund
- RBC Emerging Markets Equity Fund
- RBC Emerging Markets Equity Focus 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 Global Equity Focus Fund
- RBC Global Equity Focus Currency Neutral Fund (for the underlying fund)

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RBC Global Equity Leaders Fund
 RBC Vision Balanced Fund (for a portion of the Fund)
 RBC Vision Fossil Fuel Free Emerging Markets Equity Fund
 RBC Vision Global Equity Fund
 RBC Vision Fossil Fuel Free Global Equity Fund
 Phillips, Hager & North Overseas Equity Fund
 Phillips, Hager & North Global Equity Fund

RBC Global Asset Management (Asia) Limited is the sub-advisor for:
 RBC Balanced Fund (for the Asian equity portion of the Fund)
 RBC Global Balanced Fund (for the Asian equity portion of the Fund)
 RBC 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
 RBC Vision Balanced Fund (for the Asian equity portion of the Fund)

BlueBay Asset Management LLP is the sub-advisor for:
 BlueBay Global Monthly Income Bond Fund
 BlueBay Global Sovereign Bond Fund (Canada)
 BlueBay Global Investment Grade Corporate Bond Fund (Canada)
 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 Global Convertible Bond Fund (Canada)
 BlueBay Global Alternative Bond Fund (Canada)

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.

Other Related-Party Transactions

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

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Related-Party Trading Activities

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

Inter-Fund Trading

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

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