

PH&N Currency-Hedged Overseas Equity Fund

Investment Objective

The fundamental investment objective of the Fund is to achieve long-term capital growth primarily through exposure to a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside North America, including countries in Europe and the Far East, including Japan and Australia, while minimizing currency risk. To achieve these objectives, the Fund will invest primarily in units of other funds managed by Phillips, Hager & North. The fundamental investment objective may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies at our discretion.

Fund Details

Series	Load Structure	Currency	Fund Code
F	No Load	CAD	RBF5570

Inception Date	December 2007
Total Fund Assets \$Mil	180.4
Series F NAV \$	10.59
Series F MER %	1.11
Benchmark	MSCI EAFE Total Return Net Index (hedged to C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	International Equity
---------------	----------------------

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

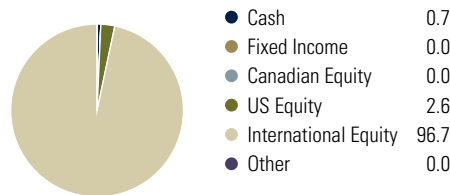
Notes

Fund's sub-advisor changed effective mid-August 2014.

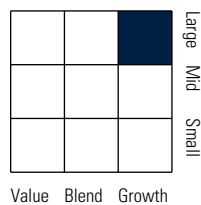
Please note: Holdings shown are for PH&N Overseas Equity Fund.

Portfolio Analysis as of August 31, 2017

Asset Mix



Equity Style



Equity Statistics

P/B Ratio	2.8
P/E Ratio	19.0
Avg. Mkt Cap. \$B	57.9

Top 10 Holdings

Company	% Assets
Deutsche Post AG	5.0
Nidec Corp	4.7
Naspers Ltd Class N	4.6
Taiwan Semiconductor Manufacturing ADR	4.5
Unilever PLC	4.5
Roche Holding AG Dividend Right Cert.	4.5
Anheuser-Busch InBev SA/NV	4.4
AIA Group Ltd	4.3
InterContinental Hotels Group PLC	3.4
Rio Tinto PLC	3.3
Total % of Top 10 Holdings	43.1
Total Number of Stock Holdings	37
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	38

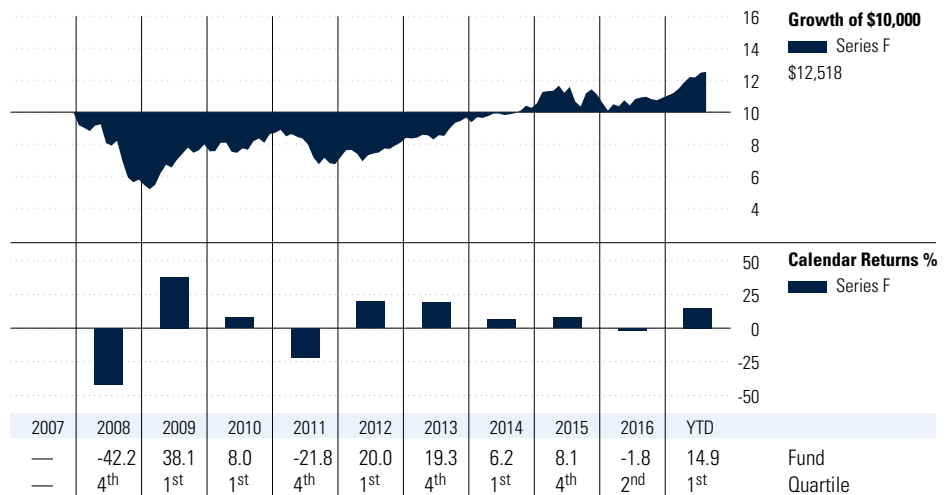
Top 5 Sectors

Sector	% Equity
Financials	23.3
Industrials	19.0
Consumer Discretionary	13.8
Consumer Staples	10.4
Materials	8.8

Geographic Allocations

Region	% Assets
United Kingdom	20.1
Japan	17.2
Switzerland	9.7
Netherlands	5.8
Germany	5.6

Performance Analysis as of August 31, 2017



Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return	0.4	2.7	11.9	14.7	8.3	10.8	—	2.4	Fund
Quartile	2 nd	1 st	1 st	1 st	2 nd	4 th	—	—	Quartile
No. of Funds in Category	538	537	523	490	340	266	126	—	No. of Funds in Category

PH&N Currency-Hedged Overseas Equity Fund

Management Overview

Manager Bios

Habib Subjally

RBC Global Asset Management (UK) Limited

Habib has served as Head of Global Equities and leader of this team since 2006. Prior to that, he held positions at Credit Suisse (Head of Small & Mid Cap Research), Invesco (Head of Global Equities), Merrill Lynch Investment Managers (Head of North American and Global Equities Research, and Manager, Mercury Global Titans Fund) and Ernst & Young. Habib holds a BSc (Hons) from the London School of Economics and the Chartered Accountant and ASIP designations.

Performance Analysis Cont'd as of August 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	0.16	0.10	0.34	0.15	0.32	0.23	0.16	0.17	0.23	—
Interest	—	0.16	0.10	0.25	0.15	0.16	0.23	0.13	0.17	0.23	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	0.09	—	0.16	—	0.04	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2010	48.0	5-2015	18.9	2-2014	13.3	—	—
Worst	2-2009	-42.5	12-2010	-4.8	12-2012	-4.1	—	—
Average		5.7		6.4		6.8		—
No. of Periods		105		81		57		—
Pct. Positive		71.4		88.9		89.5		—

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

Quarterly Commentary as at June 30, 2017

With the notable exception of the UK, much of the political uncertainty that has dominated the headlines over the last 12 months appears to be receding. Against this more settled backdrop, global equities continued to perform well during the second quarter, with earnings resolutely strong. Bond yields have remained at historically low levels and the U.S. dollar has been weak. Both of these factors have added impetus to the search for high-quality businesses with predictable and growing earnings. Towards the end of the quarter, however, several of the world's largest central banks hinted at policy tightening.

Indian financial company HDFC Bank was the largest contributor to Fund returns as its share price continued to rally. AIA, the pan-Asian Life Insurance group, was the second-biggest contributor as its share price rose on the back of strong Q1 results. Ryanair, the Irish budget airline, was the third-biggest contributor following a strong quarter during which it was able to benefit

from the IT issues that plagued British Airways.

Oil Search, the largest oil and gas exploration and development company, based in Papua New Guinea, was the biggest detractor from Fund performance over the quarter as it suffered from weak oil prices. Astellas Pharma, the global pharmaceutical company, was the second-biggest detractor as it reported sales and profit numbers slightly below consensus. Komatsu, the Japanese industrial equipment manufacturer, also detracted amid market concerns of a China property slowdown, despite reporting strong financial results during the quarter.

We remain committed to discovering companies that we believe will be successful in the future. We are constantly searching for compelling long-term opportunities at the right valuations while avoiding businesses that are overvalued or optically cheap but fundamentally flawed.

PH&N Currency-Hedged Overseas 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 fund securities are not guaranteed or covered by the Canada 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.

Phillips, Hager & North Investment Management (PH&N IM) is a division of RBC Global Asset Management Inc. (RBC GAM). RBC GAM is the fund manager and the principal portfolio adviser of PH&N Funds. The principal distributor of PH&N Funds is Phillips, Hager & North Investment Funds Ltd. (PH&NIF), which uses the trade name PH&N Investment Services. RBC GAM is an indirect, wholly-owned subsidiary of Royal Bank of

Canada.

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 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.

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 July 31, 2017.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2017