

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	180.9
Series F NAV \$	10.31
Series F MER %	1.16
Series F Adjusted 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

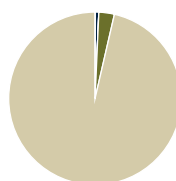
Notes

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

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

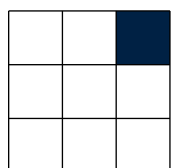
Portfolio Analysis as of May 31, 2017

Asset Mix



	% Assets
Cash	0.7
Fixed Income	0.0
Canadian Equity	0.0
US Equity	2.9
International Equity	96.4
Other	0.0

Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	2.5
P/E Ratio	18.7
Avg. Mkt Cap. \$B	54.1

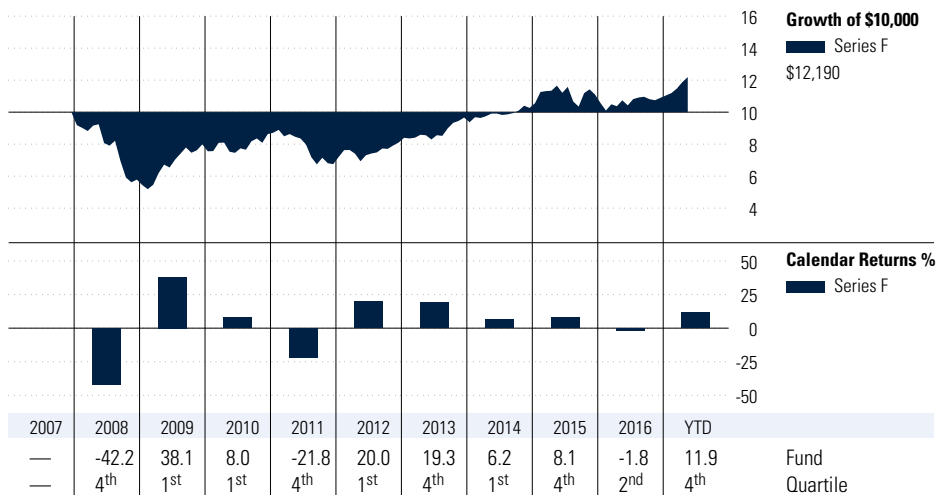
Top 5 Sectors

	% Equity
Financials	23.4
Industrials	18.4
Consumer Discretionary	14.5
Consumer Staples	11.1
Health Care	8.3

Geographic Allocations

	% Assets
Japan	17.6
United Kingdom	17.3
Switzerland	9.0
France	8.4
Germany	5.9

Performance Analysis as of May 31, 2017



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	2.7	8.9	13.4	13.5	7.1	12.0	—	2.1	Fund
		2 nd	4 th	4 th	3 rd	4 th	—	—	Quartile
	544	539	528	457	355	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 May 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		5.4		6.3		6.5		—
No. of Periods		102		78		54		—
Pct. Positive		70.6		88.5		88.9		—

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

Quarterly Commentary as at March 31, 2017

Indian financial HDFC Bank was the biggest contributor in the quarter as realizations grew that India's demonetization program should prove beneficial to Indian banks. The second-largest contributor was Dutch semiconductor developer ASML, on the back of strong demand for the company's technology from chip manufacturers. Dutch paint manufacturer Akzo Nobel followed, as a bid from U.S. rival PPG Industries drove Akzo's share price higher.

The biggest detractor was Japanese pharmaceutical company Astellas Pharma due to concerns that U.S. legislation could impact drug pricing. Danish pharmaceutical Novo Nordisk was the second-biggest detractor, as U.S. execution and senior staff turnover were negatives for performance.

The driver of strong equity performance is unclear, especially in a quarter where we have witnessed an average year's worth of returns in just three months. Clearly the growth outlook is improving,

although we are unsure if this will be enough to sustain market returns at similar levels in coming quarters.

There are some obvious roadblocks ahead. It is unlikely that the Trump administration will be able to legislate as radically or as quickly as initially thought – China still has to grapple with a loose money supply and an ongoing property bubble, and Europe is veiled in political uncertainty with critical elections on the horizon in France and Germany, alongside negotiations for the U.K.'s exit from the European Union.

As always the Global Equity team attempts to navigate this uncertain backdrop by investing only in companies deemed to 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.

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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 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.

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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, 2017 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 May 31, 2017.

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