

PH&N Overseas Equity Fund

Investment Objective

To achieve long-term capital growth by investing primarily in 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. This Fund is different from the Global Equity Fund because the primary focus of its investments does not include companies in the United States.

Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A | No Load | CAD | RBF7410 |
| Adv | Front End | CAD | RBF6410 |
| Adv | Low Load | CAD | RBF4410 |

| | |
|-------------------------|--|
| Inception Date | November 2008 |
| Total Fund Assets \$Mil | 1,267.3 |
| Series A NAV \$ | 15.85 |
| Series A MER % | 2.09 |
| Benchmark | MSCI EAFE Total Return Net Index (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. |
|--------------------|----------------------------------|

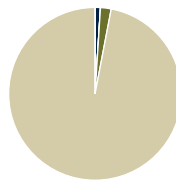
| | |
|----------|----------------|
| Web Site | www.rbcgam.com |
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Notes

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

Portfolio Analysis as of August 31, 2018

Asset Mix

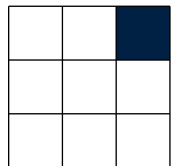


| | % Assets |
|----------------------|----------|
| Cash | 1.0 |
| Fixed Income | 0.0 |
| Canadian Equity | 0.0 |
| US Equity | 2.0 |
| International Equity | 97.0 |
| Other | 0.0 |

Top 10 Holdings

| | % Assets |
|--|-----------|
| Roche Holding AG Dividend Right Cert. | 5.4 |
| Unilever PLC | 5.2 |
| Astellas Pharma Inc | 4.8 |
| AIA Group Ltd | 4.8 |
| Taiwan Semiconductor Manufacturing ADR | 4.5 |
| Deutsche Post AG | 4.4 |
| Anheuser-Busch InBev SA/NV | 4.3 |
| InterContinental Hotels Group PLC | 4.2 |
| Nidec Corp | 4.2 |
| St James's Place PLC | 3.5 |
| Total % of Top 10 Holdings | 45.4 |
| Total Number of Stock Holdings | 35 |
| Total Number of Bond Holdings | 0 |
| Total Number of Other Holdings | 1 |
| Total Number of Holdings | 36 |

Equity Style



Value Blend Growth

Equity Statistics

| | |
|-------------------|------|
| P/B Ratio | 2.2 |
| P/E Ratio | 17.8 |
| Avg. Mkt Cap. \$B | 62.1 |

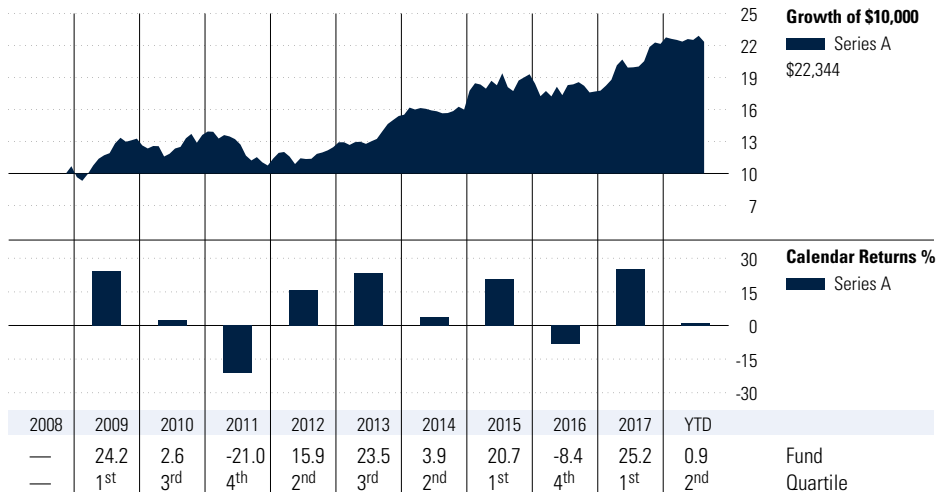
Top 5 Sectors

| | % Equity |
|------------------------|----------|
| Financials | 23.1 |
| Industrials | 15.8 |
| Health Care | 14.5 |
| Materials | 13.6 |
| Consumer Discretionary | 10.3 |

Geographic Allocations

| | % Assets |
|----------------|----------|
| United Kingdom | 26.5 |
| Japan | 19.4 |
| Switzerland | 10.4 |
| Germany | 6.7 |
| India | 4.8 |

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 % |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------|--------------|--------------------------|
| -2.5 | -1.1 | -1.2 | 11.6 | 7.3 | 11.0 | — | 8.6 | Fund |
| 4 th | 3 rd | 3 rd | 1 st | 2 nd | 1 st | — | — | Quartile |
| 581 | 572 | 562 | 534 | 360 | 276 | 150 | — | No. of Funds in Category |

PH&N 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 Head of Global Equities with First State Investments, April 2006 to March 2014, 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, 2018

| Distributions (\$)/Unit | YTD* | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions | — | — | 0.10 | — | 0.21 | 0.09 | 0.09 | 0.21 | 0.04 | 0.11 | 0.26 |
| Interest | — | — | 0.10 | — | 0.21 | 0.09 | 0.09 | 0.21 | 0.04 | 0.11 | 0.26 |
| Dividends | — | — | — | — | — | — | — | — | — | — | — |
| Capital Gains | — | — | — | — | — | — | — | — | — | — | — |
| Return Of Capital | — | — | — | — | — | — | — | — | — | — | — |

| Best/Worst Periods % | Ended | 1 Yr | Ended | 3 Yr | Ended | 5 Yr | Ended | 10 Yr |
|----------------------|---------|-------|--------|------|--------|-------|-------|-------|
| Best | 2-2010 | 32.6 | 5-2015 | 19.7 | 5-2017 | 13.7 | — | — |
| Worst | 12-2011 | -21.0 | 9-2012 | -3.9 | 9-2014 | 3.3 | — | — |
| Average | | 8.9 | | 7.7 | | 9.0 | | — |
| No. of Periods | | 106 | | 82 | | 58 | | — |
| Pct. Positive | | 75.5 | | 90.2 | | 100.0 | | — |

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

Quarterly Commentary as at June 30, 2018

The biggest contributor to returns over the quarter was Australian oil and gas exploration and production company, Oil Search Ltd., which rose due to the oil-price rally. Indian financial company, HDFC Bank Ltd., reported strong results in line with expectations with operating profit growing by over 20% year on year. Also positive for performance was German gas production company, Linde AG, which appreciated during the quarter after the proposed merger with U.S. rival, Praxair Inc., moved closer to completion following an EU competition review.

Our holding in German logistics company, Deutsche Post DHL Group, was the biggest detractor from relative returns during the quarter. The stock fell after the company reported weaker-than-expected results as its postal and supply chain weakness offset strong numbers from its express delivery division. Taiwanese manufacturer, Taiwan Semiconductor Manufacturing Company Ltd., also detracted as the stock fell following disappointing first quarter results and reduced guidance on projected smartphone demand. Another detractor was Japanese mining and

construction machinery manufacturer, Komatsu Ltd., which fell as a result of halted production following an earthquake in Osaka late in the quarter and global trade tensions.

Volatility in global equity markets continued in the second quarter. Markets have been buffeted by an escalating trade war between the U.S. and China, now extending to the EU and Canada; a substantial slump in Chinese equity prices; and a reversal of positive sentiment toward Europe in early 2018. Against this backdrop, there remained a strong bid for some of the largest U.S. technology names and the buoyant oil price supported energy companies.

As always, the team remains committed to the discovery of companies that we deem to be future success stories. 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 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.

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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.

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