RBC Retirement Income Solution

Investment Objective

To provide regular income with a potential for modest capital appreciation. This fund is an asset allocation fund specifically designed for investors who are approaching or are already in retirement. The fund invests primarily in units of other funds managed by RBC GAM or an affiliate of RBC GAM, emphasizing mutual funds whose investment objective is to generate income.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF1501
Adv	Low Load	CAD	RBF4628
T5	No Load	CAD	RBF1600

Inception Date	October 2016
Total Fund Assets $Mil	17.9
Series A NAV $	10.08
Series A MER %	1.71
Benchmark	See notes below

Income Distribution	Quarterly
Capital Gains Distribution	Annually

Sales Status	Open
Min. Investment $	500
Subsequent Investment $	25

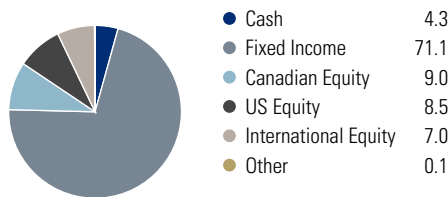|	
Fund Category	Canadian Fixed Income Balanced

Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

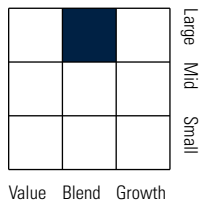Benchmark:
55.0% FTSE TMX Canada Short-Term Overall Bond Index;
16.0% MSCI World Total Return Net Index (C $)
11.0% FTSE World Government Bond Index (Hedged to C $);
9.0% FTSE TMX Canada Universe Bond Index;
9.0% S&P/TSX Composite Capped Total Return Index

Portfolio Analysis as of June 30, 2018

Asset Mix

	% Assets
Cash	4.3
Fixed Income	71.1
Canadian Equity	9.0
US Equity	8.5
International Equity	7.0
Other	0.1

Equity Style

Value Blend Growth

Large / Mid / Small

Statistics

P/B Ratio	2.2
P/E Ratio	16.3
Avg. Mkt Cap. $B	49.1

Top 5 Sectors

	% Equity
Financials	23.0
Consumer Staples	10.7
Industrials	9.8
Information Technology	9.7
Health Care	9.4

Fixed Income Breakdown

	% Fixed Income
Government Bonds	49.9
Corporate Bonds	41.4
Other Bonds	-0.1
Mortgage Backed Securities	1.0
ST Investments (Cash & Other)	5.7
Asset Backed Securities	2.0

Top 25 Holdings

	% Assets
RBC Canadian Short Term Income Fund	54.4
RBC Global Dividend Growth Fund	10.7
RBC QUBE Low Volatility Global Eq Fund	4.9
RBC Global High Yield Bond Fund	4.9
PH&N Conservative Equity Income Fund	4.5
RBC Bond Fund	4.5
PH&N Total Return Bond Fund	4.5
RBC QUBE Low Volatility Cdn Eq Fund	4.5
RBC Global Bond Fund	1.8
BlueBay Global Sovereign Bond Fund	1.8
RBC Global Corporate Bond Fund	1.3
BlueBay Global Inv Grade Corp Bond Fund	1.2
Total % of Top 25 Holdings	98.9
Total Number of Portfolio Holdings	13
Total Number of Stock Holdings	291
Total Number of Bond Holdings	6,485
Total Number of Other Holdings	111
Total Number of Underlying Holdings	**6,887**

Performance Analysis as of June 30, 2018

Growth of $10,000
Series A
$10,293

Calendar Returns %
Series A

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD	
	—	—	—	—	—	—	—	—	—	2.8	0.5	Fund
	—	—	—	—	—	—	—	—	—	4th	2nd	Quartile
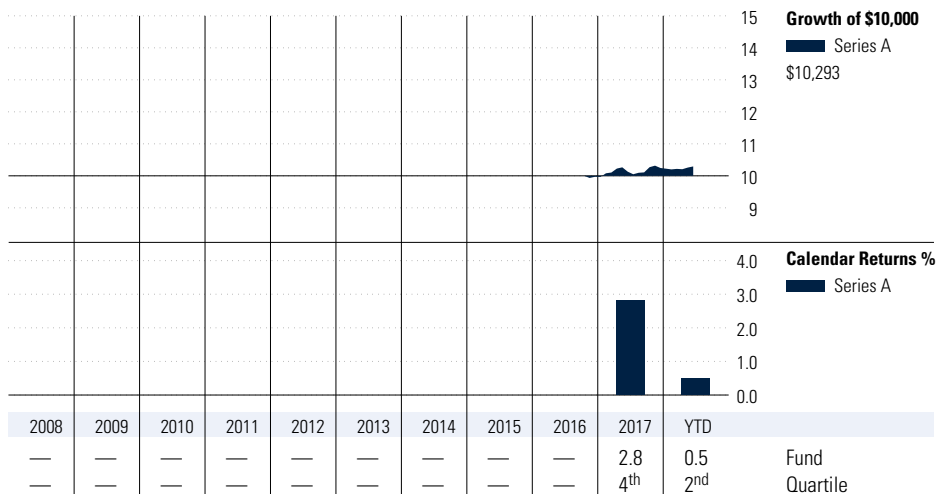
1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
0.3	0.8	0.5	1.6	—	—	—	1.9	Fund
4th	3rd	2nd	3rd	—	—	—	—	Quartile
560	558	558	533	428	320	132	—	No. of Funds in Category

RBC Retirement Income Solution

Management Overview

Manager Bios

Sarah Riopelle

RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charter holder.

Performance Analysis Cont'd as of June 30, 2018

Distributions ($)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.02	0.17	0.05	—	—	—	—	—	—	—	—
Interest	0.02	0.08	0.02	—	—	—	—	—	—	—	—
Dividends	—	0.02	0.01	—	—	—	—	—	—	—	—
Capital Gains	—	0.06	0.03	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2017	3.9	—	—	—	—	—	—
Worst	4-2018	-0.2	—	—	—	—	—	—
Average		1.7		—		—		—
No. of Periods		9		—		—		—
Pct. Positive		77.8		—		—		—

* Distributions are characterized into income type at year-end.

Quarterly Commentary as at June 30, 2018

The second quarter of 2018 was marked by escalating trade tensions between the U.S. and much of the world, as President Trump made good on his promise to institute billions of dollars in tariffs. Against this backdrop, U.S. economic growth accelerated, while the expansion appeared to slow in Europe and emerging markets.

Global government bonds were mixed, with U.S. Treasuries finishing the period essentially flat while German and Japanese bonds rose. Canadian bonds posted modest gains during the period, as the trade conflict and slowing global growth capped yields on Government of Canada debt. Returns in the fixed-income segment of the portfolio were boosted by the RBC Canadian Short-Term Income Fund and the Phillips, Hager & North Total Return Bond Fund.

Global equity markets continued to fluctuate in the quarter as the trade conflict moved beyond the U. S. and China to engulf Europe and Canada. Chinese equity prices slumped while Canadian stocks rebounded, supported by rising oil prices. Returns were bolstered by the RBC Global Dividend Growth Fund and the Phillips, Hager & North Conservative Equity Income Fund.

Economic growth slowed in the first half of 2018, but remains at its most solid since the financial crisis amid U.S. fiscal stimulus and business and consumer optimism. The portfolio manager expects continued expansion, encouraging central banks to nudge rates higher and acting as a headwind for bond returns. Corporate earnings continue to rise steadily, which bodes well for stocks.

RBC Retirement Income Solution

Disclosure

RBC Funds, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or Fund Facts document before investing. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed or covered by the Canadian Deposit Insurance Corporation or by any other government deposit insurer. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. The value of mutual funds change frequently and past performance may not be repeated.

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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the full year period, January 1 to December 31, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full year period, April 1, 2017 to March 31, 2018.

Series H and Series I are not available for purchase by new investors. Existing investors who hold Series H or Series I units can continue to make additional investments into the same series of the funds they hold.

Graphs are only used to illustrate the effects of the compound growth rate and do not reflect future values of any fund or returns on investment of any fund.

The fund profile is provided for informational purposes only. Particular investments and/or trading strategies should be evaluated relative to each individual's investment objectives. The information contained in the fund profile is not, and should not be construed as, investment or tax advice. You should not act or rely on the information contained in the fund profile without seeking the advice of an appropriate professional advisor.

Quartile rankings are determined by Morningstar Research Inc., an independent research firm, based on categories maintained by the Canadian Investment Funds Standards Committee (CIFSC). Quartile rankings are comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4). This is the Morningstar quartile ranking of Series A and F units of the Fund as of June 30, 2018.

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