



RBC Select Conservative Portfolio

Investment Objective

To provide income and the potential for moderate capital growth by investing primarily in funds managed by RBC GAM, emphasizing mutual funds that invest in Canadian fixed-income securities and have 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 | RBF461 |
| A | No Load | USD | RBF516 |
| Adv | Deferred Sales | CAD | RBF840 |
| Adv | Front End | CAD | RBF740 |
| Adv | Low Load | CAD | RBF100 |
| Adv | Low Load | USD | RBF4516 |
| T5 | No Load | CAD | RBF545 |

| | |
|-------------------------|--|
| Inception Date | December 1986 |
| Total Fund Assets \$Mil | 25,324.1 |
| Series A NAV \$ | 21.56 |
| Series A MER % | 1.84 |
| Benchmark | 65% FTSE TMX CUB 15% S&P/TSX Capped Composite Total Return 10% S&P 500 Total Return (C\$) 10% MSCI EAFE Total Return Net (C\$) |

| | |
|----------------------------|-----------|
| Income Distribution | Quarterly |
| 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. |
|--------------------|----------------------------------|

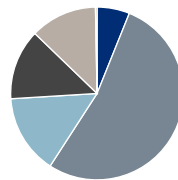
| | |
|----------|----------------|
| Web Site | www.rbcgam.com |
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Notes

Performance Analysis is in CAD and for CAD series A fund (RBF461).

Portfolio Analysis as of May 31, 2017

Asset Mix

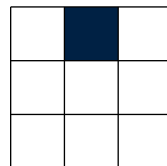


| | % Assets |
|----------------------|----------|
| Cash | 6.1 |
| Fixed Income | 53.1 |
| Canadian Equity | 14.9 |
| US Equity | 13.2 |
| International Equity | 12.5 |
| Other | 0.3 |

Top 10 Holdings

| | % Assets |
|--|--------------|
| RBC Bond Fund | 14.9 |
| PH&N Total Return Bond Fund | 8.6 |
| RBC European Equity Fund | 8.1 |
| RBC Canadian Short-Term Income Fund | 7.8 |
| RBC Global Corporate Bond Fund | 7.1 |
| RBC Global Bond Fund | 6.4 |
| PH&N US Multi-Style All-Cap Equity Fund | 5.4 |
| RBC Canadian Dividend Fund | 4.8 |
| PH&N Conservative Equity Income Fund | 4.1 |
| RBC Private Canadian Equity Pool | 3.7 |
| Total % of Top 10 Holdings | 71.0 |
| Total Number of Portfolio Holdings | 29 |
| Total Number of Stock Holdings | 2,879 |
| Total Number of Bond Holdings | 5,570 |
| Total Number of Other Holdings | 100 |
| Total Number of Underlying Holdings | 8,549 |

Equity Style



Value Blend Growth

Statistics

| | |
|-------------------|------|
| P/B Ratio | 2.3 |
| P/E Ratio | 17.8 |
| Avg. Mkt Cap. \$B | 42.2 |

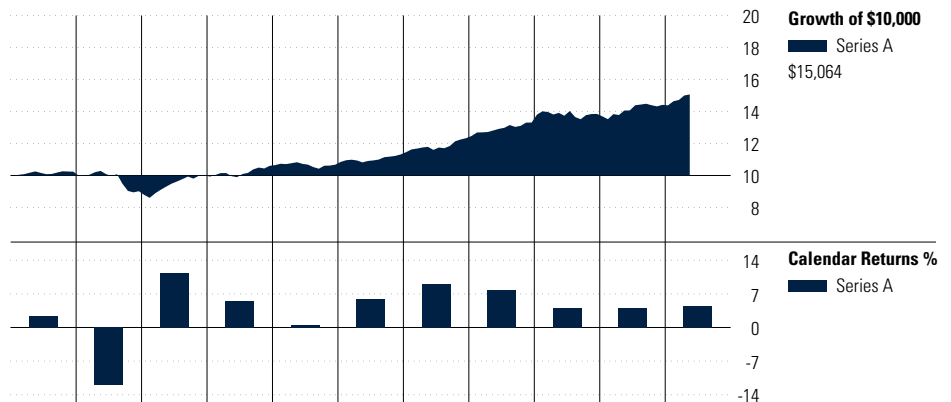
Top 5 Sectors

| | % Equity |
|------------------------|----------|
| Financials | 24.8 |
| Information Technology | 11.4 |
| Industrials | 11.3 |
| Energy | 11.0 |
| Consumer Discretionary | 9.8 |

Fixed Income Breakdown

| | % Fixed Income |
|-------------------------------|----------------|
| Government Bonds | 47.3 |
| Corporate Bonds | 38.7 |
| Other Bonds | 3.6 |
| Mortgage Backed Securities | 0.0 |
| ST Investments (Cash & Other) | 10.2 |
| Asset Backed Securities | 0.0 |

Performance Analysis as of May 31, 2017



| Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | YTD | Fund Quartile |
|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| Calendar Returns % | 2.4 | -11.9 | 11.3 | 5.6 | 0.6 | 6.0 | 9.0 | 7.9 | 4.1 | 4.1 | 4.5 | 3rd |
| | 1 st | 1 st | 4 th | 4 th | 1 st | 4 th | 4 th | 3 rd | 3 rd | 3 rd | 3 rd | |

| | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since Incep. | Trailing Return % |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|--------------------------|
| | 0.4 | 2.9 | 5.2 | 7.2 | 5.5 | 6.8 | 3.9 | 6.4 | Fund |
| | 2 nd | 3 rd | 4 th | 4 th | 3 rd | 4 th | 3 rd | — | Quartile |
| | 1379 | 1369 | 1338 | 1271 | 917 | 598 | 172 | — | No. of Funds in Category |



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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 charterholder.

Performance Analysis Cont'd as of May 31, 2017

| Distributions (\$)/Unit | YTD* | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions | 0.02 | 0.56 | 0.96 | 1.14 | 0.44 | 0.35 | 0.35 | 0.39 | 0.30 | 0.30 | 0.70 |
| Interest | 0.02 | 0.11 | 0.12 | 0.09 | 0.13 | 0.14 | 0.14 | 0.17 | 0.22 | 0.25 | 0.40 |
| Dividends | — | 0.09 | 0.10 | 0.07 | 0.09 | 0.08 | 0.06 | 0.09 | 0.07 | 0.05 | 0.03 |
| Capital Gains | — | 0.35 | 0.74 | 0.98 | 0.22 | 0.13 | 0.15 | 0.14 | — | — | 0.27 |
| Return Of Capital | — | — | — | — | — | — | — | — | — | — | — |

| Best/Worst Periods % | Ended | 1 Yr | Ended | 3 Yr | Ended | 5 Yr | Ended | 10 Yr |
|----------------------|--------|-------|--------|------|--------|-------|--------|-------|
| Best | 7-1997 | 21.6 | 1-1998 | 13.8 | 9-1997 | 10.6 | 5-2002 | 7.8 |
| Worst | 2-2009 | -13.7 | 2-2009 | -2.6 | 2-2009 | 0.9 | 8-2010 | 3.3 |
| Average | | 6.1 | | 6.0 | | 5.8 | | 5.3 |
| No. of Periods | | 289 | | 265 | | 241 | | 181 |
| Pct. Positive | | 85.5 | | 95.5 | | 100.0 | | 100.0 |

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

Quarterly Commentary as at March 31, 2017

Global economic growth firmed, with a pickup in the Eurozone starting to factor into the expansion. In March, the U.S. Federal Reserve boosted its benchmark interest rate for the second time in three months, reflecting optimism about the expansion. However, longer-term U.S. bond yields fell late in the period on concern that President Trump might have trouble winning approval for his proposed economic reforms.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Canadian, U.S. and U.K. bonds posted gains, while the improved outlook for the Eurozone resulted in losses for the region's government bonds. The RBC Bond Fund, the RBC Global Bond Fund and the PH&N Total Return Bond Fund had a positive impact on the Fund's returns.

Major equity markets rose, led by Europe and emerging markets, amid optimism that economies

around the world were gathering momentum. Equity funds that contributed positively to the Fund's performance included the RBC European Equity Fund and the RBC Asia-Pacific ex-Japan Equity Fund.

Leading economic indicators are at their best levels in several years, economic surprises have been overwhelmingly positive and profits continue to recover. As a result, risk assets have performed well. We expect bond yields to rise, resulting in low or potentially negative returns over the years ahead, and we therefore remain underweight bonds. Long-term expected returns for stocks are more attractive, accounting for our equity overweight. In the near term, however, uncertainty surrounding U.S. public policy and a variety of style and technical factors have led us to reduce our exposure to stocks, where we remain overweight, but a little less so than before.



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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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and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at www.sedar.com.

MER (%) for RBC Funds and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2016, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full-year period, April 1, 2016 to March 31, 2017, expressed on an annualized basis.

Adjusted MER is provided for funds with management fee changes effective June 30, 2016. The Adjusted MER represents what the reported MER would have been had management fee changes been in effect throughout 2016.

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.

PH&N Funds Series A formerly known as Series C.

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 April 30, 2017.

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