



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.

A handwritten signature in black ink, appearing to read "Damon G. Williams".

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

August 9, 2023

A handwritten signature in black ink, appearing to read "Heidi Johnston".

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 INCOME FUND

June 30, 2023

	Holdings	Cost (\$)	Fair Value (\$)	% of Net Assets
EQUITIES				
Communication Services				
BCE Inc.	1 166 194	69 345	70 438	
Rogers Communications Inc. Class B	305 836	17 601	18 485	
TELUS Corp.	2 193 325	57 099	56 544	
		144 045	145 467	4.7
Consumer Discretionary				
Canadian Tire Corp. Ltd. Class A	158 203	26 966	28 654	
Magna International Inc.	394 601	38 482	29 512	
PulteGroup Inc.	272 000	17 879	27 991	
		83 327	86 157	2.8
Consumer Staples				
Coca-Cola Co.	110 000	7 935	8 776	
George Weston Ltd.	131 662	12 549	20 621	
Loblaw Companies Ltd.	55 000	6 257	6 670	
Maple Leaf Foods Inc.	418 225	9 204	10 824	
		35 945	46 891	1.5
Energy				
Cameco Corp.	182 740	5 918	7 582	
Canadian Natural Resources Ltd.	926 363	30 455	68 996	
Cenovus Energy Inc.	255 000	6 429	5 738	
Enbridge Inc.	2 921 555	144 373	143 857	
Gibson Energy Inc.	1 151 472	26 268	23 985	
Keyera Corp.	1 137 603	35 988	34 754	
Parkland Corp.	642 521	24 812	21 203	
Pembina Pipeline Corp.	1 098 758	44 864	45 763	
PrairieSky Royalty Ltd.	400 000	7 039	9 264	
Suncor Energy Inc.	1 104 798	30 705	42 932	
TC Energy Corp.	1 334 621	76 504	71 456	
Topaz Energy Corp.	1 330 611	23 694	27 451	
Tourmaline Oil Corp.	580 685	22 282	36 246	
		479 331	539 227	17.4
Financials				
Bank of Montreal	876 477	85 805	104 862	
Bank of Nova Scotia	1 496 044	103 989	99 158	
Brookfield Asset Management Ltd. Class A	202 214	3 538	8 744	
Brookfield Corp.	2 102 859	73 033	93 788	
Canadian Imperial Bank of Commerce	1 332 954	74 438	75 392	
iA Financial Corp. Inc.	132 812	8 578	11 986	
Intact Financial Corp.	263 429	38 139	53 882	
Manulife Financial Corp.	1 815 452	38 735	45 459	
National Bank of Canada	323 666	21 624	31 946	
Power Corp. of Canada	966 599	37 652	34 469	
Royal Bank of Canada*	1 715 003	146 808	216 982	
Sun Life Financial Inc.	932 602	47 060	64 405	
Toronto-Dominion Bank	2 370 078	159 919	194 607	
		839 318	1 035 680	33.3

	Holdings	Cost (\$)	Fair Value (\$)	% of Net Assets
Health Care				
Chartwell Retirement Residences – Units	2 684 190	31 253	25 419	
		31 253	25 419	0.8
Industrials				
Brookfield Business Corp.	134 250	4 955	3 352	
Brookfield Business Partners LP – Partnership Shares	586 283	24 961	13 373	
Canadian National Railway Co.	233 592	26 245	37 473	
Canadian Pacific Kansas City Ltd.	821 189	52 853	87 867	
Finning International Inc.	453 774	13 729	18 492	
Russel Metals Inc.	790 016	21 389	28 994	
SNC-Lavalin Group Inc.	429 187	21 919	14 914	
Thomson Reuters Corp.	182 899	19 767	32 713	
WSP Global Inc.	219 339	27 896	38 389	
		213 714	275 567	8.9
Information Technology				
Open Text Corp.	280 000	12 749	15 428	
		12 749	15 428	0.5
Materials				
Agnico Eagle Mines Ltd.	753 641	52 530	49 853	
Barrick Gold Corp.	1 262 012	34 801	28 282	
Chemtrade Logistics Income Fund – Units	1 369 736	16 215	11 218	
Franco-Nevada Corp.	106 157	17 364	20 044	
Methanex Corp.	232 098	9 851	12 705	
Neo Performance Materials Inc.	1 165 860	17 049	9 560	
Nutrien Ltd.	701 752	42 654	54 884	
Teck Resources Ltd. Class B	397 436	17 641	22 153	
West Fraser Timber Co. Ltd.	126 777	8 794	14 428	
Wheaton Precious Metals Corp.	380 972	18 214	21 826	
		235 113	244 953	7.9
Real Estate				
Allied Properties Real Estate Investment Trust	891 539	30 009	19 364	
Boston Properties Inc.	180 000	12 030	13 733	
Brookfield Property Preferred LP 6.250% – Preferred Shares	17 476	516	365	
BSR Real Estate Investment Trust	683 081	9 095	11 592	
Canadian Apartment Properties Real Estate Investment Trust	245 079	11 978	12 465	
Choice Properties Real Estate Investment Trust	1 729 388	23 012	23 468	
Colliers International Group Inc.	64 524	5 202	8 393	
Crombie Real Estate Investment Trust	491 987	7 759	6 731	
CT Real Estate Investment Trust	524 577	8 572	7 916	
DREAM Unlimited Corp.	356 644	4 741	7 358	
First Capital Real Estate Investment Trust	755 369	11 955	11 043	
Flagship Communities Real Estate Investment Trust	802 000	17 194	17 265	



June 30, 2023

	Holdings	Cost (\$)	Fair Value (\$)	% of Net Assets
Real Estate (cont.)				
Granite Real Estate				
Investment Trust	329 920	26 186	25 859	
H&R Real Estate Investment Trust	2 248 898	29 120	23 051	
Killam Apartment Real Estate				
Investment Trust	1 685 915	29 533	29 773	
Minto Apartment Real Estate				
Investment Trust	1 289 168	24 734	19 363	
Primaris Real Estate				
Investment Trust	1 282 808	17 699	17 279	
RioCan Real Estate				
Investment Trust	1 622 247	32 949	31 277	
Tricon Residential Inc.	1 767 800	22 063	20 648	
Tricon Residential Inc. – Restricted Aug 27, 2023	6 150	8 073	8 451	
		<u>332 420</u>	<u>315 394</u>	<u>10.1</u>
Utilities				
AltaGas Ltd.	1 646 192	37 422	39 179	
Atco Ltd. Class I	680 384	29 713	26 834	
Boralex Inc. Class A	666 204	22 548	24 030	
Brookfield Infrastructure				
Partners LP – Partnership Shares	1 005 060	42 218	48 665	
Brookfield Renewable				
Partners LP – Partnership Shares	778 000	32 440	30 389	
Capital Power Corp.	265 000	11 493	11 157	
Dominion Energy Inc.	170 000	16 037	11 663	
Emera Inc.	203 699	11 209	11 115	
Fortis Inc.	664 860	34 173	37 957	
Innergex Renewable Energy Inc.	460 000	10 077	5 676	
Northland Power Inc.	618 902	20 457	17 100	
Superior Plus Corp.	940 000	8 805	8 921	
TransAlta Corp.	1 854 284	14 580	22 993	
		<u>291 172</u>	<u>295 679</u>	<u>9.5</u>
TOTAL EQUITIES		<u>2 698 387</u>	<u>3 025 862</u>	<u>97.4</u>
SHORT-TERM INVESTMENTS[†]		<u>68 849</u>	<u>68 849</u>	<u>2.2</u>
TOTAL INVESTMENTS		<u>2 767 236</u>	<u>3 094 711</u>	<u>99.6</u>
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)			1 329	–
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)			(63)	–
TOTAL PORTFOLIO		<u>2 767 236</u>	<u>3 095 977</u>	<u>99.6</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			11 465	<u>0.4</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>3 107 442</u>		<u>100.0</u>

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain (\$)
Bought CAD 987 Sold USD 719 @ 1.3246	05-Jul-2023	34
Bought CAD 1 338 Sold USD 1 000 @ 1.3245	10-Jul-2023	13
Bought CAD 1 328 Sold USD 1 000 @ 1.3245	14-Jul-2023	3
Bought USD 42 Sold CAD 56 @ 1.3245	14-Jul-2023	–
Bought CAD 953 Sold USD 719 @ 1.3245	14-Jul-2023	–
Bought CAD 4 133 Sold USD 3 100 @ 1.3244	19-Jul-2023	27
Bought CAD 11 209 Sold USD 8 300 @ 1.3243	21-Jul-2023	217
Bought CAD 2 080 Sold USD 1 543 @ 1.3242	25-Jul-2023	36
Bought CAD 1 077 Sold USD 800 @ 1.3242	26-Jul-2023	17
Bought CAD 1 465 Sold USD 1 091 @ 1.3242	27-Jul-2023	20
Bought CAD 13 265 Sold USD 9 933 @ 1.3242	28-Jul-2023	112
Bought CAD 6 841 Sold USD 5 100 @ 1.3241	02-Aug-2023	88
Bought CAD 8 489 Sold USD 6 284 @ 1.3240	03-Aug-2023	168
Bought CAD 13 130 Sold USD 9 653 @ 1.3238	15-Aug-2023	351
Bought CAD 5 339 Sold USD 4 000 @ 1.3237	18-Aug-2023	44
Bought CAD 2 366 Sold USD 1 743 @ 1.3237	18-Aug-2023	58
Bought CAD 3 399 Sold USD 2 525 @ 1.3235	30-Aug-2023	57
Bought CAD 3 610 Sold USD 2 710 @ 1.3232	14-Sep-2023	24
Bought CAD 5 937 Sold USD 4 444 @ 1.3232	15-Sep-2023	56
Bought CAD 1 764 Sold USD 1 330 @ 1.3231	19-Sep-2023	4
		<u>1 329</u>

Contracts	Maturity Date	Unrealized Loss (\$)
Bought USD 719 Sold CAD 953 @ 1.3246	05-Jul-2023	–
Bought USD 1 500 Sold CAD 1 989 @ 1.3245	10-Jul-2023	(2)
Bought USD 94 Sold CAD 125 @ 1.3245	14-Jul-2023	–
Bought USD 1 000 Sold CAD 1 348 @ 1.3243	20-Jul-2023	(23)
Bought CAD 4 828 Sold USD 3 650 @ 1.3231	20-Sep-2023	(2)
Bought CAD 6 429 Sold USD 4 887 @ 1.3228	03-Oct-2023	(36)
		<u>(63)</u>
TOTAL FOREIGN EXCHANGE		<u>1 266</u>

All counterparties have a credit rating of at least A.

\$130 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above foreign exchange contracts.

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

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 4.46% to 5.03% and mature between July 4, 2023 and November 9, 2023.



Statements of Financial Position (unaudited)

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	June 30 2023	December 31 2022
ASSETS		
Investments at fair value	\$ 3 094 711	\$ 3 091 819
Cash	1 750	1 672
Due from investment dealers	8 767	–
Subscriptions receivable	1 275	906
Unrealized gain on foreign exchange contracts	1 329	910
Dividends receivable, interest accrued and other assets	10 142	9 545
TOTAL ASSETS	3 117 974	3 104 852
LIABILITIES		
Due to investment dealers	3 171	3 054
Redemptions payable	2 624	1 365
Unrealized loss on foreign exchange contracts	63	310
Distributions payable	1 551	1 501
Accounts payable and accrued expenses	3 123	3 308
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	10 532	9 538
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 3 107 442	\$ 3 095 314
Investments at cost	\$ 2 767 236	\$ 2 772 868
NAV		
SERIES A	\$ 1 489 667	\$ 1 487 469
ADVISOR SERIES	\$ –	\$ –
SERIES T5	\$ 7 794	\$ 7 659
SERIES D	\$ 50 051	\$ 49 695
SERIES F	\$ 1 278 689	\$ 1 257 278
SERIES FT5	\$ 12 095	\$ 13 626
SERIES O	\$ 268 174	\$ 279 587
ETF SERIES	\$ 972	\$ –
NAV PER UNIT		
SERIES A	\$ 28.72	\$ 28.48
ADVISOR SERIES	\$ –	\$ –
SERIES T5	\$ 9.52	\$ 9.50
SERIES D	\$ 33.79	\$ 33.35
SERIES F	\$ 35.97	\$ 35.45
SERIES FT5	\$ 9.68	\$ 9.60
SERIES O	\$ 37.24	\$ 36.54
ETF SERIES	\$ 19.44	\$ –

Statements of Comprehensive Income (unaudited)

(in \$000s except per unit amounts)

For the periods ended June 30 (see note 2 in the generic notes)	2023	2022
INCOME (see note 3 in the generic notes)		
Dividends	\$ 59 259	\$ 68 445
Interest for distribution purposes	2 028	571
Income from investment trusts	7 575	2 685
Derivative income (loss)	1 024	(1 405)
Net realized gain (loss) on investments	36 481	199 861
Change in unrealized gain (loss) on investments	9 190	(368 243)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	115 557	(98 086)
Other income (loss)	94	675
Securities lending revenue (see note 7 in the generic notes)	172	110
Net gain (loss) on foreign cash balances	28	30
TOTAL OTHER INCOME (LOSS)	294	815
TOTAL INCOME (LOSS)	115 851	(97 271)
EXPENSES (see notes – Fund Specific Information)		
Management fees	16 303	17 307
Administration fees	1 468	1 503
Independent Review Committee costs	1	–
GST/HST	1 703	1 790
Transaction costs	533	1 043
Withholding tax	143	(6)
TOTAL EXPENSES	20 151	21 637
INCREASE (DECREASE) IN NAV	\$ 95 700	\$ (118 908)
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 41 177	\$ (65 039)
ADVISOR SERIES	\$ –	\$ 3 107
SERIES T5	\$ 207	\$ (902)
SERIES D	\$ 1 588	\$ 16 809
SERIES F	\$ 41 232	\$ (81 329)
SERIES FT5	\$ 419	\$ (1 324)
SERIES O	\$ 11 096	\$ 9 770
ETF SERIES	\$ (19)	\$ –
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.79	\$ (1.27)
ADVISOR SERIES	\$ –	\$ 2.49
SERIES T5	\$ 0.25	\$ (2.47)
SERIES D	\$ 1.07	\$ 3.33
SERIES F	\$ 1.16	\$ (2.96)
SERIES FT5	\$ 0.30	\$ (2.27)
SERIES O	\$ 1.54	\$ 0.90
ETF SERIES	\$ (0.38)	\$ –



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

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

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 95 700	\$ (118 908)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	(1 879)	(310)
Non-cash dividends	–	–
Non-cash distributions from underlying funds	–	–
Net realized loss (gain) on investments	(36 481)	(199 861)
Change in unrealized loss (gain) on investments	(9 190)	368 243
(Increase) decrease in accrued receivables	(597)	1 170
Increase (decrease) in accrued payables	(185)	45
(Increase) decrease in margin accounts	–	–
Cost of investments purchased*	(1 159 489)	(1 758 683)
Proceeds from sale and maturity of investments*	1 194 831	1 717 909
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	82 710	9 605
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units*	167 537	490 373
Cash paid on redemption of redeemable units*	(240 826)	(487 117)
Distributions paid to holders of redeemable units	(9 343)	(12 742)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (82 632)	\$ (9 486)
Net increase (decrease) in cash for the period	78	119
Cash (bank overdraft), beginning of period	1 672	1 161
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 750	\$ 1 280
Interest received (paid) [†]	\$ 165	\$ 256
Income from investment trusts received (paid) ^{†‡}	\$ 7 434	\$ 3 719
Dividends received (paid) ^{†‡}	\$ 58 562	\$ 67 957

* 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	
	2023	2022	2023	2022	2023	2022	2023	2022
NAV AT BEGINNING OF PERIOD	\$ 1 487 469	\$ 1 579 546	\$ –	\$ 41 937	\$ 7 659	\$ 147	\$ 49 695	\$ 283 423
INCREASE (DECREASE) IN NAV	41 177	(65 039)	–	3 107	207	(902)	1 588	16 809
Early redemption fees	–	–	–	–	–	–	–	5
Proceeds from redeemable units issued	76 034	216 405	–	439	1 161	9 125	1 449	34 983
Reinvestments of distributions to holders of redeemable units	25 682	39 641	–	637	76	51	763	4 327
Redemption of redeemable units	(112 489)	(195 591)	–	(45 406)	(1 116)	(393)	(2 524)	(282 512)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(10 773)	60 455	–	(44 330)	121	8 783	(312)	(243 197)
Distributions from net income	(28 206)	(27 795)	–	(337)	(193)	(106)	(920)	(2 830)
Distributions from net gains	–	(15 841)	–	(377)	–	(12)	–	(1 962)
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(28 206)	(43 636)	–	(714)	(193)	(118)	(920)	(4 792)
NET INCREASE (DECREASE) IN NAV	2 198	(48 220)	–	(41 937)	135	7 763	356	(231 180)
NAV AT END OF PERIOD	\$ 1 489 667	\$ 1 531 326	\$ –	\$ –	\$ 7 794	\$ 7 910	\$ 50 051	\$ 52 243

For the periods ended June 30 (see note 2 in the generic notes)	Series F		Series FT5		Series O	
	2023	2022	2023	2022	2023	2022
NAV AT BEGINNING OF PERIOD	\$ 1 257 278	\$ 821 419	\$ 13 626	\$ 511	\$ 279 587	\$ 542 849
INCREASE (DECREASE) IN NAV	41 232	(81 329)	419	(1 324)	11 096	9 770
Early redemption fees	–	–	–	–	–	–
Proceeds from redeemable units issued	101 774	611 148	2 242	13 591	5 823	10 667
Reinvestments of distributions to holders of redeemable units	17 292	20 965	78	55	4 378	11 492
Redemption of redeemable units	(115 602)	(85 182)	(3 937)	(480)	(27 994)	(283 941)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 464	546 931	(1 617)	13 166	(17 793)	(261 782)
Distributions from net income	(23 285)	(18 599)	(333)	(169)	(4 716)	(6 929)
Distributions from net gains	–	(10 107)	–	(20)	–	(5 130)
Distributions from capital	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(23 285)	(28 706)	(333)	(189)	(4 716)	(12 059)
NET INCREASE (DECREASE) IN NAV	21 411	436 896	(1 531)	11 653	(11 413)	(264 071)
NAV AT END OF PERIOD	\$ 1 278 689	\$ 1 258 315	\$ 12 095	\$ 12 164	\$ 268 174	\$ 278 778



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

For the periods ended June 30 (see note 2 in the generic notes)	ETF Series		Total	
	2023	2022	2023	2022
NAV AT BEGINNING OF PERIOD	\$ –	\$ –	\$ 3 095 314	\$ 3 269 832
INCREASE (DECREASE) IN NAV	(19)	–	95 700	(118 908)
Early redemption fees	–	–	–	5
Proceeds from redeemable units issued	1 000	–	189 483	896 358
Reinvestments of distributions to holders of redeemable units	–	–	48 269	77 168
Redemption of redeemable units	–	–	(263 662)	(893 505)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 000	–	(25 910)	80 026
Distributions from net income	(9)	–	(57 662)	(56 765)
Distributions from net gains	–	–	–	(33 449)
Distributions from capital	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(9)	–	(57 662)	(90 214)
NET INCREASE (DECREASE) IN NAV	972	–	12 128	(129 096)
NAV AT END OF PERIOD	\$ 972	\$ –	\$ 3 107 442	\$ 3 140 736



June 30, 2023

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide a high level of monthly cash flow, relatively tax-efficient distributions consisting primarily of returns of capital, capital gains and interest income, as well as the potential for modest capital growth.

Effective April 11, 2022, all Advisor Series units with a deferred sales charge option were re-designated as Series A units. Any redemption fees associated with such re-designations were waived by RBC GAM.

ETF Series units were started March 2, 2023.

The closing market price of ETF Series units as of June 30, 2023 was \$19.21.

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

Concentration risk (%)

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

	June 30 2023	December 31 2022
Investment mix		
Financials	33.3	33.6
Energy	17.4	17.1
Real Estate	10.1	10.0
Utilities	9.5	8.9
Industrials	8.9	8.9
Materials	7.9	8.2
Communication Services	4.7	4.8
Consumer Discretionary	2.8	2.6
Consumer Staples	1.5	1.7
Health Care	0.8	0.8
Information Technology	0.5	0.6
Convertible Bonds	–	0.3
Cash/Other	2.6	2.5
Total	100.0	100.0

Other price risk (% impact on NAV)

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

	June 30 2023	December 31 2022
S&P/TSX Capped Composite		
Total Return Index	+ or - 9.9	+ or - 9.9

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

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

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, 2023 and December 31, 2022.

June 30, 2023	Level 1	Level 2	Level 3	Total
Equities	3 017 411	8 451	–	3 025 862
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	68 849	–	68 849
Derivatives – assets	–	1 329	–	1 329
Derivatives – liabilities	–	(63)	–	(63)
Total financial instruments	3 017 411	78 566	–	3 095 977
% of total portfolio	97.5	2.5	–	100.0

December 31, 2022	Level 1	Level 2	Level 3	Total
Equities	3 003 779	8 327	–	3 012 106
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	8 264	–	8 264
Short-term investments	–	71 449	–	71 449
Derivatives – assets	–	910	–	910
Derivatives – liabilities	–	(310)	–	(310)
Total financial instruments	3 003 779	88 640	–	3 092 419
% of total portfolio	97.1	2.9	–	100.0

For the period ended June 30, 2023, there were transfers of \$8,264 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, 2022, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

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

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

	Management fees	Administration fees
Series A	1.60%	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 O	n/a*	0.02%
ETF Series	0.60%	0.10%

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



June 30, 2023

**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 2023	December 31 2022
Units held		
Series A	154	151
Series T5	451	440
Series D	36	35
Series F	105	103
Series FT5	296	289
Series O	74	72
Value of all units	19	19

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

The Fund had no capital or non-capital losses as at December 31, 2022.

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)

	2023	2022
Series A		
Opening units	52 237	50 534
Issued number of units	2 580	6 625
Reinvested number of units	878	1 231
Redeemed number of units	(3 832)	(6 040)
Ending number of units	51 863	52 350

Advisor Series

Opening units	–	1 328
Issued number of units	–	13
Reinvested number of units	–	19
Redeemed number of units	–	(1 360)
Ending number of units	–	–

Series T5

Opening units	807	14
Issued number of units	119	830
Reinvested number of units	8	4
Redeemed number of units	(115)	(37)
Ending number of units	819	811

Series D

Opening units	1 490	7 814
Issued number of units	42	920
Reinvested number of units	22	114
Redeemed number of units	(73)	(7 316)
Ending number of units	1 481	1 532

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

	2023	2022
Series F		
Opening units	35 469	21 370
Issued number of units	2 763	15 029
Reinvested number of units	473	530
Redeemed number of units	(3 161)	(2 163)
Ending number of units	35 544	34 766

Series FT5

Opening units	1 420	49
Issued number of units	227	1 232
Reinvested number of units	8	5
Redeemed number of units	(405)	(46)
Ending number of units	1 250	1 240

Series O

Opening units	7 651	13 812
Issued number of units	159	262
Reinvested number of units	116	280
Redeemed number of units	(725)	(6 851)
Ending number of units	7 201	7 503

ETF Series

Opening units	–	–
Issued number of units	50	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	50	–

Transaction costs (\$000s except %)

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

	June 30 2023		June 30 2022	
	\$	%	\$	%
Total transaction costs	533	100	1 043	100
Related-party brokerage commissions*	109	20	117	11
Commission arrangements [†]	234	44	266	26

* 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 2023	June 30 2022
Fair value of securities loaned	275 999	228 148
Fair value of collateral received	281 519	232 711



June 30, 2023

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 2023		June 30 2022	
	\$	%	\$	%
Gross revenue	229	100	151	100
RBC IS (paid)	(56)	(25)	(38)	(25)
Tax withheld	(1)	–	(3)	(2)
Fund revenue	172	75	110	73

**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 2023	December 31 2022
RBC Conservative Growth & Income Fund	0.7	0.7
RBC Managed Payout Solution – Enhanced	3.8	4.0
RBC Managed Payout Solution – Enhanced Plus	3.6	3.6
Total	8.1	8.3

**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, 2023	Assets	Liabilities
Gross amounts – assets (liabilities)	1 329	(63)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	1 329	(63)
Related amounts not set-off	(39)	39
Collateral (received) pledged	(721)	–
Net amount	569	(24)

December 31, 2022	Assets	Liabilities
Gross amounts – assets (liabilities)	910	(310)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	910	(310)
Related amounts not set-off	(114)	114
Collateral (received) pledged	(439)	11
Net amount	357	(185)

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

Fund merger (000s except exchange ratios)

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

Details of the RBC Canadian Equity Income Class (the “Terminated Fund”) and the RBC Canadian Equity Income Fund (the “Continuing Fund”) are as follows:

Net assets acquired by Continuing Fund	
Series A	\$ 63 434
Series T5	\$ 6 146
Series D	\$ 19 738
Series F	\$ 88 530
Series FT5	\$ 9 291
Series O	\$ 1 101
Exchange ratio Series A	0.59
Units issued by Continuing Fund Series A	1 907
Exchange ratio Series T5	1.43
Units issued by Continuing Fund Series T5	552
Exchange ratio Series D	0.52
Units issued by Continuing Fund Series D	510
Exchange ratio Series F	0.49
Units issued by Continuing Fund Series F	2 157
Exchange ratio Series FT5	1.61
Units issued by Continuing Fund Series FT5	832
Exchange ratio Series O	0.49
Units issued by Continuing Fund Series O	26

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

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

The financial statements of the Continuing Fund include the operating results of the Terminated Fund from the date of the merger. All comparative information in these financial statements is that of the Continuing Fund only.



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

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

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, 2023.

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

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

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

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

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

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

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

Series I units have no sales charges, have lower fees than Series F units, Series FT5 units and Series FT8 units and are only available to investors who invest and maintain

the required minimum balance and who have accounts with dealers who have signed a fee-based agreement with RBC GAM.

Series N units are only available to related funds.

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

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

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

2. Financial period

The information provided in these financial statements and notes thereto is as at June 30, 2023 and December 31, 2022, as applicable, and for the six-month periods ended June 30, 2023 and June 30, 2022, 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:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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.

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

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financial instrument on the settlement date; rather, they intend to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. Futures contracts are valued at the gain or loss that would arise as a result of closing the position at the valuation date. Any gain or loss at the close of business on each valuation date is recorded as “Derivative income (loss)” in the Statements of Comprehensive Income. The receivable/payable on futures contracts is recorded separately in the Statements of Financial Position.

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

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

Interest Rate Swap Contracts – Interest rate swaps are agreements between two parties to exchange periodic interest payments based on a notional principal amount. The net periodic payments received or paid from interest rate swap contracts are recorded as “Interest for distribution purposes” in the Statements of Comprehensive Income. Payments received or paid when the Fund enters into the contract are recorded as an asset or liability in the

Statements of Financial Position. When the contract is terminated or expires, the payments received or paid are recorded as “Derivative income (loss)” in the Statements of Comprehensive Income. Interest rate swap contracts are valued based upon quotations from independent sources.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

AUD – Australian dollar	JPY – Japanese yen
BRL – Brazilian real	KRW – South Korean won
CAD – Canadian dollar	MXN – Mexican peso
CHF – Swiss franc	MYR – Malaysian ringgit
CLP – Chilean peso	NOK – Norwegian krone
CNH/CNY – Chinese renminbi	NZD – New Zealand dollar
COP – Colombian peso	PEN – Peruvian nuevo sol
CZK – Czech koruna	PHP – Philippine peso
DKK – Danish krone	PLN – Polish zloty
DOP – Dominican peso	RON – Romanian leu
EGP – Egyptian pound	RSD – Serbian dinar
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	ZAR – South African rand

In-Kind Transactions and Switches Between Different Series of the Same Fund In accordance with IAS 7, the Funds exclude non-cash transactions from their operating and financing activities within the Statements of Cash Flow. The primary differences between amounts issued and redeemed within the Statements of Changes in NAV and the Statements of Cash Flow relate to in-kind transactions and switches between series of the same Fund. Similarly, the “Cost of investments purchased” and “Proceeds from sale and maturity of investments” within the Statements of Cash Flow appropriately exclude in-kind transactions.

4. Critical accounting judgments and estimates

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

Fair value measurement of securities not quoted in an active market

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

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

5. Financial instrument risk and capital management

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

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

In February 2022, Russian forces invaded Ukraine, resulting in an armed conflict and economic sanctions on Russia. Price volatility, trading restrictions, including the potential for extended halting of Russian market trading, and general default risk related to Russian securities may have an adverse impact on the financial performance of a Fund. The manager is actively monitoring the situation.

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

Liquidity risk

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

Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty not being able to meet its financial obligations. The carrying amount of investments and other assets represents the maximum credit risk exposure

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

Concentration risk

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

Interest rate risk

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

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

Currency risk

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

Other price risk

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

6. Taxes

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

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

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

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

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

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

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

7. Securities lending revenue

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

8. Administrative and other related-party transactions

Manager and Portfolio Manager

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

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

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

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

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

Sub-Advisors

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

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

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

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

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

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

RBC Global Asset Management (Asia) Limited is the sub-advisor for:
 RBC Balanced Fund (for the Asian equity portion of the Fund)
 RBC Global Balanced Fund (for the Asian equity portion of the Fund)
 RBC Vision Balanced Fund (for the Asian equity portion of the Fund)
 RBC International Dividend Growth Fund (for the Asian equity portion of the Fund)
 RBC International Equity Fund (for the Asian equity portion of the Fund)
 RBC International Equity Currency Neutral Fund (for the Asian equity portion of the underlying fund)
 RBC Asian Equity Fund (for the underlying funds)
 RBC Asia Pacific ex-Japan Equity Fund
 RBC China Equity Fund
 RBC Japanese Equity Fund

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

Trustee

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

Distributors

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

Custodian

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

Registrars

RBC GAM, RBC IS or Royal Bank (or a combination thereof) are the registrars of the Funds and keep records of who owns the units of the Funds. The registrars also process orders and

issue account statements. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Funds.

Brokers and Dealers

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

Securities Lending Agent

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

Mortgage Administrator Agent

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

Other Related-Party Transactions

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

Related-Party Trading Activities

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

Inter-Fund Trading

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

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the IRC of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates

and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Funds, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Funds. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

9. Presentation changes in the financial statements

As a result of an accounting system change during the year ended December 31, 2022, the Funds have changed the presentation of certain items related to the cost of investments with accretion of discounts or premiums. In the current year, where applicable, the discount on short-term investments is now accreted into the cost of investments where previously such amounts were recorded as interest receivable. Additionally, the discount or premium related to convertible strip bonds is now accreted or amortized to the cost of investments. Comparatives have not been reclassified in the financial statements as the information required to achieve comparability is not available. As a result of this presentation change, amounts previously presented as "Change in unrealized gain (loss) on investments" are now presented as "Interest for distribution purposes" in the Statements of Comprehensive Income for convertible strip bonds, and there is a non-cash adjustment in the Statements of Cash Flow "Interest for distribution purposes", for the period ended December 31, 2022. Previously, such amounts were adjusted in the Statements of Cash Flow in "(Increase) decrease in accrued receivables" and "Proceeds from sale and maturity of investments", where applicable. There is no impact on Statements of Comprehensive Income as a result of the change in the presentation for the short-term investments.

10. Revision to comparatives

With respect to RBC Canadian Mid-Cap Equity Fund, comparative figures on the Statements of Changes in NAV and Comprehensive Income have been revised to reflect the redesignation of Series F-redesignated to Series I. Previously, Series F-redesignated amounts were presented separately, and have now been adjusted to reflect the redesignation to Series I on a combined basis.