



RBC U.S. Mid-Cap Growth Equity Currency Neutral Fund

Investment Objective

To provide long-term capital growth by investing primarily in U.S. mid-capitalized equity investments and common stock equivalents while minimizing the exposure to currency fluctuations between the U.S. and Canadian dollars.

Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A | No Load | CAD | RBF589 |
| Adv | Deferred Sales | CAD | RBF861 |
| Adv | Front End | CAD | RBF770 |
| Adv | Low Load | CAD | RBF172 |

| | |
|-------------------------|------------------------------------|
| Inception Date | January 2006 |
| Total Fund Assets \$Mil | 11.3 |
| Series A NAV \$ | 13.43 |
| Series A MER % | 2.10 |
| Benchmark | Russell Midcap Growth Index (US\$) |

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

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

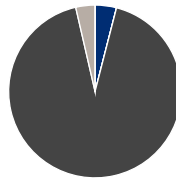
| | |
|---------------|-------------------------|
| Fund Category | US Small/Mid Cap Equity |
|---------------|-------------------------|

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

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

Portfolio Analysis as of August 31, 2017

Asset Mix

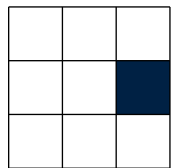


| | % Assets |
|----------------------|----------|
| Cash | 4.0 |
| Fixed Income | 0.0 |
| Canadian Equity | 0.0 |
| US Equity | 92.4 |
| International Equity | 3.6 |
| Other | 0.0 |

Top 10 Holdings

| | % Assets |
|----------------------------------|-----------|
| MercadoLibre Inc | 2.4 |
| Autodesk Inc | 2.3 |
| Abiomed Inc | 2.0 |
| Henry Schein Inc | 1.9 |
| Synopsys Inc | 1.8 |
| Mettler-Toledo International Inc | 1.8 |
| Align Technology Inc | 1.7 |
| Waste Connections Inc | 1.7 |
| IPG Photonics Corp | 1.7 |
| AptarGroup Inc | 1.7 |
| Total % of Top 10 Holdings | 18.9 |
| Total Number of Stock Holdings | 81 |
| Total Number of Bond Holdings | 0 |
| Total Number of Other Holdings | 1 |
| Total Number of Holdings | 82 |

Equity Style



Value Blend Growth

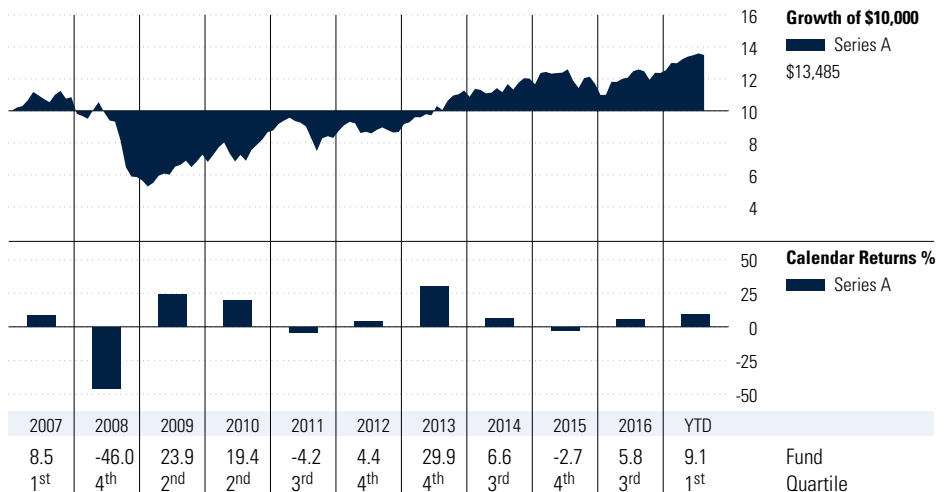
Equity Statistics

| | |
|-------------------|------|
| P/B Ratio | 3.8 |
| P/E Ratio | 27.0 |
| Avg. Mkt Cap. \$B | 11.7 |

Global Equity Sectors

| | % Equity |
|----------------------------|----------|
| Information Technology | 26.1 |
| Industrials | 21.0 |
| Health Care | 19.3 |
| Consumer Discretionary | 10.9 |
| Financials | 8.5 |
| Consumer Staples | 7.0 |
| Materials | 2.8 |
| Real Estate | 2.8 |
| Energy | 1.7 |
| Telecommunication Services | 0.0 |
| Utilities | 0.0 |
| Unclassified | 0.0 |

Performance Analysis as of August 31, 2017



| 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since Incep. | Trailing Return % |
|-------|-------|-------|------|------|------|-------|--------------|--------------------------|
| -0.8 | 0.7 | 3.8 | 7.2 | 4.9 | 8.9 | 2.5 | 2.8 | Fund |
| 270 | 266 | 259 | 250 | 153 | 104 | 50 | — | Quartile |
| | | | | | | | | No. of Funds in Category |



RBC U.S. Mid-Cap Growth Equity Currency Neutral Fund

Management Overview

Manager Bios

Kenneth A. Tyszko

RBC Global Asset Management (U.S.) Inc.

Within RBC Global Asset Management (U.S.), Ken is responsible for Small-, SMid- and Mid-Cap Growth research and portfolio management. His 28 years of industry experience includes portfolio management responsibilities at Oberweis Asset Management, ABN AMRO Asset Management (USA) Inc. and Sears Investment Management Company. Ken holds a Bachelor of Science degree in accountancy from the University of Illinois; he is certified as a CPA and is a CFA charterholder.

Performance Analysis Cont'd as of August 31, 2017

| Distributions (\$)/Unit | YTD* | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions | — | — | — | — | — | — | — | — | — | — | 0.27 |
| Interest | — | — | — | — | — | — | — | — | — | — | — |
| Dividends | — | — | — | — | — | — | — | — | — | — | — |
| Capital Gains | — | — | — | — | — | — | — | — | — | — | 0.27 |
| Return Of Capital | — | — | — | — | — | — | — | — | — | — | — |

| Best/Worst Periods % | Ended | 1 Yr | Ended | 3 Yr | Ended | 5 Yr | Ended | 10 Yr |
|----------------------|---------|-------|--------|-------|--------|------|--------|-------|
| Best | 3-2010 | 40.3 | 2-2012 | 20.0 | 2-2014 | 16.6 | 8-2016 | 3.1 |
| Worst | 12-2008 | -46.0 | 2-2009 | -19.1 | 5-2012 | -5.1 | 1-2016 | 0.9 |
| Average | | 4.5 | | 4.2 | | 5.7 | | 2.1 |
| No. of Periods | | 128 | | 104 | | 80 | | 20 |
| Pct. Positive | | 69.5 | | 68.3 | | 63.8 | | 100.0 |

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

Quarterly Commentary as at June 30, 2017

Positive security selection in the Health Care sector contributed to the Fund's performance, while the Information Technology and Financials sectors were the primary detractors. The Fund's overweight position to the strongly performing Health Care sector benefitted relative performance, as did a significant underweight to the poor performing Consumer Discretionary sector. The Fund's best performing stocks for Q2 were C.R. Bard (medical devices), Align Technology (dental equipment), and MercadoLibre (online marketplace and payment platform). The worst performing stocks for Q2 were Tractor Supply Company (specialty retail), O'Reilly Automotive (specialty retail), and MSC Industrial (industrial supply distribution).

The Fund's largest overweighted sectors are Health Care and Industrials, while the largest underweighted sectors are Consumer Discretionary and Materials. The Fund owned 79

stocks as of quarter end. There were no purchases or sales this quarter.

As our attention turns to the second half of 2017, we view a landscape filled with both hope and anxiety. The economy appears to be on solid footing, with good potential for acceleration, as market expectations have risen fairly sharply for Q2 GDP growth. However, from a stock perspective, valuations in U.S. markets are clearly rich as the bull market marches into its ninth year. The opportunity for price/earnings multiple expansion to drive market advancement is limited, so prospective market gains will be largely reliant on corporate earnings growth. Finally, the troubled geopolitical landscape remains very much in flux and bears close watching as missteps at home or abroad have the potential to add to market uncertainty.



RBC U.S. Mid-Cap Growth Equity Currency Neutral 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 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 August 31, 2017.

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