

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, 2018



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)
BLUEBAY EUROPEAN HIGH YIELD BOND FUND (CANADA)

June 30, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Australia						
3 740	Quintis Ltd. USD	8.750	01-Aug-2023	\$ 4 786	\$ 4 179	
				4 786	4 179	0.7
Brazil						
1 086	Petrobras Global Finance BV USD	7.375	17-Jan-2027	1 569	1 429	
				1 569	1 429	0.3
China						
2 810	Eagle Intermediate Global Holding BV EUR	5.375	01-May-2023	4 402	4 294	
				4 402	4 294	0.7
Denmark						
10 108	Nassa Topco AS EUR	2.875	06-Apr-2024	15 217	16 299	
2 115	Norican A/S EUR	4.500	15-May-2023	3 171	2 994	
				18 388	19 293	3.3
France						
1 710	Constantin Investissement 3 SASU EUR	5.375	15-Apr-2025	2 460	2 464	
2 495	La Financiere Atalian SASU EUR	5.125	15-May-2025	3 891	3 671	
2 595	La Financiere Atalian SASU GBP	6.625	15-May-2025	4 653	4 343	
2 000	NEW Areva Holding S.A. EUR	3.125	20-Mar-2023	3 141	3 063	
2 450	NEW Areva Holding S.A. EUR	4.875	23-Sep-2024	4 125	3 960	
1 020	Novafives SAS EUR	4.149	15-Jun-2025	1 583	1 537	
2 578	Novafives SAS EUR	5.000	15-Jun-2025	4 000	3 792	
340	Numericable-SFR S.A. USD	7.375	01-May-2026	438	439	
1 625	Paprec Holding S.A. EUR	4.000	31-Mar-2025	2 609	2 474	
913	Picard Groupe SAS EUR	3.000	30-Nov-2023	1 378	1 374	
1 880	Rexel S.A. EUR	2.125	15-Jun-2025	2 775	2 737	
1 800	SPIE S.A. EUR	3.125	22-Mar-2024	2 566	2 769	
				33 619	32 623	5.7
Germany						
2 500	Deutsche Bank AG EUR	4.500	19-May-2026	4 359	3 888	
1 800	IKB Deutsche Industriebank AG EUR	4.000	31-Jan-2028	2 857	2 698	
2 023	KME AG EUR	6.750	01-Feb-2023	3 100	3 088	
1 820	ProGroup AG EUR	2.176	31-Mar-2024	2 607	2 780	
2 169	ProGroup AG EUR	3.000	31-Mar-2026	3 484	3 245	
2 167	Takko Luxembourg 2 S.C.A. EUR	5.375	15-Nov-2023	3 241	3 018	
585	Unitymedia GmbH EUR	4.625	15-Feb-2026	912	975	
5 571	Unitymedia GmbH EUR	3.750	15-Jan-2027	8 938	8 958	
				29 498	28 650	5.0
Ireland						
3 000	Eircom Finance DAC EUR	4.500	31-May-2022	4 666	4 702	
1 530	Virgin Media Receivables Financing Notes II DAC GBP	5.750	15-Apr-2023	2 793	2 699	
				7 459	7 401	1.3
Israel						
7 490	Teva Pharmaceutical Finance V BV CHF	1.500	25-Oct-2018	9 871	9 974	
				9 871	9 974	1.7

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



June 30, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Italy						
1 837	Almaviva-The Italian Innovation Co. S.p.A. EUR	7.250	15-Oct-2022	\$ 2 691	\$ 2 785	
3 760	Banca Monte dei Paschi di Siena S.p.A. EUR	5.375	18-Jan-2028	5 681	4 716	
4 366	Fabric BC S.p.A. EUR	3.811	30-Nov-2024	6 808	6 623	
2 560	Intesa Sanpaolo S.p.A. USD	3.875	12-Jan-2028	2 859	2 889	
3 530	Intesa Sanpaolo S.p.A. EUR	7.750	29-Dec-2049	5 047	5 859	
1 730	Mercury Bondco Plc. EUR	7.125	30-May-2021	2 424	2 757	
1 900	Mercury Bondco Plc. EUR	8.000	30-May-2021	2 867	2 932	
1 101	Schumann S.p.A. EUR	7.000	31-Jul-2023	1 790	1 681	
2 730	Telecom Italia Finance S.A. EUR	7.750	24-Jan-2033	6 321	5 781	
2 680	Telecom Italia S.p.A. EUR	3.250	16-Jan-2023	4 338	4 367	
1 771	UniCredit S.p.A. EUR	6.625	31-Dec-2099	3 058	2 702	
2 250	Wind Tre S.p.A. EUR	3.125	20-Jan-2025	2 893	2 811	
				46 777	45 903	8.0
Luxembourg						
1 969	Altice Financing S.A. EUR	5.250	15-Feb-2023	2 976	3 125	
794	Altice Financing S.A. USD	7.500	15-May-2026	1 077	1 012	
5 790	Altice Finco S.A. EUR	4.750	15-Jan-2028	8 432	7 597	
3 370	Altice S.A. USD	7.750	15-May-2022	4 069	4 303	
1 550	Arena Luxembourg Finance S.a.r.l. EUR	2.421	01-Nov-2023	2 291	2 368	
4 549	Hercule Debtco Sarl EUR	6.750	30-Jun-2024	7 012	6 845	
4 172	LHMC Finco Sarl EUR	6.250	20-Dec-2023	6 313	6 341	
3 750	Matterhorn Telecom S.A. CHF	3.625	01-May-2022	4 951	5 047	
1 451	Matterhorn Telecom S.A. EUR	3.875	01-May-2022	2 142	2 258	
894	Matterhorn Telecom S.A. EUR	3.250	01-Feb-2023	1 304	1 376	
3 770	Matterhorn Telecom S.A. EUR	4.000	15-Nov-2027	5 664	5 436	
3 440	Samsonite Finco Sarl EUR	3.500	15-May-2026	5 373	5 046	
3 322	WFS Global Holding SAS EUR	9.500	15-Jul-2022	5 375	5 370	
				56 979	56 124	9.7
Netherlands						
7 108	InterXion Holding N.V. EUR	6.000	15-Jul-2020	10 754	11 101	
3 230	InterXion Holding N.V. EUR	4.750	15-Jun-2025	4 915	4 988	
2 722	IPD 3 BV EUR	4.500	15-Jul-2022	4 077	4 241	
1 209	Lincoln Finance Ltd. EUR	6.875	15-Apr-2021	1 938	1 922	
1 942	Stichting AK Rabobank Certificaten EUR	6.500	29-Dec-2049	2 931	3 539	
1 870	Ziggo Bond Finance BV EUR	4.625	15-Jan-2025	3 040	2 843	
1 870	Ziggo Secured Finance BV EUR	4.250	15-Jan-2027	3 025	2 842	
				30 680	31 476	5.5
Spain						
1 200	Banco de Sabadell S.A. EUR	6.125	31-Dec-2099	1 775	1 823	
3 000	Banco Santander S.A. EUR	4.750	31-Dec-2099	4 751	4 263	
1 600	Bankia S.A. EUR	6.000	31-Dec-2099	2 370	2 459	
1 800	CaixaBank S.A. EUR	5.250	31-Dec-2099	2 858	2 537	
1 941	Cirsa Funding Luxembourg S.A. EUR	5.750	15-May-2021	3 003	3 066	
2 438	Haya Finance 2017 S.A. EUR	5.250	15-Nov-2022	3 429	3 359	
3 730	Masaria Investments S.A.U. EUR	5.000	15-Sep-2024	5 484	5 414	
1 700	Telefonica Europe BV EUR	3.750	29-Dec-2049	2 634	2 627	
1 800	Telefonica Europe BV EUR	2.625	31-Dec-2099	2 744	2 591	
4 400	Telefonica Europe BV EUR	3.875	31-Dec-2099	7 068	6 236	
				36 116	34 375	6.0
Sweden						
564	Corral Petroleum Holdings AB EUR	11.750	15-May-2021	912	911	
3 570	Verisure Midholding AB EUR	5.750	01-Dec-2023	5 377	5 334	
				6 289	6 245	1.1

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



June 30, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United Arab Emirates						
1 549	EA Partners II BV USD	6.750	01-Jun-2021	\$ 1 416	\$ 1 441	
				1 416	1 441	0.2
United Kingdom						
1 633	AA Bond Co. Ltd. GBP	5.500	31-Jul-2043	2 638	2 600	
2 690	Algeco Scotsman Global Finance Plc. EUR	6.500	15-Feb-2023	4 078	4 222	
4 627	Amigo Luxembourg S.A. GBP	7.625	15-Jan-2024	8 235	8 341	
663	AnaCap Financial Europe S.A. SICAV-RAIF EUR	4.676	01-Aug-2024	958	931	
2 296	Arqiva Broadcast Finance Plc. GBP	9.500	31-Mar-2020	3 999	4 133	
3 088	Boparan Finance Plc. GBP	5.500	15-Jul-2021	4 761	4 677	
1 990	Bracken MidCo1 Plc. GBP	10.500	15-Nov-2021	3 674	3 621	
731	Co-operative Group Holdings 2011 GBP	7.500	08-Jul-2026	1 484	1 526	
4 142	Drax Finco Plc. USD	6.625	01-Nov-2025	5 214	5 432	
931	EnQuest Plc. USD	7.000	15-Apr-2022	934	1 113	
140	Enterprise Inns Plc. GBP	6.500	06-Dec-2018	254	246	
1 709	Fiat Chrysler Automobiles N.V. EUR	3.750	29-Mar-2024	2 517	2 799	
1 538	Heathrow Finance Plc. GBP	5.375	01-Sep-2019	2 755	2 780	
2 190	HSBC Holdings Plc. USD	6.500	31-Dec-2099	2 850	2 768	
2 093	Jerrold Finco Plc. GBP	6.125	15-Jan-2024	3 725	3 663	
1 810	Miller Homes Group Holdings Plc. GBP	5.500	15-Oct-2024	3 032	3 137	
1 534	Mizzen Bondco Ltd. GBP	7.000	01-May-2021	2 624	2 715	
1 550	Nationwide Building Society GBP	10.250	31-Dec-2040	3 944	4 105	
1 330	Pinewood Finco Plc. GBP	3.750	01-Dec-2023	2 294	2 314	
1 600	Provident Financial Plc. GBP	7.000	04-Jun-2023	2 742	2 842	
3 568	Synlab Bondco Plc. EUR	3.500	01-Jul-2022	5 326	5 474	
1 490	The Unique Pub Finance Co. Plc. GBP	7.395	28-Mar-2024	3 016	2 866	
4 210	Virgin Media Receivables Financing Notes II DAC GBP	5.750	15-Apr-2023	7 390	7 427	
7 930	Virgin Media Receivables Financing Notes I DAC GBP	5.500	15-Sep-2024	13 119	13 586	
2 652	Viridian Power & Energy Ltd. GBP	4.750	15-Sep-2024	4 242	4 257	
3 930	Viridian Power & Energy Ltd. EUR	4.000	15-Sep-2025	5 690	5 619	
4 792	Voyage Care Bondco Plc. GBP	5.875	01-May-2023	8 259	8 322	
5 428	Vue International Bidco Plc. GBP	7.875	15-Jul-2020	9 517	9 467	
3 190	ZPG Plc. GBP	3.750	15-Jul-2023	5 717	5 731	
				124 988	126 714	21.9
United States						
4 667	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	8 132	8 221	
1 770	Belden Inc. EUR	3.375	15-Jul-2027	2 644	2 585	
2 790	Colfax Corp. EUR	3.250	15-May-2025	4 231	4 315	
1 643	Coty Inc. EUR	4.000	15-Apr-2023	2 612	2 504	
3 060	Energizer Gamma Acquisition BV EUR	4.625	15-Jul-2026	4 727	4 751	
2 660	Equinix Inc. EUR	2.875	15-Mar-2024	4 208	4 014	
3 600	Federal-Mogul LLC EUR	5.000	15-Jul-2024	5 754	5 756	
4 780	International Game Technology Plc. EUR	3.500	15-Jul-2024	7 384	7 313	
1 850	Kraton Polymers LLC EUR	5.250	15-May-2026	2 793	2 866	
1 950	Scientific Games International Inc. EUR	5.500	15-Feb-2026	2 946	2 845	
1 086	Silgan Holdings Inc. EUR	3.250	15-Mar-2025	1 527	1 692	
2 290	Vantiv LLC GBP	3.875	15-Nov-2025	3 966	3 775	
2 290	VRX Escrow Corp. EUR	4.500	15-May-2023	2 722	3 332	
1 763	WMG Acquisition Corp. EUR	4.125	01-Nov-2024	2 591	2 810	
				56 237	56 779	9.8
TOTAL BONDS				469 074	466 900	80.9

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



June 30, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
LOANS						
Finland						
2 720	Nordic Packaging & Container Finland Holdings Oy EUR	5.000	16-Nov-2023	\$ 3 927	\$ 4 170	
				3 927	4 170	0.7
France						
2 628	Altran Technologies S.A. EUR	2.750	20-Mar-2025	4 025	4 016	
1 940	HomeVi SAS EUR	3.250	10-Oct-2024	2 868	2 940	
4 720	Newco SAB Bidco SASU EUR	3.000	22-Apr-2024	6 816	7 069	
				13 709	14 025	2.4
Germany						
3 397	Unitymedia Hessen GmbH & Co. KG EUR	2.750	15-Jan-2027	5 047	5 189	
1 248	Tele Columbus AG EUR	3.000	15-Oct-2024	1 853	1 880	
				6 900	7 069	1.2
Luxembourg						
1 660	CCP Lux Holding Sarl EUR	3.750	06-Feb-2025	2 563	2 551	
				2 563	2 551	0.4
Netherlands						
3 180	Sigma Bidco BV GBP	0.000	05-Mar-2025	5 674	5 451	
3 546	Sunshine Investments BV EUR	3.250	13-Dec-2024	5 340	5 392	
				11 014	10 843	1.9
Spain						
3 390	Imagina Media Audiovisual SL	0.000	26-Mar-2025	5 087	5 189	
1 943	Promotora de Informaciones S.A. EUR	2.600	12-Dec-2018	2 735	2 905	
				7 822	8 094	1.4
TOTAL LOANS				45 935	46 752	8.0
TOTAL INVESTMENTS				515 009	513 652	88.9
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)				–	(15)	–
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				–	4 376	0.8
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				–	(14)	–
TOTAL PORTFOLIO				\$ 515 009	517 999	89.7
CASH					82 617	14.3
DUE TO INVESTMENT DEALERS					(29 232)	(5.1)
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					6 011	1.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 577 395	100.0



June 30, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Loss
(15) Euro - Bobl Future, September 2018 Contracts at EUR 131.51 per contract	\$ (2 985)	\$ (15)
TOTAL FUTURES	\$ (2 985)	\$ (15)

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 15 162 Sold CHF 11 266 @ 1.3458	29-Aug-2018	\$ 143
Bought CAD 123 924 Sold GBP 70 191 @ 1.7655	29-Aug-2018	1 934
Bought CAD 46 686 Sold USD 35 125 @ 1.3291	29-Aug-2018	558
Bought CAD 179 570 Sold EUR 115 961 @ 1.5485	29-Aug-2018	904
Bought CAD 186 505 Sold EUR 120 507 @ 1.5477	29-Aug-2018	837
		\$ 4 376
Contracts	Maturity Date	Unrealized Loss
Bought EUR 570 Sold CAD 888 @ 0.6422	29-Aug-2018	\$ (9)
Bought EUR 890 Sold CAD 1 376 @ 0.6466	29-Aug-2018	(5)
		\$ (14)
TOTAL FOREIGN EXCHANGE		\$ 4 362

All counterparties have a credit rating of at least A.



Statements of Financial Position (unaudited)

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	June 30 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 513 652	\$ 535 307
Cash	82 617	35 927
Due from investment dealers	3 254	11 172
Subscriptions receivable	20	–
Unrealized gain on futures contracts	–	16
Unrealized gain on foreign exchange contracts	4 376	3 643
Dividends receivable, interest accrued and other assets	6 419	6 392
TOTAL ASSETS	610 338	592 457
LIABILITIES		
Due to investment dealers	29 232	18 080
Unrealized loss on futures contracts	15	–
Futures contracts margin payable	3 604	4 952
Unrealized loss on foreign exchange contracts	14	165
Distributions payable	1	1
Accounts payable and accrued expenses	77	77
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	32 943	23 275
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 577 395	\$ 569 182
Investments at cost	\$ 515 009	\$ 518 705
NAV		
SERIES A	\$ 222	\$ 94
ADVISOR SERIES	\$ 34	\$ 55
SERIES D	\$ 150	\$ 80
SERIES F	\$ 75	\$ 53
SERIES O	\$ 576 914	\$ 568 900
NAV PER UNIT		
SERIES A	\$ 10.21	\$ 10.39
ADVISOR SERIES	\$ 10.22	\$ 10.40
SERIES D	\$ 10.20	\$ 10.38
SERIES F	\$ 10.25	\$ 10.43
SERIES O	\$ 10.19	\$ 10.37

Statements of Comprehensive Income (unaudited)

(in \$000s except per unit amounts)

For the periods ended June 30 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 12 809	\$ 13 151
Derivative income	(8 568)	(31 193)
Net realized gain (loss) on investments	15 084	9 422
Change in unrealized gain (loss) on investments	(17 075)	29 695
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	2 250	21 075
Other income (loss)	–	5
Net gain (loss) on foreign cash balances	449	4 365
TOTAL OTHER INCOME (LOSS)	449	4 370
TOTAL INCOME (LOSS)	2 699	25 445
EXPENSES (see notes – Fund Specific Information)		
Management fees	2	–
Administration fees	428	390
Independent Review Committee costs	1	1
GST/HST	44	41
Transaction costs	–	12
Withholding tax	3	–
TOTAL EXPENSES	478	444
INCREASE (DECREASE) IN NAV	\$ 2 221	\$ 25 001
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (2)	\$ –
ADVISOR SERIES	\$ –	\$ –
SERIES D	\$ 1	\$ –
SERIES F	\$ (1)	\$ –
SERIES O	\$ 2 223	\$ 25 001
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.09)	\$ 0.31
ADVISOR SERIES	\$ (0.01)	\$ 0.40
SERIES D	\$ (0.03)	\$ 0.44
SERIES F	\$ (0.01)	\$ 0.33
SERIES O	\$ 0.04	\$ 0.49



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

For the periods ended June 30 (see note 2 in the generic notes)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 221	\$ 25 001
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	–	–
Non-cash distributions from underlying funds	–	–
Net realized loss (gain) on investments	(15 084)	(9 414)
Change in unrealized loss (gain) on investments	17 075	(29 695)
(Increase) decrease in accrued receivables	(11)	(563)
Increase (decrease) in accrued payables	15	13
(Increase) decrease in margin accounts	(1 348)	7 484
Cost of investments purchased	(350 268)	(410 048)
Proceeds from sale and maturity of investments	388 118	340 655
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	40 718	(76 567)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	6 420	66 502
Cash paid on redemption of redeemable units	(445)	(107)
Distributions paid to holders of redeemable units	(3)	–
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 5 972	\$ 66 395
Net increase (decrease) in cash for the period	46 690	(10 172)
Cash (bank overdraft), beginning of period	35 927	51 973
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 82 617	\$ 41 801
Interest received (paid)	\$ 12 782	\$ 12 608
Dividends received, net of withholding taxes	\$ (3)	\$ 5



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 D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 94	\$ 1	\$ 55	\$ 1	\$ 80	\$ 1	\$ 53	\$ 1
INCREASE (DECREASE) IN NAV	(2)	–	–	–	1	–	(1)	–
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable units issued	130	17	4	–	113	–	112	29
Reinvestments of distributions to holders of redeemable units	2	–	1	–	2	–	–	–
Redemption of redeemable units	–	–	(25)	–	(43)	–	(87)	(29)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	132	17	(20)	–	72	–	25	–
Distributions from net income	(2)	–	(1)	–	(3)	–	(2)	–
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2)	–	(1)	–	(3)	–	(2)	–
NET INCREASE (DECREASE) IN NAV	128	17	(21)	–	70	–	22	–
NAV AT END OF PERIOD	\$ 222	\$ 18	\$ 34	\$ 1	\$ 150	\$ 1	\$ 75	\$ 1

For the periods ended June 30 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 568 900	\$ 460 672	\$ 569 182	\$ 460 676
INCREASE (DECREASE) IN NAV	2 223	25 001	2 221	25 001
Early redemption fees	–	–	–	–
Proceeds from redeemable units issued	6 081	62 447	6 440	62 493
Reinvestments of distributions to holders of redeemable units	12 160	12 926	12 165	12 926
Redemption of redeemable units	(290)	(81)	(445)	(110)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	17 951	75 292	18 160	75 309
Distributions from net income	(12 160)	(12 843)	(12 168)	(12 843)
Distributions from net gains	–	–	–	–
Distributions from capital	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(12 160)	(12 843)	(12 168)	(12 843)
NET INCREASE (DECREASE) IN NAV	8 014	87 450	8 213	87 467
NAV AT END OF PERIOD	\$ 576 914	\$ 548 122	\$ 577 395	\$ 548 143



June 30, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide total returns comprised of interest income and modest capital appreciation by investing primarily in high-yield debt securities issued by entities domiciled in or carrying out the majority of their business activities in Europe.

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

Credit risk (%)

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

Rating	June 30 2018	December 31 2017
A	1.4	0.7
BBB	0.6	4.6
BB	33.6	37.1
B	37.5	43.2
CCC	5.8	2.9
Unrated	21.1	11.5
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	June 30 2018	December 31 2017
United Kingdom	21.9	20.6
United States	9.8	10.7
Luxembourg	9.7	9.5
Italy	7.9	4.1
Spain	6.0	7.2
France	5.6	9.7
Netherlands	5.4	9.7
Germany	5.0	6.6
Ireland	1.3	1.6
Other Countries	15.9	12.5
Cash/Other	11.5	7.8
Total	100.0	100.0

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

Interest rate risk (%)

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

Term to maturity	June 30 2018	December 31 2017
Less than 1 year	4.1	7.8
1 – 5 years	30.1	27.0
5 – 10 years	56.5	50.7
> 10 years	9.3	14.5
Total	100.0	100.0

As at June 30, 2018, 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 3.3% (December 31, 2017 – 3.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

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

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

The following is a summary of the inputs used as of June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	513 652	–	513 652
Short-term investments	–	–	–	–
Derivatives – assets	–	4 376	–	4 376
Derivatives – liabilities	(15)	(14)	–	(29)
Total financial instruments	(15)	518 014	–	517 999
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	524 848	–	524 848
Short-term investments	–	10 459	–	10 459
Derivatives – assets	16	3 643	–	3 659
Derivatives – liabilities	–	(165)	–	(165)
Total financial instruments	16	538 785	–	538 801
% of total portfolio	–	100.0	–	100.0

For the periods ended June 30, 2018 and December 31, 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



June 30, 2018

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

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

	Management fees*	Administration fees
Series A	1.50%	0.15%
Advisor Series	1.50%	0.15%
Series D	0.90%	0.15%
Series F	0.75%	0.15%
Series O	n/a [†]	0.15%

* Effective January 1, 2018, the management fees for Series A and Advisor Series units were reduced to 1.50% from 1.65%; for Series D units were reduced to 0.90% from 1.05%; and for Series F and Series I units were reduced to 0.75% from 0.90%.

[†] 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 2018	December 31 2017
Units held		
Series A	106	105
Advisor Series	106	105
Series D	107	106
Series F	107	106
Value of all units	4	4

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

The non-capital and capital losses as at December 31, 2017 for the Fund were approximately:

Capital losses	612
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 June 30 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	9	–
Issued number of units	13	2
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	22	2

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

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

	2018	2017
Advisor Series		
Opening units	5	–
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	(2)	–
Ending number of units	3	–
Series D		
Opening units	8	–
Issued number of units	11	–
Reinvested number of units	–	–
Redeemed number of units	(4)	–
Ending number of units	15	–
Series F		
Opening units	5	–
Issued number of units	10	3
Reinvested number of units	–	–
Redeemed number of units	(8)	(3)
Ending number of units	7	–
Series O		
Opening units	54 869	46 091
Issued number of units	582	6 187
Reinvested number of units	1 188	1 272
Redeemed number of units	(28)	(8)
Ending number of units	56 611	53 542

Transaction costs (\$000s except %)

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

	June 30 2018		June 30 2017	
	\$	%	\$	%
Total transaction costs	–	–	12	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements [†]	–	–	–	–

* See note 8 in the generic notes.

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



June 30, 2018

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	December 31
	2018	2017
RBC Retirement 2020 Portfolio	0.1	–
RBC Retirement 2030 Portfolio	0.1	–
RBC Retirement 2035 Portfolio	0.1	0.1
RBC Retirement 2040 Portfolio	0.2	0.1
RBC Retirement 2045 Portfolio	0.2	0.1
RBC Retirement 2050 Portfolio	0.1	0.1
RBC Select Balanced Portfolio	32.4	32.7
RBC Select Choices Balanced Portfolio	0.3	–
RBC Select Choices Conservative Portfolio	0.3	–
RBC Select Choices Growth Portfolio	0.1	–
RBC Select Conservative Portfolio	66.1	66.7
Total	100.0	99.8

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, 2018.

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 and Series O.

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

Advisor Series units and Advisor T5 Series units are available to all investors through authorized dealers with an initial sales charge or low-load sales charge option. 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 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 for the six-month periods ended June 30, 2018 and 2017, or as at June 30, 2018 and December 31, 2017, as applicable. In the year a Fund or series is established, “period” represents the period from inception to June 30 of that fiscal year.

3. Summary of significant accounting policies

These financial statements have been prepared in compliance 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, which are investment entities, are as follows:

Adoption of New Accounting Standards Effective January 1, 2018, the Funds adopted IFRS 9 Financial Instruments. The new standard requires financial assets to be classified as amortized cost and fair value, with changes in fair value through profit and loss (“FVTPL”) or fair value through other comprehensive income (“FVOCI”) based on the entity’s business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Assessment and decision on the business model approach used is an accounting judgment.

The adoption of IFRS 9 has been applied retrospectively without the use of hindsight and did not result in a change to the measurement of financial instruments, in either the current or comparative period. The Funds’ financial assets and financial liabilities previously designated as FVTPL under IAS 39 Financial Instruments continue to be measured as FVTPL. Other financial assets and liabilities will continue to be measured at amortized cost.

June 30, 2018

Classification and Measurement of Financial Assets, Liabilities and Derivatives Each of the Funds classify their investment and derivative portfolio based on the business model for managing the portfolio and the contractual cash flow characteristics. The investment portfolio of financial assets, liabilities and derivatives is managed and performance is evaluated on a fair value basis. The contractual cash flows of the Funds' debt securities are solely principal and interest; however, these securities 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 and derivative contracts are 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.

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.

June 30, 2018

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 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 and debentures are valued at the closing 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 fair value, which is approximated at cost plus accrued interest.

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. Any unrealized gain or loss at the close of business on each valuation date is recorded as "Change in unrealized gain (loss) on investments" in the Statements of Comprehensive Income. The receivable/payable on forward contracts is recorded separately in the Statements of Financial Position. Realized gain (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, 2018

Unrealized gains and losses are recorded as “Receivable on open swap contracts” or “Payable on open swap contracts” in the Statements of Financial Position. 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.

Underlying Funds – Underlying funds that are mutual 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. Under these fair valuation procedures, 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. Management also has procedures 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.

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 fair value. The carrying amount of cash approximates its fair value because it is short-term in nature.

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 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 Corporate 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 Emerging Markets Corporate Bond Fund, BlueBay \$U.S. Global Convertible Bond Fund (Canada) and RBC U.S. Monthly Income Fund) 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.

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 Corporate 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 Emerging Markets Corporate Bond Fund, BlueBay \$U.S. Global Convertible Bond Fund (Canada) and RBC U.S. Monthly Income Fund have their subscriptions, redemptions and performance denominated in U.S. dollars and, consequently, the U.S. dollar is the functional currency for these Funds.

June 30, 2018

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:

ARS – Argentinian peso	KZT – Kazakhstan tenge
AUD – Australian dollar	MXN – Mexican peso
BRL – Brazilian real	MYR – Malaysian ringgit
CAD – Canadian dollar	NOK – Norwegian krone
CHF – Swiss franc	NZD – New Zealand dollar
CLP – Chilean peso	PEN – Peruvian nuevo sol
CNY – Chinese renminbi	PHP – Philippine peso
COP – Colombian peso	PLN – Polish zloty
CZK – Czech koruna	RON – Romanian leu
DKK – Danish krone	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.

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 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.

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.

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). Other fund costs will be 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 mutual funds"). A Fund will not invest in units of an underlying mutual 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 mutual 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 mutual 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 the RBC \$U.S. Investment Grade Corporate Bond 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 and Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund (for a portion of the Fund). RBC Global Asset Management (UK) Limited is the sub-advisor for the RBC Global Bond Fund

(for a portion of the 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 Balanced Fund (for the European equity portion of the Fund), RBC Global Balanced Fund (for the European equity portion of the Fund), RBC International Dividend Growth Fund, RBC International Equity Fund (for the European equity portion of the Fund), RBC European Dividend Fund, RBC European Equity Fund, RBC European Mid-Cap Equity Fund, RBC Emerging Markets Dividend Fund, RBC 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 Global Equity Focus Fund, RBC Vision Global Equity Fund, RBC Vision Fossil Fuel Free Global Equity Fund, Phillips, Hager & North Overseas Equity Fund and Phillips, Hager & North Global Equity Fund. RBC Investment Management (Asia) Limited is the sub-advisor for the RBC Balanced Fund (for the Asian equity portion of the Fund), RBC Global Balanced Fund (for the Asian equity portion of the Fund), RBC Vision Balanced Fund (for the Asian equity portion of the Fund), RBC International Dividend Growth Fund (for the Asian equity portion of the Fund), RBC International Equity Fund (for the Asian equity portion of the Fund), RBC Asian Equity Fund, RBC Asia Pacific Ex-Japan Equity Fund and RBC Japanese Equity Fund. BlueBay Asset Management LLP is the sub-advisor of the BlueBay Global Monthly Income Bond Fund, BlueBay Global Sovereign Bond Fund (Canada), BlueBay Global Investment Grade Corporate Bond Fund (Canada), BlueBay European High Yield Bond Fund (Canada), BlueBay Emerging Markets Corporate Bond Fund, BlueBay Global Convertible Bond Fund (Canada) and BlueBay \$U.S. Global Convertible 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:

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;

June 30, 2018

- (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.

9. Revision of comparative information

Where applicable, certain comparative figures on the Statements of Cash Flow have been revised.

Amounts reclassified to “Non-cash distributions from underlying funds” have been presented separately from amounts related to “Cost of investments purchased” to appropriately reflect the non-cash components of investments purchased. The impact on the “Net cash provided by (used in) operating activities” is nil.

Comparative figures on the Statements of Cash Flow have been revised for the following funds:

RBC Monthly Income Bond Fund, RBC Bond Fund, RBC Global Bond Fund, RBC Global Corporate Bond Fund, RBC Global High Yield Bond Fund, RBC Strategic Income Bond Fund, RBC Emerging Markets Bond Fund (CAD Hedged), 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 Conservative Growth & Income Fund, RBC Balanced Growth & Income Fund, RBC Global Growth & Income Fund, 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 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 Aggressive Growth Portfolio, RBC Target 2020 Education Fund, RBC Target 2025 Education Fund, RBC Target 2030 Education Fund, RBC Emerging Markets Multi-Strategy Equity Fund, RBC Private U.S. Large-Cap Value Equity Currency Neutral Pool, RBC Private U.S. Large-Cap Core Equity Currency Neutral Pool, Phillips, Hager & North Total Return Bond Fund, Phillips, Hager & North Monthly Income Fund, Phillips, Hager & North Balanced 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 and Phillips, Hager & North LifeTime 2050 Fund.

Amounts reclassified to “(Increase) decrease in margin accounts” have been presented separately from amounts related to “Cash (bank overdraft), beginning of period,” to appropriately separate changes in margin accounts.

Comparative figures on the Statements of Cash Flow have been revised for the following funds:

RBC Bond Fund, RBC Global Bond Fund, RBC Global Corporate Bond Fund, RBC Global High Yield Bond Fund, BlueBay Global Monthly Income Bond Fund, BlueBay Global Sovereign Bond Fund (Canada), BlueBay Global Investment Grade Corporate Bond Fund (Canada), BlueBay European High Yield Bond Fund (Canada), BlueBay Emerging Markets Corporate Bond Fund, BlueBay Global Convertible Bond Fund (Canada), BlueBay \$U.S. Global Convertible Bond Fund (Canada), RBC Monthly Income Fund, RBC Balanced Fund, RBC Global Balanced Fund, RBC Select Very Conservative Portfolio, RBC Select Conservative Portfolio, RBC Select Balanced Portfolio, RBC Select Growth Portfolio, RBC Select Aggressive Growth Portfolio, RBC North American Growth Fund, RBC U.S. Index Currency Neutral Fund, RBC International Index Currency Neutral Fund and Phillips, Hager & North Total Return Bond Fund.

June 30, 2018

Where applicable, certain comparative figures on the Statements of Comprehensive Income have been revised due to the implementation of IFRS 9. Certain amounts previously recorded as “Net gain (loss) on foreign currencies and other net assets,” “Other derivatives” and “Net gain (loss) from futures contracts” are now recorded as “Derivative income.” And certain amounts previously recorded as “Other income (loss)” are now recorded as “Income from investment trusts.”

Comparative figures on the Statements of Comprehensive Income have been revised for the following funds:

RBC Canadian Short-Term Income Fund, RBC Monthly Income Bond Fund, RBC Bond Fund, RBC Vision Bond Fund, RBC Global 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 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 European High Yield Bond Fund (Canada), BlueBay Emerging Markets Corporate Bond Fund, BlueBay Global Convertible Bond Fund (Canada), BlueBay \$U.S. Global Convertible Bond Fund (Canada), 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 Conservative Growth & Income Fund, RBC Balanced Growth & Income Fund, RBC Global Growth & Income Fund, 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 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 Target 2020 Education Fund, RBC Target 2025 Education Fund, RBC Target 2030 Education Fund, RBC Canadian Dividend Fund, RBC Canadian Equity Fund, RBC QUBE Canadian Equity Fund, RBC QUBE Low Volatility Canadian Equity Fund, RBC Trend Canadian Equity Fund, RBC Vision Canadian Equity Fund, RBC Canadian Index Fund, RBC O’Shaughnessy Canadian Equity Fund, RBC O’Shaughnessy All-Canadian Equity Fund,

RBC Canadian Equity Income Fund, RBC 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. Index Fund, RBC U.S. Index Currency Neutral Fund, 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 International Dividend Growth Fund, RBC International Equity Fund, RBC International Equity Currency Neutral Fund, RBC International Index Currency Neutral Fund, RBC O’Shaughnessy International Equity Fund, RBC European Dividend Fund, RBC European Equity Fund, RBC European Mid-Cap Equity Fund, RBC Asian Equity Fund, RBC Asia Pacific ex-Japan Equity Fund, RBC Japanese Equity Fund, RBC Emerging Markets Multi-Strategy Equity Fund, RBC Emerging Markets Dividend Fund, RBC 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 Global Equity Focus Fund, RBC QUBE Global Equity Fund, RBC QUBE Low Volatility Global Equity Fund, RBC Vision Global Equity Fund, RBC Vision Fossil Fuel Free Global Equity Fund, RBC O’Shaughnessy Global Equity Fund, RBC QUBE All Country World 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 Canadian Corporate Bond Pool, RBC Private Income Pool, RBC Private Canadian Dividend Pool, RBC Private Canadian Growth and Income Equity Pool, RBC Private Canadian Equity Pool, RBC Private Canadian Mid-Cap Equity Pool, RBC Private U.S. Large-Cap Value Equity Currency Neutral Pool, RBC Private U.S. Large-Cap Core Equity Pool, RBC Private U.S. Large-Cap Core Equity Currency Neutral Pool, RBC Private EAFE Equity Pool, Phillips, Hager & North Bond Fund, Phillips, Hager & North Total Return Bond Fund, Phillips, Hager & North High Yield Bond Fund, Phillips, Hager & North Monthly Income Fund, Phillips, Hager & North Balanced Fund, Phillips, Hager & North Dividend Income Fund, Phillips, Hager & North Canadian Equity Value Fund, Phillips, Hager & North Canadian Equity Underlying Fund, Phillips, Hager & North Canadian Equity Underlying Fund II, Phillips, Hager & North Canadian

June 30, 2018

Growth Fund, Phillips, Hager & North Canadian Income Fund, Phillips, Hager & North Vintage 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 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 and Phillips, Hager & North LifeTime 2050 Fund.

Where applicable, certain comparative figures in the Fair Value Hierarchy table have been revised to reflect the investment in exchange-traded funds as part of “Underlying funds” rather than as “Equities.” Comparative figures in the Fair Value Hierarchy table have been revised for the following funds:

RBC U.S. Monthly Income Fund, RBC Balanced Fund, RBC Global Balanced Fund, RBC Balanced Growth & Income 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 U.S. Index Currency Neutral Fund, RBC U.S. Small-Cap Core Equity Fund, RBC Life Science and Technology Fund, RBC International Index Currency Neutral Fund, Phillips, Hager & North U.S. Dividend Income Fund, Phillips, Hager & North U.S. Multi-Style All-Cap 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 and Phillips, Hager & North LifeTime 2050 Fund.