

PH&N Canadian Growth Fund

Investment Objective

To provide significant long-term capital growth by investing primarily in a well-diversified portfolio of Canadian common stocks, as well as U.S. and international securities.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7140
Adv	Front End	CAD	RBF6140
Adv	Low Load	CAD	RBF4140

Inception Date	November 2008
Total Fund Assets \$Mil	716.2
Series A NAV \$	38.28
Series A MER %	1.84
Benchmark	S&P/TSX Capped Composite Total Return Index

Income Distribution	Annually
Capital Gains Distribution	Annually

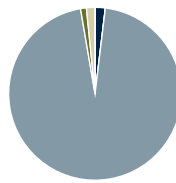
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	Canadian Equity
---------------	-----------------

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

Portfolio Analysis as of August 31, 2018

Asset Mix

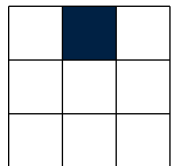


	% Assets
Cash	1.9
Fixed Income	0.0
Canadian Equity	95.4
US Equity	1.1
International Equity	1.6
Other	0.0

Top 10 Holdings

	% Assets
Royal Bank of Canada	7.2
The Toronto-Dominion Bank	6.6
Bank of Nova Scotia 24-10-2018	4.7
Canadian National Railway Co	4.5
Suncor Energy Inc 15-12-2021	4.5
Bank of Montreal	3.2
Enbridge Inc	2.8
CIBC	2.7
Canadian Natural Resources Ltd 24-10-2018	2.6
Manulife Financial Corp	2.6
Total % of Top 10 Holdings	41.5
Total Number of Stock Holdings	98
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	99

Equity Style



Value Blend Growth

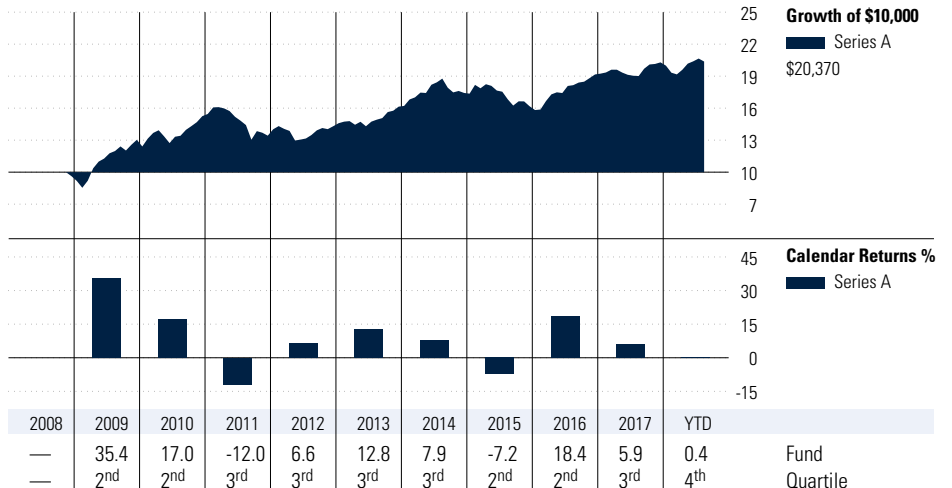
Equity Statistics

P/B Ratio	1.7
P/E Ratio	15.0
Avg. Mkt Cap. \$B	26.5

Global Equity Sectors

	% Equity
Financials	34.8
Energy	21.2
Materials	10.0
Industrials	10.0
Consumer Discretionary	6.6
Telecommunication Services	3.6
Real Estate	3.5
Consumer Staples	3.2
Information Technology	3.1
Utilities	2.8
Health Care	1.0
Unclassified	0.0

Performance Analysis as of August 31, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Fund	-1.4	1.0	5.4	7.2	6.6	6.4	—	7.6	Fund
Quartile	4 th	4 th	3 rd	3 rd	3 rd	4 th	—	—	Quartile
No. of Funds in Category	628	624	617	598	440	346	160	—	No. of Funds in Category

PH&N Canadian Growth Fund

Management Overview

Manager Bios

Rob Cavallo

RBC Global Asset Management Inc.

Rob is a Portfolio Manager with the North American equities team. Rob joined the firm in 2012 as a Global equities analyst with a focus on analyzing companies within the Health Care and Consumer sectors. Rob earned a Bachelor of Commerce degree at the University of Toronto and is a CFA charterholder.

Marcello Montanari

RBC Global Asset Management Inc.

Marcello Montanari is Vice President and Senior Portfolio Manager, North American Equities. Marcello began his career in the investment industry in 1992. He earned a Bachelor of Commerce degree in finance from Concordia University and is a CFA charterholder.

Performance Analysis Cont'd as of August 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.32	0.33	0.14	0.24	0.17	0.05	—	—	0.03	0.14
Interest	—	0.00	—	—	—	—	—	—	—	—	—
Dividends	—	0.22	0.33	0.14	0.24	0.17	0.05	—	—	0.03	0.14
Capital Gains	—	0.10	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2010	54.0	2-2012	18.8	2-2014	14.5	—	—
Worst	5-2012	-17.5	8-2017	0.4	2-2016	-0.2	—	—
Average		8.3		5.8		6.7		—
No. of Periods		106		82		58		—
Pct. Positive		73.6		100.0		98.3		—

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

Quarterly Commentary as at June 30, 2018

The Fund's performance during the quarter was driven by Aritzia Inc., Cardinal Energy Ltd. and The Stars Group Inc. (TSG). Aritzia had a strong start to 2018, driven by solid traffic in stores and online. Given its unique business model as an innovative design house, we believe the company can mitigate "fashion risk" and maintain its margins. We continue to see Aritzia as an attractive growth story, with the opportunity to leverage its solid brand awareness in Canada, growing recognition in the U.S. and differentiated exclusive brands to continue to drive growth.

Cardinal continues to return capital to shareholders with one of the most attractive dividend yields in the energy sector, backed by a sustainable payout level. The company remains leveraged to a high oil price environment with attractive cash-flow generation potential, which has helped to buoy the stock. Cardinal remains focused on growing production, reserves and cash flow while maintaining a low decline rate. We continue to like the company's inexpensive valuation, attractive yield and upside potential.

TSG is a premiere online gaming operator that owns and operates well-known brands such as PokerStars and Full Tilt Poker. The company has the largest global online poker business, with over 100 million registered users, and we continue to see attractive growth in its poker and Casino and Sportsbook businesses. TSG could continue to benefit from further deregulation in the U.S. gaming industry as each state considers legalizing sports betting. Given the company's expansion into new games and markets, further deregulation and potential for acquisitions, we believe it remains well positioned to grow.

We added Allied Properties REIT, Chartwell Retirement REIT, Endeavour Mining Corp. and Maple Leaf Foods Inc. during the quarter. We also increased weightings in Bombardier Inc., Dollarama Inc. and Teck Resources Ltd. We reduced weights in Canadian National Railway Co., Cott Corp. and Jamieson Wellness Inc. We eliminated Centerra Gold Inc., Enecare Inc., Spartan Energy Corp. and Western Energy Services Corp. from the portfolio.

PH&N Canadian Growth 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, PH&N Funds and BlueBay Funds is based on actual expenses for the half-year period, January 1 to June 30, 2018, 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, 2018.

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, 2018.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2018