



RBC Balanced Growth & Income Fund

Investment Objective

To provide a combination of capital growth and modest income. The fund invests primarily in a diversified portfolio of income-producing equity and fixed-income securities from anywhere around the world either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A | No Load | CAD | RBF481 |
| A | No Load | USD | RBF403 |
| Adv | Deferred Sales | CAD | RBF881 |
| Adv | Front End | CAD | RBF721 |
| Adv | Low Load | CAD | RBF081 |
| Adv | Low Load | USD | RBF4403 |
| Adv T5 | Deferred Sales | CAD | RBF887 |
| Adv T5 | Front End | CAD | RBF789 |
| Adv T5 | Low Load | CAD | RBF087 |
| T5 | No Load | CAD | RBF511 |
| H | No Load | CAD | RBF381 |

| | |
|-------------------------|---|
| Inception Date | August 2013 |
| Total Fund Assets \$Mil | 1,500.7 |
| Series A NAV \$ | 12.74 |
| Series A MER % | 2.08 |
| Benchmark | 40% FTSE TMX Canada Universe Bond Index 25% S&P/TSX Capped Composite Total Return Index 20% S&P 500 Total Return Index (CAD) 10% MSCI Emerging Markets Total Return Net Index (CAD) 5% MSCI Europe Total Return Net Index (CAD) |

| | |
|----------------------------|-----------|
| Income Distribution | Quarterly |
| Capital Gains Distribution | Annually |

| | |
|--------------------------|------|
| Sales Status | Open |
| Min. Investment \$ | 500 |
| Subsequent Investment \$ | 25 |

| | |
|---------------|------------------------|
| Fund Category | Global Equity Balanced |
|---------------|------------------------|

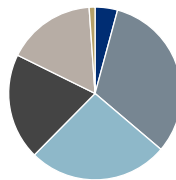
| | |
|--------------------|----------------------------------|
| Management Company | RBC Global Asset Management Inc. |
| Web Site | www.rbcgam.com |

Notes

Performance Analysis is in CAD and for CAD series A fund (RBF481).

Portfolio Analysis as of October 31, 2017

Asset Mix

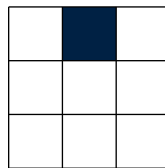


| | % Assets |
|----------------------|----------|
| Cash | 4.2 |
| Fixed Income | 32.0 |
| Canadian Equity | 26.2 |
| US Equity | 19.9 |
| International Equity | 16.6 |
| Other | 1.1 |

Top 10 Holdings

| | % Assets |
|--|--------------|
| PH&N Total Return Bond Fund | 12.6 |
| RBC Emerging Markets Dividend Fund | 9.8 |
| RBC Global Corporate Bond Fund | 8.6 |
| BlueBay Global Monthly Income Bond Fund | 6.4 |
| RBC Global High Yield Bond Fund | 6.4 |
| RBC European Dividend Fund | 6.4 |
| Royal Bank of Canada | 1.7 |
| The Toronto-Dominion Bank | 1.4 |
| Enbridge Inc | 1.4 |
| Bank of Nova Scotia | 1.0 |
| Total % of Top 10 Holdings | 55.7 |
| Total Number of Portfolio Holdings | 201 |
| Total Number of Stock Holdings | 946 |
| Total Number of Bond Holdings | 5,218 |
| Total Number of Other Holdings | 234 |
| Total Number of Underlying Holdings | 6,398 |

Equity Style



Value Blend Growth

Statistics

| | |
|-------------------|------|
| P/B Ratio | 1.9 |
| P/E Ratio | 15.6 |
| Avg. Mkt Cap. \$B | 39.9 |

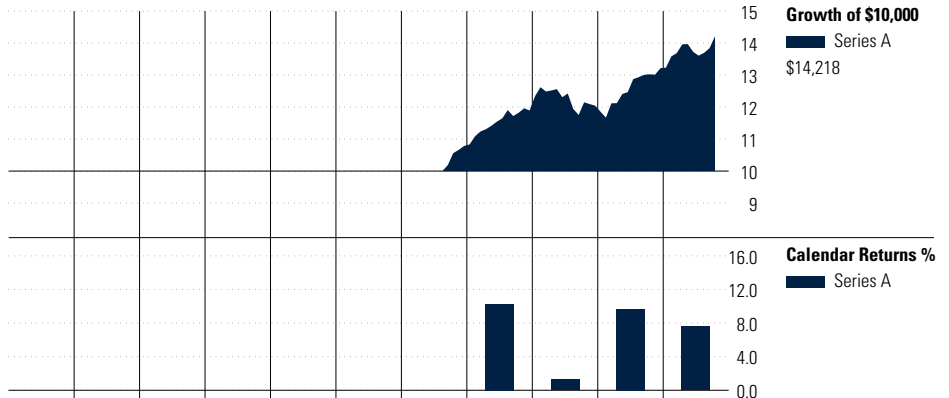
Top 5 Sectors

| | % Equity |
|------------------------|----------|
| Financials | 25.0 |
| Energy | 14.4 |
| Information Technology | 12.1 |
| Industrials | 7.6 |
| Real Estate | 6.9 |

Fixed Income Breakdown

| | % | Characteristics | % |
|--------------|------|-----------------------------|-----|
| Govt. Bonds | 39.1 | Avg. Term to maturity (Yrs) | 9.0 |
| Corp. Bonds | 55.5 | Modified Duration (Yrs) | 6.0 |
| Other Bonds | 2.1 | Yield to Maturity | 3.5 |
| MBS | 0.0 | | |
| Cash & Other | 3.3 | | |
| ABS | 0.0 | | |

Performance Analysis as of October 31, 2017



| Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | YTD | Fund Quartile |
|----------|------|------|------|------|------|------|------|-----------------|-----------------|-----------------|-----------------|---------------|
| Return % | — | — | — | — | — | — | — | 10.3 | 1.3 | 9.7 | 7.6 | — |
| Rank | — | — | — | — | — | — | — | 2 nd | 4 th | 1 st | 3 rd | — |

| | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since Incep. | Trailing Return % |
|--------------------------|-------|-----------------|-----------------|-----------------|-----------------|------|-------|--------------|-------------------|
| Return % | 2.7 | 4.5 | 1.8 | 9.2 | 6.3 | — | — | 8.5 | Fund |
| Rank | — | 4 th | 3 rd | 3 rd | 3 rd | — | — | — | Quartile |
| No. of Funds in Category | 1052 | 1046 | 1030 | 998 | 678 | 466 | 224 | — | — |



RBC Balanced Growth & Income Fund

Management Overview

Manager Bios

Jennifer McClelland

RBC Global Asset Management Inc.

Jennifer McClelland is Vice President and Senior Portfolio Manager, Canadian Equities. Jennifer began her investment career in 1993. She is a member of the North American equity team and is responsible for core and income-oriented Canadian equity mandates. Jennifer has a Bachelor Degree in Economics from the University of Western Ontario and is a CFA charterholder.

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.

Brad Willock

RBC Global Asset Management Inc.

Brad Willock joined RBC in May 1996 and RBC Global Asset Management in July 2002. In his current role, he is responsible for core and income-oriented U.S. equity mandates. Brad has a Bachelor of Commerce and a Bachelor of Science, and is a CFA charterholder.

Performance Analysis Cont'd as of October 31, 2017

| Distributions (\$)/Unit | YTD* | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions | 0.09 | 0.16 | 0.42 | 0.40 | 0.10 | — | — | — | — | — | — |
| Interest | 0.09 | 0.07 | 0.07 | 0.06 | 0.05 | — | — | — | — | — | — |
| Dividends | — | 0.09 | 0.09 | 0.07 | 0.01 | — | — | — | — | — | — |
| Capital Gains | — | — | 0.27 | 0.27 | 0.03 | — | — | — | — | — | — |
| Return Of Capital | — | — | — | — | — | — | — | — | — | — | — |

| Best/Worst Periods % | Ended | 1 Yr | Ended | 3 Yr | Ended | 5 Yr | Ended | 10 Yr |
|----------------------|--------|------|--------|-------|-------|------|-------|-------|
| Best | 8-2014 | 19.1 | 8-2016 | 9.0 | — | — | — | — |
| Worst | 2-2016 | -7.5 | 8-2017 | 4.8 | — | — | — | — |
| Average | | 7.2 | | 6.8 | | — | | — |
| No. of Periods | | 39 | | 15 | | — | | — |
| Pct. Positive | | 87.2 | | 100.0 | | — | | — |

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

Quarterly Commentary as at September 30, 2017

The global acceleration in economic growth that began last year has been largely sustained. The need for extreme monetary stimulus is fading and central banks including the U.S. Federal Reserve and the Bank of Canada (BoC) are gradually shifting toward tighter policy.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Returns on global government bonds were low to slightly negative during the period. Canadian bonds underperformed after the BoC boosted short-term interest rates given faster-than-expected economic growth. Returns were aided by exposure to the RBC Global High Yield Bond Fund and the BlueBay Global Monthly Income Bond Fund. Performance was negatively affected by the Phillips, Hager & North Total Return Bond Fund.

Global equities posted gains, led by emerging-

market and Canadian equities, as prices for oil and other commodities strengthened. The S&P 500 finished the period at a record high, but a weaker U.S. dollar offset most of the returns when translated back into Canadian dollars. The Fund benefited from investments in Canadian and emerging-market equities.

Our models continue to suggest the long-term direction for bond yields is higher, which would weigh on total returns for bond holders. Prospective returns for equities are much better than for fixed income, but the valuation tailwind from falling interest rates may be exhausted so earnings growth is now critical for the continuity of the bull market. The Fund has been dialing back the risk exposure in the asset mix as the business cycle matures, trimming the equity-overweight allocation and splitting the proceeds between cash and fixed income.



RBC Balanced Growth & Income Fund

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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completeness or correctness. All opinions 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, PH&N Funds and Bluebay Funds is based on actual expenses for the half-year period, January 1 to June 30, 2017, 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.

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 October 31, 2017.

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