



RBC O'Shaughnessy Canadian Equity Fund

Investment Objective

To provide a long-term total return by investing primarily in equity securities of Canadian and U.S. companies based on Strategy Indexing®, a rigorous and disciplined approach to stock selection based on characteristics associated with above average returns over long periods of time.

Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A | No Load | CAD | RBF550 |
| Adv | Front End | CAD | RBF775 |
| Adv | Low Load | CAD | RBF128 |

| | |
|-------------------------|---|
| Inception Date | November 1997 |
| Total Fund Assets \$Mil | 597.7 |
| Series A NAV \$ | 20.64 |
| Series A MER % | 1.54 |
| Benchmark | S&P/TSX Capped Composite Total Return Index |

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

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

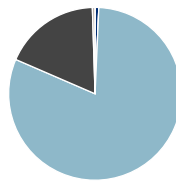
| | |
|---------------|-------------------------|
| Fund Category | Canadian Focused Equity |
|---------------|-------------------------|

| | |
|--------------------|----------------------------------|
| Management Company | RBC Global Asset Management Inc. |
|--------------------|----------------------------------|

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

Portfolio Analysis as of January 31, 2019

Asset Mix

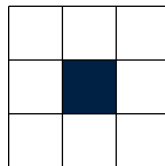


| | % Assets |
|----------------------|----------|
| Cash | 0.7 |
| Fixed Income | 0.0 |
| Canadian Equity | 80.8 |
| US Equity | 18.0 |
| International Equity | 0.5 |
| Other | 0.0 |

Top 10 Holdings

| | % Assets |
|---------------------------------|------------|
| Sun Life Financial Inc | 3.9 |
| Teck Resources Ltd Class B | 3.4 |
| National Bank of Canada | 2.9 |
| Air Canada Class B | 2.9 |
| Methanex Corp | 2.9 |
| CGI Group Inc A | 2.7 |
| Canadian Tire Corp Ltd Class A | 2.7 |
| Loblaw Companies Ltd | 2.5 |
| Great-West Lifeco Inc | 2.3 |
| Kirkland Lake Gold Ltd | 2.1 |
| Total % of Top 10 Holdings | 28.4 |
| Total Number of Stock Holdings | 118 |
| Total Number of Bond Holdings | 0 |
| Total Number of Other Holdings | 1 |
| Total Number of Holdings | 119 |

Equity Style



Value Blend Growth

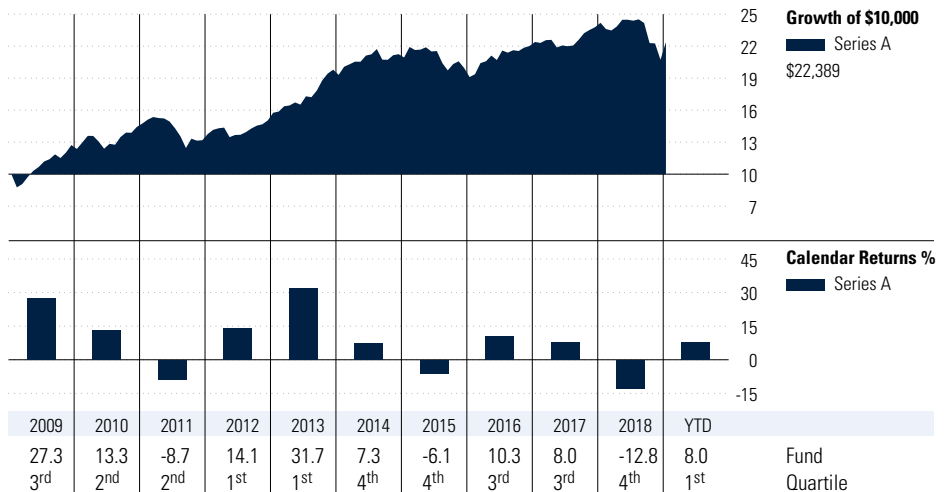
Equity Statistics

| | |
|-------------------|------|
| P/B Ratio | 1.6 |
| P/E Ratio | 12.0 |
| Avg. Mkt Cap. \$B | 9.6 |

Global Equity Sectors

| | % Equity |
|------------------------|----------|
| Financials | 17.4 |
| Materials | 17.2 |
| Industrials | 14.2 |
| Consumer Discretionary | 11.2 |
| Energy | 10.6 |
| Consumer Staples | 9.0 |
| Real Estate | 7.2 |
| Information Technology | 6.8 |
| Health Care | 3.7 |
| Communication Services | 1.4 |
| Utilities | 1.2 |
| Unclassified | 0.0 |

Performance Analysis as of January 31, 2019



| | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since Incep. | Trailing Return % |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|--------------------------|
| | 8.0 | 0.4 | -8.2 | -7.4 | 5.4 | 3.0 | 8.9 | 7.1 | Fund |
| | 1 st | 3 rd | 4 th | 4 th | 3 rd | 4 th | 2 nd | — | Quartile |
| | 790 | 784 | 770 | 758 | 583 | 460 | 216 | — | No. of Funds in Category |



RBC O'Shaughnessy Canadian Equity Fund

Management Overview

Manager Bios

Jim P. O'Shaughnessy

O'Shaughnessy Asset Management

Jim O'Shaughnessy is the Chairman of O'Shaughnessy Asset Management (OSAM). Also serving as the Chief Investment Officer of the firm, Jim is ultimately responsible for OSAM's investment strategies. He directs the Senior Portfolio Manager, Director of Research, and the Portfolio Management Team and helps to set the agenda for the team. He is also responsible for the development of OSAM's existing strategies and directs the team on idea generation and specific initiatives to improve the models and develop new factors and products.

Patrick O'Shaughnessy

O'Shaughnessy Asset Management

Patrick O'Shaughnessy is the Chief Executive Officer at O'Shaughnessy Asset Management (OSAM). Patrick oversees the day-to-day business of the firm, directing OSAM's initiatives in the areas of research and portfolio management, investor education and client service and relationships. He also serves as a Portfolio Manager. Prior to his role as CEO, Patrick spent 11 years on OSAM's Research & Portfolio Management team, working to improve the firm's investment strategies.

Performance Analysis Cont'd as of January 31, 2019

| Distributions (\$)/Unit | YTD* | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions | — | 0.10 | 0.16 | 0.24 | 0.14 | 0.11 | 0.16 | 0.21 | 0.09 | 0.14 | 0.30 |
| Interest | — | 0.00 | 0.00 | — | — | — | — | — | — | — | 0.01 |
| Dividends | — | 0.10 | 0.16 | 0.24 | 0.14 | 0.11 | 0.16 | 0.21 | 0.09 | 0.14 | 0.28 |
| Capital Gains | — | — | — | — | — | — | — | — | — | — | — |
| Return Of Capital | — | — | — | — | — | — | — | — | — | — | — |

| Best/Worst Periods % | Ended | 1 Yr | Ended | 3 Yr | Ended | 5 Yr | Ended | 10 Yr |
|----------------------|--------|-------|--------|-------|---------|------|--------|-------|
| Best | 3-2010 | 49.8 | 3-2006 | 26.9 | 10-2007 | 18.9 | 8-2008 | 13.4 |
| Worst | 2-2009 | -41.8 | 2-2009 | -13.8 | 5-2012 | -4.2 | 5-2017 | 2.7 |
| Average | | 8.9 | | 8.8 | | 8.8 | | 6.8 |
| No. of Periods | | 243 | | 219 | | 195 | | 135 |
| Pct. Positive | | 73.3 | | 84.9 | | 89.7 | | 100.0 |

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

Quarterly Commentary as at December 31, 2018

The largest factor that detracted from relative performance was an overweight in smaller-capitalization stocks. One of our two key stock-selection themes (Momentum) underperformed and detracted from performance. Our other key selection-theme (Value) outperformed and contributed positively to performance. Quality exposures had a negative impact in aggregate as higher-quality stocks underperformed.

From a sector perspective, allocation effects were positive and selection effects were negative. The Consumer Staples and Energy sectors were the top contributors to allocation effects. Meanwhile, the Healthcare and Communication Services sectors were the top detractors. Healthcare and Utilities were the top contributors to selection effects.

Meanwhile, Materials and Energy were the top detractors.

Our research of individual stock data leads us to believe that Shareholder Yield, Value, Momentum, and Quality are factor themes that will be critical to future outperformance. We consistently avoid sectors and industries with unfavorable characteristics, and focus on areas of the market that we consider favorable in and relevant. In light of the portfolio's positioning relative to its benchmark—as measured by the key characteristics we use in our stock-selection process—we believe that the portfolio is well-positioned for 2019.



RBC O'Shaughnessy Canadian Equity 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.

This document has been compiled by RBC Global Asset Management Inc. (RBC GAM) from sources believed to be reliable, but no representations or warranty, express or implied, are made by RBC GAM, its affiliates

or any other person as to its accuracy, 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 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). This is the Morningstar quartile ranking of Series A and F units of the Fund as of January 31, 2019.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2019