RBC Select Balanced Portfolio

Investment Objective
To provide long-term capital growth, with a secondary focus on modest income, by investing primarily in funds managed by RBC GAM, investing in equity mutual funds for higher growth potential and fixed-income mutual funds for diversification and the potential to generate income. The portfolio maintains a balance of investments across several asset classes.

Fund Details
Series | Load Structure | Currency | Fund Code
--- | --- | --- | ---
A | No Load | CAD | RBF460
A | No Load | USD | RBF517
Adv | Deferred Sales | CAD | RBF641
Adv | Front End | CAD | RBF741
Adv | Low Load | CAD | RBF101
Adv | Low Load | USD | RBF4517
T5 | No Load | CAD | RBF546

Inception Date: December 1986
Total Fund Assets $Mil: 34,227.3
Series A NAV $: 25.50
Series A MER %: 1.95
Benchmark: 43% FTSE Canada Universe Bond Index, 20% S&P 500 Total Return Index (CAD), 19% S&P/TSX Capped Composite Total Return Index, 12% MSCI EAFE Total Return Net Index (CAD), 4% MSCI Emerging Markets Total Return Net Index (CAD), 2% FTSE Canada 30 Day TBill Index

Income Distribution: Annually
Capital Gains Distribution: Annually
Sales Status: Open
Min. Investment $: 500
Subsequent Investment $: 25

Fund Category: Global Neutral Balanced
Management Company: RBC Global Asset Management Inc.
Web Site: www.rbcgam.com

Notes
Performance Analysis is in CAD and for CAD series A fund (RBF460).

This is a continuing fund resulting from a merger effective June 27, 2014.
Manager 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 charterholder.

Performance Analysis Cont’d as of March 31, 2020

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</thead>
<tbody>
<tr>
<td>Total Distributions</td>
<td>—</td>
<td>0.29</td>
<td>0.74</td>
<td>0.44</td>
<td>0.43</td>
<td>1.30</td>
<td>2.02</td>
<td>0.50</td>
<td>0.30</td>
<td>0.42</td>
<td>0.23</td>
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<tr>
<td>Interest</td>
<td>—</td>
<td>0.14</td>
<td>0.09</td>
<td>0.06</td>
<td>0.09</td>
<td>0.10</td>
<td>0.09</td>
<td>0.07</td>
<td>0.06</td>
<td>0.03</td>
<td>0.05</td>
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<tr>
<td>Dividends</td>
<td>—</td>
<td>0.14</td>
<td>0.13</td>
<td>0.13</td>
<td>0.15</td>
<td>0.13</td>
<td>0.10</td>
<td>0.13</td>
<td>0.12</td>
<td>0.10</td>
<td>0.09</td>
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<tr>
<td>Capital Gains</td>
<td>—</td>
<td>0.02</td>
<td>0.52</td>
<td>0.25</td>
<td>0.20</td>
<td>1.07</td>
<td>1.83</td>
<td>0.30</td>
<td>0.12</td>
<td>0.30</td>
<td>0.09</td>
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<tr>
<td>Return Of Capital</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<td>—</td>
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Best/Worst Periods %

<table>
<thead>
<tr>
<th>Best/Worst Periods %</th>
<th>Ended</th>
<th>1 Yr</th>
<th>Ended</th>
<th>3 Yr</th>
<th>Ended</th>
<th>5 Yr</th>
<th>Ended</th>
<th>10 Yr</th>
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<tbody>
<tr>
<td>Best</td>
<td>7-1997</td>
<td>25.8</td>
<td>4-1998</td>
<td>15.0</td>
<td>8-2000</td>
<td>11.7</td>
<td>2-2019</td>
<td>7.6</td>
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<tr>
<td>Worst</td>
<td>2-2009</td>
<td>-19.8</td>
<td>2-2009</td>
<td>-5.2</td>
<td>5-2012</td>
<td>-0.7</td>
<td>8-2010</td>
<td>2.1</td>
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<tr>
<td>Average</td>
<td>6.1</td>
<td>5.7</td>
<td>6.7</td>
<td>5.5</td>
<td>5.5</td>
<td>5.0</td>
<td>5.5</td>
<td>5.0</td>
</tr>
<tr>
<td>No. of Periods</td>
<td>289</td>
<td>265</td>
<td>241</td>
<td>181</td>
<td></td>
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<tr>
<td>Pct. Positive</td>
<td>77.2</td>
<td>84.9</td>
<td>97.9</td>
<td>100.0</td>
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* Distributions are characterized into income type at year-end.

Commentary as at March 31, 2020

The severe economic and humanitarian ramifications of the global coronavirus outbreak became clear in the first quarter of 2020. By late January, the disease had spread to Europe and North America from Asia, and by the end of March resulted in hundreds of thousands of infections and tens of thousands of deaths. Stay-at-home orders damaged the global economy, leading governments to announce extraordinary financial support for companies and individuals.

The Fund’s overweight position in equities and underweight position in fixed income had a negative impact on performance. Government bonds posted their best quarter since the 2008 financial crisis, as soaring demand for investments perceived to offer a degree of safety pulled yields down to all-time lows. Returns in the fixed-income segment of the portfolio were held back by the RBC Global Corporate Bond Fund and the BlueBay Global Monthly Income Bond Fund.

The S&P 500 Index had its worst quarterly performance in 12 years and the Dow Jones Industrials Average fell the most in more than three decades on expectations that the coronavirus crisis would severely impact short-term economic growth. Canadian stocks also fell significantly, following the sell-off in oil and other natural resources. Returns were held back by the RBC Private Canadian Equity Pool and the RBC Canadian Dividend Fund.

This period of massive disruption has offered opportunities to selectively acquire risk assets at prices that will improve long-term outcomes for patient, disciplined investors. Prior to the coronavirus outbreak, we had trimmed our equity allocation on concern about stretched valuations and excessive investor optimism. The plunge in bond yields has boosted the attractiveness of stocks versus bonds to its most appealing in many years, and we added back one percentage point to our equity allocation, sourcing the funds from fixed income.
RBC Select Balanced Portfolio

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 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.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the preceding full year period ended March 31 or half-year period ended September 30 expressed on an annualized basis, depending on availability of data at the time of publication.

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).

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