



### Investment objective

To provide long-term capital growth. The fund invests its assets primarily in equity securities of Canadian and/or U.S. companies priced below their true value and offering long-term opportunities for growth either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

The investment team focuses on investing in high-quality companies trading at prices that appear to offer attractive value relative to the overall market. The portfolio balances exposure between securities of Canadian and U.S. companies. Individual securities are assessed based on a company's growth prospects, competitive position and investment team, and investment ideas are tested against a range of scenarios related to both the company and the economy in order to assess upside potential and downside risks.

### Fund details

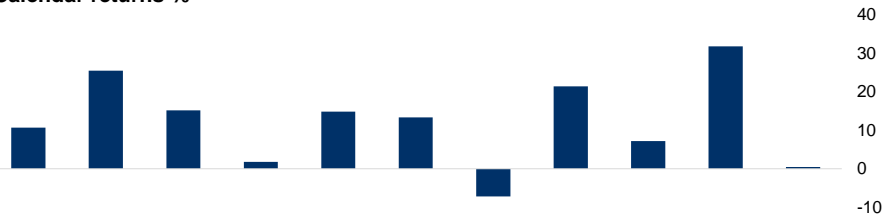
| Series                              | Currency                                    | Fund code |
|-------------------------------------|---|-----------|
| O                                   | CAD   | RBF3609   |
| <b>Inception date</b> December 2011 |   |           |
| <b>Total fund assets \$MM</b> 231.3 |   |           |
| <b>Benchmark</b>                    |   |           |
| 60%                                 | S&P/TSX Capped Composite Total Return Index |           |
| 40%                                 | S&P 500 Total Return Index (C\$)            |           |

### Performance analysis as of February 28, 2022

#### Growth of \$100,000



#### Calendar returns %



| 2012  | 2013  | 2014  | 2015 | 2016 | 2017 | 2018  | 2019         | 2020 | 2021              | YTD  |           |
|-------|-------|-------|------|------|------|-------|--------------|------|-------------------|------|-----------|
| 10.7  | 25.5  | 15.2  | 1.8  | 14.8 | 13.3 | -7.2  | 21.4         | 7.2  | 31.8              | 0.5  | Fund      |
| 11.0  | 24.7  | 14.9  | 0.9  | 15.6 | 13.4 | -5.3  | 24.8         | 9.9  | 26.3              | -3.3 | Benchmark |
| 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since incep. |      | Trailing return % |      |           |
| 0.1   | 5.0   | 7.1   | 27.2 | 16.5 | 12.0 | 12.6  | 12.8         |      | Fund              |      |           |
| -1.1  | 0.0   | 1.4   | 18.5 | 14.7 | 11.7 | 12.1  | —            |      | Benchmark         |      |           |

### Portfolio analysis as of February 28, 2022

#### Asset mix



#### % Assets

|                             |      |
|-----------------------------|------|
| ● Cash                      | 7.3  |
| ● Fixed income              | 0.4  |
| ● Canadian equities         | 62.0 |
| ● U.S. equities             | 30.3 |
| ● European equities         | 0.0  |
| ● Asia-Pacific equities     | 0.0  |
| ● Emerging markets equities | 0.0  |

#### Equity style

|       | Value | Blend | Growth |
|-------|-------|-------|--------|
| Large | 26    | 29    | 20     |
| Mid   | 9     | 8     | 4      |
| Small | 2     | 2     | 0      |

Value Blend Growth

#### Weight %

- > 50
- 25-50
- 10-25
- 0-10

#### Equity characteristics

|   |       |
|---|-------|
| Dividend yield (%)                            | 1.9   |
| Price to earnings ratio (forward)             | 14.3  |
| Price to book ratio                           | 2.2   |
| Price to free cash flow ratio                 | 8.1   |
| Price to sales ratio                          | 1.3   |
| Weighted average market capitalization (\$Bn) | 307.6 |

## Portfolio analysis continued as of February 28, 2022

| Top 10 holdings                                  | % Assets   |
|--|------------|
| Royal Bank of Canada                             | 3.5        |
| Brookfield Asset Management Inc - Class A Shares | 3.0        |
| Power Corp of Canada                             | 2.8        |
| Bank of Nova Scotia                              | 2.7        |
| Canadian Natural Resources Ltd                   | 2.7        |
| Microsoft Corp                                   | 2.5        |
| Toronto-Dominion Bank                            | 2.5        |
| Berkshire Hathaway Inc - Class B Shares          | 2.1        |
| Enbridge Inc                                     | 2.1        |
| Canadian Pacific Railway Ltd                     | 2.0        |
| Total % of top 10 holdings                       | 25.8       |
| <b>Total number of stock holdings</b>            | <b>111</b> |

| Equity sector allocation | %    |
|--------------------------|------|
| Financials               | 26.6 |
| Industrials              | 14.2 |
| Energy                   | 14.0 |
| Information Technology   | 9.3  |
| Materials                | 8.0  |
| Consumer Discretionary   | 7.4  |
| Communication Services   | 7.4  |
| Consumer Staples         | 4.7  |
| Health Care              | 4.3  |
| Real Estate              | 2.2  |
| Utilities                | 1.9  |

| Distributions (\$)/unit*   | YTD         | 2021        | 2020        | 2019        | 2018        | 2017        | 2016        | 2015     | 2014     | 2013        | 2012     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------|----------|-------------|----------|
| Interest                   | —           | —           | —           | —           | —           | —           | —           | —        | —        | —           | —        |
| Canadian dividends         | —           | 0.70        | 0.71        | 0.61        | 0.43        | 0.62        | 0.64        | —        | —        | 0.09        | —        |
| Foreign dividends          | —           | —           | —           | —           | —           | —           | —           | —        | —        | —           | —        |
| Foreign taxes paid         | —           | —           | —           | —           | —           | —           | —           | —        | —        | —           | —        |
| Capital gains              | —           | —           | 1.31        | 0.11        | —           | —           | —           | —        | —        | 0.11        | —        |
| Return of capital          | —           | —           | —           | —           | —           | —           | —           | —        | —        | —           | —        |
| <b>Total distributions</b> | <b>0.00</b> | <b>0.70</b> | <b>2.02</b> | <b>0.71</b> | <b>0.43</b> | <b>0.62</b> | <b>0.64</b> | <b>—</b> | <b>—</b> | <b>0.20</b> | <b>—</b> |

\*Income type characterization and foreign taxes paid for the previous year, are reported at or around January month-end. Distributions reported are for the same series as the performance analysis. For distributions on other series please visit [rbcgam.com/funds](http://rbcgam.com/funds).

**Manager bios****Stuart Kedwell, RBC Global Asset Management Inc.**

Stu is Senior Vice President, Senior Portfolio Manager, and Co-Head of the North American Equity Team at RBC GAM. He is also a member of the RBC Investment Policy Committee, the Executive Committee, and the RBC Investment Strategy Committee, which is responsible for establishing the firm-wide global asset mix for mutual funds and for institutional and high net worth private clients. Stu joined the firm in 2002 and he is a CFA charterholder.

**Doug Raymond, RBC Global Asset Management Inc.**

Doug is Senior Vice President, Senior Portfolio Manager, and Co-Head of the North American Equity Team at RBC GAM. He is also Co-Head of the firm's Canadian Equity Committee. Doug joined the firm in 2002. He has more than two decades of experience in the investment industry providing investment management advice to both individuals and institutions. He holds a Bachelor of Arts from Western University.

**David Tron, RBC Global Asset Management Inc.**

David is a portfolio manager on the North American Equities team at RBC GAM responsible for covering the North American technology sector. He assumed his current role in 2018 after working as an associate portfolio manager for two years, having joined the firm in 2012 as a member of the RBC Wealth Management Generalist program. David started his career in 2008. He holds an MBA from Queen's University and a BA from the University of Toronto, and is a CFA Charterholder.

## Disclosure

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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the preceding calendar year or most recent half-year period ended June 30 expressed on an annualized basis, depending on availability of data at the time of publication.

Quartile rankings and equity style box information are determined by Morningstar Research Inc., an independent research firm. Quartile rankings are comparisons of the performance of a fund to other funds in the applicable Fund 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). The Morningstar Equity Style Box™ is a nine-square grid that illustrates the investment style of a security. Morningstar information contained herein is proprietary to Morningstar and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. © 2022 Morningstar Research Inc.

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