

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)
RBC VISION BOND FUND

June 30, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
CORPORATE						
114	Access Justice Durham Ltd.	5.015	31-Aug-2039	\$ 126	\$ 129	
120	Access Prairies Partnership	4.232	01-Mar-2048	120	127	
303	Aéroports de Montréal	6.950	16-Apr-2032	412	385	
135	Aéroports de Montréal	6.550	11-Oct-2033	193	188	
160	Aéroports de Montréal	5.670	16-Oct-2037	221	214	
110	Aéroports de Montréal	5.472	16-Apr-2040	150	146	
20	Aéroports de Montréal	3.919	26-Sep-2042	21	22	
90	Aéroports de Montréal	3.918	12-Jun-2045	102	99	
365	Aéroports de Montréal	3.360	24-Apr-2047	375	366	
590	Alberta Powerline LP	3.340	01-Jun-2032	590	594	
590	Alberta Powerline LP	3.351	01-Sep-2032	590	595	
130	Alberta Powerline LP	4.065	01-Dec-2053	130	139	
135	Alberta Powerline LP	4.065	01-Mar-2054	135	145	
270	Alectra Inc.	4.521	29-Apr-2021	270	285	
171	Alectra Inc.	3.033	25-Jul-2022	171	174	
762	Alectra Inc.	3.239	21-Nov-2024	811	778	
260	Alectra Inc.	2.488	17-May-2027	260	250	
1 265	AltaLink Investments LP	3.265	05-Jun-2020	1 281	1 280	
380	Bank of Montreal	2.100	06-Oct-2020	377	376	
1 550	Bank of Montreal	3.400	23-Apr-2021	1 584	1 579	
310	Bank of Montreal	2.890	20-Jun-2023	310	309	
60	BC Tel	9.650	08-Apr-2022	81	74	
45	Bell Canada	3.250	17-Jun-2020	46	46	
375	Bell Canada	4.950	19-May-2021	396	397	
210	Bow Centre Street LP	3.690	14-Jun-2021	210	207	
71	Bow Centre Street LP	3.693	14-Jun-2022	71	70	
330	Bow Centre Street LP	3.797	13-Jun-2023	325	320	
1 600	Brookfield Asset Management Inc.	5.040	08-Mar-2024	1 706	1 722	
1 790	Brookfield Infrastructure Finance ULC	3.538	30-Oct-2020	1 820	1 820	
1 105	Brookfield Infrastructure Finance ULC	3.315	22-Feb-2024	1 107	1 096	
620	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	660	652	
115	Bruce Power LP	2.844	23-Jun-2021	115	115	
290	Bruce Power LP	3.969	23-Jun-2026	295	300	
895	Bruce Power LP	4.010	21-Jun-2029	905	917	
250	Bruce Power LP	4.132	21-Jun-2033	250	255	
735	Cameco Corp.	5.670	02-Sep-2019	825	756	
445	Cameco Corp.	4.190	24-Jun-2024	445	442	
250	Capital City Link General Partnership	4.386	31-Mar-2046	263	271	
910	Cominar Real Estate Investment Trust	4.941	27-Jul-2020	965	934	
149	Cominar Real Estate Investment Trust	4.250	08-Dec-2021	149	149	
175	Cominar Real Estate Investment Trust	4.247	23-May-2023	175	173	
210	Crombie Real Estate Investment Trust	3.986	31-Oct-2018	210	211	
125	CU Inc.	9.920	01-Apr-2022	193	156	
1 670	CU Inc.	6.215	06-Mar-2024	2 058	1 956	
10	CU Inc.	4.722	09-Sep-2043	12	12	
810	CU Inc.	4.094	19-Oct-2054	824	879	
97	Dufferin Wind Power Inc.	4.317	30-Nov-2033	97	97	
355	EllisDon Infrastructure JBH Inc.	2.018	28-Nov-2019	359	355	
350	Emera Inc.	4.830	02-Dec-2019	376	361	
255	Enbridge Gas Distribution Inc.	4.770	17-Dec-2021	283	273	

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
CORPORATE (cont.)						
1 125	Enbridge Gas Distribution Inc.	6.650	03-Nov-2027	\$ 1 425	\$ 1 412	
385	Enbridge Gas Distribution Inc.	4.000	22-Aug-2044	400	414	
2 875	Enbridge Pipelines Inc.	3.000	10-Aug-2026	2 862	2 807	
155	Enwave Energy Corp.	3.943	07-Dec-2037	155	152	
90	Fair Hydro Trust	3.357	15-May-2033	90	92	
670	Fair Hydro Trust	3.520	15-May-2038	685	703	
70	FortisAlberta Inc.	5.400	21-Apr-2036	85	87	
35	FortisAlberta Inc.	5.850	15-Apr-2038	45	47	
915	Gaz Metro Inc.	4.930	18-Jun-2019	1 043	939	
425	GE Capital Canada Funding Co.	4.600	26-Jan-2022	453	449	
134	Grand Renewable Solar LP	3.926	31-Jan-2035	134	133	
375	Greater Toronto Airports Authority	6.450	03-Dec-2027	502	483	
310	Greater Toronto Airports Authority	7.050	12-Jun-2030	412	431	
215	Greater Toronto Airports Authority	7.100	04-Jun-2031	310	304	
165	Greater Toronto Airports Authority	6.980	15-Oct-2032	241	237	
140	Greater Toronto Airports Authority	3.260	01-Jun-2037	140	141	
25	Greater Toronto Airports Authority	5.630	07-Jun-2040	35	34	
285	Greater Toronto Airports Authority	4.530	02-Dec-2041	347	344	
681	H2O Power LP	3.310	30-Nov-2029	681	661	
140	Hospital Infrastructure Partners NOH Partnership	5.439	31-Jan-2045	160	163	
1 220	Hydro One Inc.	1.620	30-Apr-2020	1 209	1 203	
205	Hydro One Inc.	2.570	25-Jun-2021	205	205	
205	Hydro One Inc.	2.970	26-Jun-2025	205	205	
120	Hydro One Inc.	6.930	01-Jun-2032	177	165	
250	Hydro One Inc.	6.350	31-Jan-2034	325	334	
75	Hydro One Inc.	3.910	23-Feb-2046	80	79	
220	Hydro One Inc.	3.630	25-Jun-2049	220	220	
500	Hydro Ottawa Holdings Inc.	2.614	03-Feb-2025	504	489	
410	Inter Pipeline Ltd.	3.448	20-Jul-2020	416	416	
125	Keyera Corp.	3.934	21-Jun-2028	125	126	
251	Kingston Solar LP	3.571	31-Jul-2035	251	242	
390	Lower Mattagami Energy LP	4.331	18-May-2021	427	409	
145	Maple Leaf Sports & Entertainment Ltd.	4.940	30-Jun-2023	145	151	
8	Maritimes & Northeast Pipeline LP	4.340	30-Nov-2019	8	8	
261	Melancthon Wolfe Wind LP	3.834	31-Dec-2028	261	263	
120	Mosaic Transit Partners GP	4.111	28-Feb-2038	120	122	
75	Mosaic Transit Partners GP	4.470	28-Feb-2053	75	78	
150	Mountain View Partners GP	3.974	31-Mar-2051	150	152	
80	NAV Canada	4.397	18-Feb-2021	84	84	
380	North Battleford Power LP	4.958	31-Dec-2032	400	415	
495	North West Redwater Partnership	2.800	01-Jun-2027	489	475	
980	North West Redwater Partnership	4.250	01-Jun-2029	976	1 045	
305	North West Redwater Partnership	4.150	01-Jun-2033	305	324	
145	North West Redwater Partnership	3.650	01-Jun-2035	145	144	
530	North West Redwater Partnership	4.350	10-Jan-2039	554	572	
84	Northland Power Solar Finance One LP	4.397	30-Jun-2032	84	87	
230	Nouvelle Autoroute 30 Financement Inc.	3.742	31-Dec-2032	230	234	
230	Nouvelle Autoroute 30 Financement Inc.	3.750	31-Mar-2033	230	234	
260	Nova Gas Transmission Ltd.	8.900	27-May-2025	348	344	
205	Nova Scotia Power Inc.	5.670	14-Nov-2035	253	258	
360	Ontario Power Generation Inc.	3.315	04-Oct-2027	365	362	
200	Ontario Power Generation Inc.	3.838	22-Jun-2048	200	202	
97	Ottawa MacDonald-Cartier International Airport Authority	6.973	25-May-2032	132	122	
155	PSS Generating Station LP	4.795	24-Oct-2067	155	168	
195	Ridley Grain Ltd.	5.227	01-Aug-2024	195	207	
385	Rogers Communications Inc.	5.340	22-Mar-2021	411	411	
370	Royal Bank of Canada*	2.820	12-Jul-2018	380	370	

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June 30, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
1 154	Royal Bank of Canada*	2.770	11-Dec-2018	\$ 1 189	\$ 1 158	
530	Royal Bank of Canada*	1.590	23-Mar-2020	523	523	
385	Royal Bank of Canada*	2.860	04-Mar-2021	386	387	
1 280	Royal Bank of Canada*	2.030	15-Mar-2021	1 258	1 258	
250	Royal Bank of Canada*	1.650	15-Jul-2021	242	242	
180	SEC LP and Arci Ltd.	5.188	29-Aug-2033	180	192	
165	SGTP Highway Bypass LP	4.105	31-Jan-2045	165	173	
90	Sun Life Financial Inc.	2.770	13-May-2024	91	90	
95	TELUS Corp.	5.050	04-Dec-2019	99	99	
40	TELUS Corp.	5.050	23-Jul-2020	42	42	
271	THP Partnership	4.394	31-Oct-2046	286	291	
285	TMX Group Ltd.	3.253	03-Oct-2018	285	286	
1 210	Toronto-Dominion Bank	1.693	02-Apr-2020	1 193	1 195	
870	Toronto-Dominion Bank	1.680	08-Jun-2021	849	849	
575	TransCanada Pipelines Ltd.	4.350	06-Jun-2046	582	593	
345	TransCanada Pipelines Ltd.	4.330	16-Sep-2047	345	354	
290	TransCanada Pipelines Ltd.	4.180	03-Jul-2048	290	289	
410	TransEd Partners GP	3.951	30-Sep-2050	379	402	
135	Union Gas Ltd.	8.750	03-Aug-2018	179	136	
1 700	Union Gas Ltd.	4.850	25-Apr-2022	1 907	1 833	
670	Union Gas Ltd.	2.810	01-Jun-2026	688	660	
740	Union Gas Ltd.	4.200	02-Jun-2044	753	819	
250	Union Gas Ltd.	3.800	01-Jun-2046	255	261	
55	Vancouver Airport Authority	3.857	10-Nov-2045	61	61	
110	Vancouver Airport Fuel Facilities Corp.	3.653	20-Mar-2051	110	113	
565	Westcoast Energy Inc.	5.600	16-Jan-2019	608	575	
95	Westcoast Energy Inc.	3.883	28-Oct-2021	95	98	
70	Westcoast Energy Inc.	6.750	15-Dec-2027	90	86	
135	Westcoast Energy Inc.	4.791	28-Oct-2041	151	149	
174	Winnipeg Airport Authority Inc.	6.102	20-Nov-2040	179	222	
				57 954	57 590	27.1
FEDERAL						
1 366	Canada Housing Trust No. 1	1.250	15-Dec-2020	1 360	1 338	
1 403	Canada Housing Trust No. 1	3.350	15-Dec-2020	1 520	1 444	
5 760	Canada Housing Trust No. 1	1.250	15-Jun-2021	5 761	5 607	
1 164	Canada Housing Trust No. 1	1.150	15-Dec-2021	1 141	1 122	
1 761	Canada Housing Trust No. 1	1.500	15-Dec-2021	1 763	1 718	
1 831	Canada Housing Trust No. 1	2.650	15-Mar-2022	1 952	1 856	
5 132	Canada Housing Trust No. 1	1.750	15-Jun-2022	5 139	5 027	
7 407	Canada Housing Trust No. 1	2.400	15-Dec-2022	7 474	7 425	
1 277	Canada Housing Trust No. 1	2.350	15-Jun-2023	1 273	1 275	
419	Canada Housing Trust No. 1	2.900	15-Jun-2024	431	430	
2 455	Canada Housing Trust No. 1	2.350	15-Jun-2027	2 424	2 417	
1 448	Canada Housing Trust No. 1	2.350	15-Mar-2028	1 429	1 422	
59	CBC Monetization Trust	4.688	15-May-2027	61	65	
2 970	Government of Canada	1.750	01-Mar-2019	2 972	2 972	
547	Government of Canada	1.500	01-Mar-2020	546	543	
4 401	Government of Canada	1.750	01-May-2020	4 390	4 387	
32	Government of Canada	3.500	01-Jun-2020	34	32	
6 063	Government of Canada	1.750	01-Aug-2020	6 028	6 038	
3 891	Government of Canada	0.750	01-Mar-2021	3 816	3 767	
2 500	Government of Canada	3.250	01-Jun-2021	2 752	2 587	
272	Government of Canada	0.750	01-Sep-2021	270	261	
4 645	Government of Canada	0.500	01-Mar-2022	4 462	4 396	
3 377	Government of Canada	1.750	01-Mar-2023	3 339	3 329	
2 513	Government of Canada	1.500	01-Jun-2023	2 455	2 445	
365	Government of Canada	2.500	01-Jun-2024	372	372	

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June 30, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
FEDERAL (cont.)						
290	Government of Canada	2.250	01-Jun-2025	\$ 296	\$ 292	
453	Government of Canada	2.000	01-Jun-2028	446	446	
10	Government of Canada	5.750	01-Jun-2033	14	14	
35	Government of Canada	5.000	01-Jun-2037	48	50	
145	Government of Canada	4.000	01-Jun-2041	183	191	
194	Government of Canada	1.250	01-Dec-2047	216	236	
2 976	Government of Canada	2.750	01-Dec-2048	3 263	3 336	
756	Government of Canada	0.500	01-Dec-2050	727	767	
701	Government of Canada	2.000	01-Dec-2051	658	669	
				69 015	68 276	32.1
PROVINCIAL/MUNICIPAL						
575	City of Montreal	3.150	01-Sep-2028	575	580	
570	City of Ottawa	3.250	10-Nov-2047	569	575	
1 000	First Nations Finance Authority	3.400	26-Jun-2024	1 062	1 030	
181	First Nations Finance Authority	3.050	01-Jun-2028	181	179	
260	Hospital for Sick Children	5.217	16-Dec-2049	267	350	
320	Hospital for Sick Children	3.416	07-Dec-2057	320	320	
602	Ontario Electricity Financial Corp.	8.500	26-May-2025	923	815	
145	Ontario Electricity Financial Corp.	9.000	26-May-2025	223	201	
1 019	Ontario Electricity Financial Corp.	8.250	22-Jun-2026	1 509	1 405	
172	Ontario School Boards Financing Corp.	5.900	11-Oct-2027	195	194	
117	Ontario School Boards Financing Corp.	5.376	25-Jun-2032	134	132	
515	OPB Finance Trust	2.980	25-Jan-2027	515	515	
1 904	Province of Alberta	2.200	01-Jun-2026	1 820	1 832	
692	Province of Alberta	3.450	01-Dec-2043	759	747	
1 737	Province of Alberta	3.300	01-Dec-2046	1 812	1 837	
139	Province of Manitoba	4.050	05-Sep-2045	152	163	
2 047	Province of Manitoba	2.850	05-Sep-2046	1 875	1 951	
399	Province of New Brunswick	3.650	03-Jun-2024	430	420	
469	Province of New Brunswick	4.800	26-Sep-2039	603	586	
192	Province of New Brunswick	4.800	03-Jun-2041	234	242	
312	Province of New Brunswick	3.550	03-Jun-2043	305	331	
862	Province of New Brunswick	3.800	14-Aug-2045	923	958	
577	Province of Newfoundland and Labrador	3.300	17-Oct-2046	540	588	
1 030	Province of Ontario	3.150	02-Jun-2022	1 066	1 058	
1 700	Province of Ontario	1.950	27-Jan-2023	1 685	1 664	
285	Province of Ontario	2.850	02-Jun-2023	294	289	
1 695	Province of Ontario	2.600	08-Sep-2023	1 694	1 699	
142	Province of Ontario	7.500	07-Feb-2024	198	178	
4 264	Province of Ontario	3.500	02-Jun-2024	4 660	4 469	
2 301	Province of Ontario	2.600	02-Jun-2025	2 298	2 289	
1 548	Province of Ontario	8.500	02-Dec-2025	2 270	2 136	
681	Province of Ontario	2.400	02-Jun-2026	655	664	
1 700	Province of Ontario	2.600	02-Jun-2027	1 671	1 671	
4 196	Province of Ontario	6.200	02-Jun-2031	5 904	5 665	
3 279	Province of Ontario	5.600	02-Jun-2035	4 583	4 413	
464	Province of Ontario	4.700	02-Jun-2037	586	578	
3 342	Province of Ontario	4.600	02-Jun-2039	4 332	4 164	
4 923	Province of Ontario	3.500	02-Jun-2043	5 213	5 339	
125	Province of Ontario	3.450	02-Jun-2045	133	135	
425	Province of Ontario	2.900	02-Dec-2046	410	416	
943	Province of Ontario	2.800	02-Jun-2048	893	906	
3 267	Province of Ontario	2.900	02-Jun-2049	3 207	3 204	
874	Province of Quebec	9.375	16-Jan-2023	1 331	1 129	
336	Province of Quebec	2.750	01-Sep-2025	336	338	
1 090	Province of Quebec	8.500	01-Apr-2026	1 672	1 523	
904	Province of Quebec	6.000	01-Oct-2029	1 196	1 175	
360	Province of Quebec	5.000	01-Dec-2041	482	482	

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June 30, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL/MUNICIPAL (cont.)						
383	Province of Quebec	3.500	01-Dec-2045	\$ 427	\$ 421	
980	Province of Quebec	3.500	01-Dec-2048	1 065	1 086	
677	Province of Saskatchewan	2.550	02-Jun-2026	677	668	
54	Province of Saskatchewan	6.400	05-Sep-2031	80	74	
476	Province of Saskatchewan	3.900	02-Jun-2045	578	555	
547	Province of Saskatchewan	2.750	02-Dec-2046	532	522	
517	South Coast British Columbia Transportation Authority	3.800	02-Nov-2020	523	534	
141	University of British Columbia	6.650	01-Dec-2031	189	191	
				66 766	65 586	30.8
TOTAL CANADIAN BONDS				193 735	191 452	90.0
UNITED KINGDOM BONDS						
110	National Grid Electricity Transmission Plc. CAD	2.900	26-Nov-2019	110	111	
TOTAL UNITED KINGDOM BONDS				110	111	0.1
UNITED STATES BONDS						
541	AT&T Inc. CAD	3.825	25-Nov-2020	561	553	
500	Bank of America Corp. CAD	3.407	20-Sep-2025	500	499	
195	The Walt Disney Co. CAD	2.758	07-Oct-2024	194	192	
740	United Parcel Service Inc. CAD	2.125	21-May-2024	735	707	
1 029	United States Treasury	2.875	15-May-2028	1 366	1 355	
3 542	United States Treasury	3.125	15-May-2048	4 799	4 782	
TOTAL UNITED STATES BONDS				8 155	8 088	3.8
TOTAL BONDS				202 000	199 651	93.9
MORTGAGE-BACKED SECURITIES						
115	Peoples Trust	4.200	01-Oct-2019	117	118	
TOTAL MORTGAGE-BACKED SECURITIES				117	118	0.1
MORTGAGES						
CMHC Insured						
171	Mortgage, 3.160% Sep 05, 2024			172	168	
TOTAL MORTGAGES				172	168	0.1
SHORT-TERM INVESTMENTS†				9 886	9 886	4.6
TOTAL INVESTMENTS				212 175	209 823	98.7
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)					66	–
TOTAL PORTFOLIO				\$ 212 175	209 889	98.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					2 883	1.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 212 772	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 2 477 Sold USD 1 864 @ 1.3285	17-Sep-2018	\$ 29
Bought CAD 1 130 Sold USD 853 @ 1.3254	17-Sep-2018	11
Bought CAD 568 Sold USD 428 @ 1.3280	17-Sep-2018	6
Bought CAD 860 Sold USD 648 @ 1.3280	17-Sep-2018	10
Bought CAD 1 141 Sold USD 862 @ 1.3240	17-Sep-2018	10
TOTAL FOREIGN EXCHANGE		\$ 66

All counterparties have a credit rating of at least A.

* 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 1.16% to 1.80% and mature between July 3, 2018 and August 23, 2018.

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



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	\$ 209 823	\$ 224 303
Cash	280	289
Due from investment dealers	4 514	–
Subscriptions receivable	51	108
Unrealized gain on foreign exchange contracts	66	–
Dividends receivable, interest accrued and other assets	967	1 030
TOTAL ASSETS	215 701	225 730
LIABILITIES		
Due to investment dealers	2 837	–
Redemptions payable	61	10
Accounts payable and accrued expenses	31	32
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 929	42
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 212 772	\$ 225 688
Investments at cost	\$ 212 175	\$ 226 652
NAV		
SERIES A	\$ 9 554	\$ 8 749
ADVISOR SERIES	\$ 5 875	\$ 5 521
SERIES D	\$ 18 177	\$ 19 000
SERIES F	\$ 15 403	\$ 11 996
SERIES O	\$ 163 763	\$ 180 422
NAV PER UNIT		
SERIES A	\$ 10.73	\$ 10.82
ADVISOR SERIES	\$ 10.73	\$ 10.82
SERIES D	\$ 10.65	\$ 10.74
SERIES F	\$ 10.70	\$ 10.79
SERIES O	\$ 10.53	\$ 10.61

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	\$ 3 085	\$ 2 834
Derivative income	(60)	48
Net realized gain (loss) on investments	(1 675)	70
Change in unrealized gain (loss) on investments	63	1 738
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	1 413	4 690
Securities lending revenue (see note 7 in the generic notes)	14	–
Net gain (loss) on foreign cash balances	22	22
TOTAL OTHER INCOME (LOSS)	36	22
TOTAL INCOME (LOSS)	1 449	4 712
EXPENSES (see notes – Fund Specific Information)		
Management fees	140	132
Administration fees	28	49
Independent Review Committee costs	1	1
GST/HST	16	17
TOTAL EXPENSES	185	199
INCREASE (DECREASE) IN NAV	\$ 1 264	\$ 4 513
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 19	\$ 140
ADVISOR SERIES	\$ 15	\$ 117
SERIES D	\$ 59	\$ 434
SERIES F	\$ 83	\$ 222
SERIES O	\$ 1 088	\$ 3 600
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.02	\$ 0.20
ADVISOR SERIES	\$ 0.03	\$ 0.21
SERIES D	\$ 0.03	\$ 0.23
SERIES F	\$ 0.06	\$ 0.23
SERIES O	\$ 0.07	\$ 0.26



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	\$ 1 264	\$ 4 513
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	(14)	(6)
Non-cash distributions from underlying funds	–	–
Net realized loss (gain) on investments	1 675	(70)
Change in unrealized loss (gain) on investments	(63)	(1 738)
(Increase) decrease in accrued receivables	63	13
Increase (decrease) in accrued payables	(1)	–
(Increase) decrease in margin accounts	–	–
Cost of investments purchased	(261 149)	(444 815)
Proceeds from sale and maturity of investments	272 288	439 221
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	14 063	(2 882)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	30 677	25 272
Cash paid on redemption of redeemable units	(44 001)	(21 735)
Distributions paid to holders of redeemable units	(748)	(645)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (14 072)	\$ 2 892
Net increase (decrease) in cash for the period	(9)	10
Cash (bank overdraft), beginning of period	289	253
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 280	\$ 263
Interest received (paid)	\$ 3 134	\$ 2 841
Dividends received, net of withholding taxes	\$ –	\$ –



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	\$ 8 749	\$ 7 707	\$ 5 521	\$ 6 296	\$ 19 000	\$ 20 010	\$ 11 996	\$ 9 855
INCREASE (DECREASE) IN NAV	19	140	15	117	59	434	83	222
Early redemption fees	–	–	–	–	–	–	–	–
Proceeds from redeemable units issued	2 476	350	1 021	264	700	907	6 409	1 376
Reinvestments of distributions to holders of redeemable units	88	71	54	57	184	212	130	61
Redemption of redeemable units	(1 687)	(698)	(679)	(626)	(1 548)	(891)	(3 028)	(587)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	877	(277)	396	(305)	(664)	228	3 511	850
Distributions from net income	(91)	(74)	(57)	(60)	(218)	(249)	(187)	(135)
Distributions from net gains	–	–	–	–	–	–	–	–
Distributions from capital	–	–	–	–	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(91)	(74)	(57)	(60)	(218)	(249)	(187)	(135)
NET INCREASE (DECREASE) IN NAV	805	(211)	354	(248)	(823)	413	3 407	937
NAV AT END OF PERIOD	\$ 9 554	\$ 7 496	\$ 5 875	\$ 6 048	\$ 18 177	\$ 20 423	\$ 15 403	\$ 10 792

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	\$ 180 422	\$ 147 357	\$ 225 688	\$ 191 225
INCREASE (DECREASE) IN NAV	1 088	3 600	1 264	4 513
Early redemption fees	–	–	–	–
Proceeds from redeemable units issued	20 779	28 221	31 385	31 118
Reinvestments of distributions to holders of redeemable units	1 893	1 753	2 349	2 154
Redemption of redeemable units	(37 875)	(18 609)	(44 817)	(21 411)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(15 203)	11 365	(11 083)	11 861
Distributions from net income	(2 544)	(2 281)	(3 097)	(2 799)
Distributions from net gains	–	–	–	–
Distributions from capital	–	–	–	–
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 544)	(2 281)	(3 097)	(2 799)
NET INCREASE (DECREASE) IN NAV	(16 659)	12 684	(12 916)	13 575
NAV AT END OF PERIOD	\$ 163 763	\$ 160 041	\$ 212 772	\$ 204 800



June 30, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide investors with relatively high yields and stability of capital by investing primarily in a well-diversified portfolio of fixed-income securities issued by Canadian governments and corporations that conduct themselves in a socially responsible manner.

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
AAA	38.0	45.2
AA	32.0	30.0
A	19.4	15.9
BBB	9.9	8.2
BB	0.6	0.6
Unrated*	0.1	0.1
Total	100.0	100.0

* Mortgages, which represent 100% (December 31, 2017 – 100%) of the unrated above, are all Canada Mortgage and Housing Corporation ("CMHC") guaranteed mortgages, and therefore have the backing of an AAA rated issuer. As at June 30, 2018 and December 31, 2017, there were no mortgage payments in arrears for more than 90 days.

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
Federal Bonds	34.9	40.1
Provincial/Municipal Bonds	30.8	31.2
Corporate Bonds	28.1	25.2
Mortgage-Backed Bonds	0.2	0.2
Cash/Other	6.0	3.3
Total	100.0	100.0

Interest rate risk (%)

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

Term to maturity	June 30 2018	December 31 2017
Less than 1 year	3.4	2.2
1 – 5 years	40.5	39.3
5 – 10 years	22.6	28.2
> 10 years	33.5	30.3
Total	100.0	100.0

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

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 7.3% (December 31, 2017 – 7.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

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

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

June 30, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	199 769	168	199 937
Short-term investments	–	9 886	–	9 886
Derivatives – assets	–	66	–	66
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	209 721	168	209 889
% of total portfolio	–	99.9	0.1	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	218 011	170	218 181
Short-term investments	–	6 122	–	6 122
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	224 133	170	224 303
% of total portfolio	–	99.9	0.1	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.

During the periods ended June 30, 2018 and December 31, 2017, the reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	June 30 2018	December 31 2017
Balance at beginning of period	172	–
Net purchases	–	173
Net sales	(1)	–
Net transfers in (out)	–	–
Realized gains (losses)	–	–
Change in unrealized gains (losses)	(3)	(3)
Balance at end of period	168	170
Unrealized gains (losses)	(4)	(3)



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The Level 3 assets are mortgages which are valued by a third-party vendor using industry-accepted methodologies which include unobservable inputs. Mortgages are valued by discounting future cash flows using a discount rate equal to the risk-free rate plus an appropriate risk spread premium. The spread premium is derived by the vendor from their risk rating program and a monthly spread matrix. This quantitative rules-based approach reviews seven risk factors to assess the market risk, credit risk and liquidity premiums to arrive at a total credit score for each mortgage. Among the inputs are the borrowers' financial statements, rent roll and operating statements, the most recent property inspection report and the terms of the mortgage itself.

As at June 30, 2018, a 10% increase or decrease in the weighted average spread premium of 1.45% (December 31, 2017 – 1.45%), an unobservable input, would have increased or decreased the Fund's NAV respectively by approximately 0.0% (December 31, 2017 – 0.0%).

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

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

	Management fees	Administration fees*
Series A	0.90%	0.05%
Advisor Series	0.90%	0.05%
Series D	0.50%	0.05%
Series F	0.40%	0.05%
Series O	n/a [†]	0.02%

* Effective June 30, 2017, the administration fees for Series O units were reduced to 0.02% from 0.05%.

[†] 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	57	57
Series D	67	66
Series F	60	59
Series O	64	63
Value of all units	3	3

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

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	408
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	808	711
Issued number of units	232	32
Reinvested number of units	8	6
Redeemed number of units	(158)	(64)
Ending number of units	890	685

Advisor Series		
Opening units	510	581
Issued number of units	95	24
Reinvested number of units	5	5
Redeemed number of units	(63)	(57)
Ending number of units	547	553

Series D		
Opening units	1 769	1 859
Issued number of units	66	84
Reinvested number of units	17	20
Redeemed number of units	(146)	(82)
Ending number of units	1 706	1 881

Series F		
Opening units	1 112	912
Issued number of units	600	125
Reinvested number of units	12	6
Redeemed number of units	(285)	(54)
Ending number of units	1 439	989

Series O		
Opening units	17 000	13 858
Issued number of units	1 976	2 605
Reinvested number of units	180	164
Redeemed number of units	(3 598)	(1 710)
Ending number of units	15 558	14 917

**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 2018	December 31 2017
RBC Vision Balanced Fund	13.7	11.4

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.

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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.

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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.

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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.

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;

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- (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 Growth 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.

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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

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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.