



RBC O'Shaughnessy International Equity Fund

Investment Objective

To provide a long-term total return, consisting of capital growth and current income by investing primarily in equity securities outside of North America based on Strategy Indexing®, a rigorous and disciplined approach to stock selection based on characteristics associated with above average returns over long periods of time.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF586
Adv	Front End	CAD	RBF761
Adv	Low Load	CAD	RBF109

Inception Date	January 2005
Total Fund Assets \$Mil	379.4
Series A NAV \$	11.19
Series A MER %	2.25
Benchmark	MSCI EAFE Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

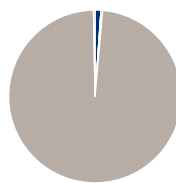
Fund Category	International Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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Portfolio Analysis as of December 31, 2017

Asset Mix

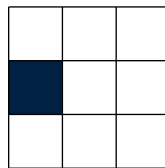


	% Assets
Cash	1.1
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.3
International Equity	98.3
Other	0.3

Top 25 Holdings

	% Assets
Novo Nordisk A/S B	2.1
Legal & General Group PLC	1.9
Engie SA	1.8
Fiat Chrysler Automobiles NV	1.7
Zurich Insurance Group AG	1.6
Telenor ASA	1.5
Harel Insurance Invest & Finances Ltd	1.4
SSE PLC	1.4
Aurizon Holdings Ltd	1.4
Tatsuta Electric Wire and Cable Co Ltd	1.2
Sanofi SA	1.2
Bezeq The Israeli Telecom Corp Ltd	1.2
Skandinaviska Enskilda Banken AB A	1.1
Neste Corp	1.1
GN Store Nord A/S	1.1
EDP - Energias de Portugal SA	1.1
Danske Bank A/S	1.1
Schouw & Co A/S	1.0
Saras SpA	1.0
Crown Resorts Ltd	1.0
Nordea Bank AB	1.0
Tokai Holdings Corp	1.0
Derichebourg SA	1.0
Arakawa Chemical Industries Ltd	1.0
Spark New Zealand Ltd	1.0
Total % of Top 25 Holdings	32.1
Total Number of Stock Holdings	195
Total Number of Bond Holdings	0
Total Number of Other Holdings	2
Total Number of Holdings	197

Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	1.6
P/E Ratio	12.5
Avg. Mkt Cap. \$B	5.2

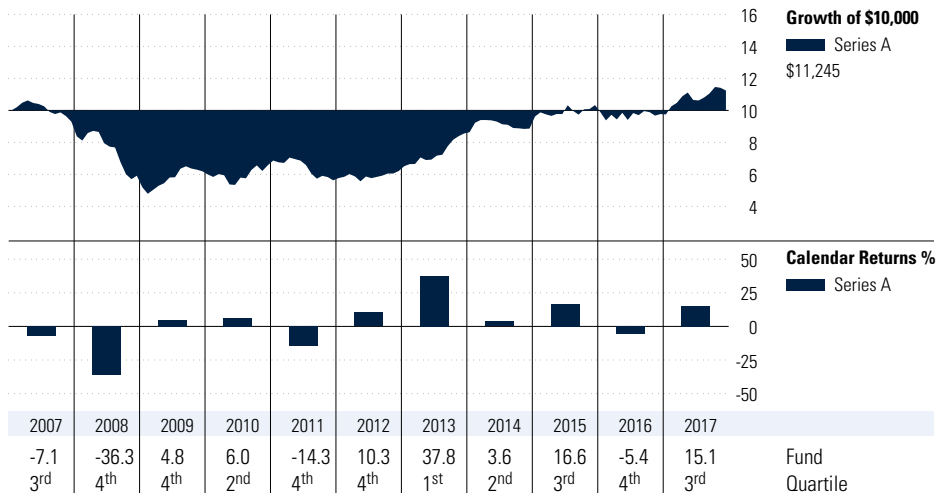
Top 5 Sectors

	% Equity
Financials	17.8
Industrials	16.9
Consumer Discretionary	14.6
Consumer Staples	10.3
Materials	9.9

Geographic Allocations

	% Assets
Japan	28.0
United Kingdom	13.9
France	8.9
Germany	6.9
Denmark	6.4

Performance Analysis as of December 31, 2017



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-1.5	1.6	5.6	15.1	8.3	12.6	1.9	3.4	Fund
4 th	4 th	3 rd	3 rd	3 rd	2 nd	4 th	—	Quartile
543	531	524	497	338	262	133	—	No. of Funds in Category



RBC O'Shaughnessy International Equity Fund

Management Overview

Manager Bios

James P. O'Shaughnessy

O'Shaughnessy Asset Management

Jim O'Shaughnessy is the Chairman and CEO of O'Shaughnessy Asset Management (OSAM). Also serving as the Chief Investment Officer of the firm, Jim is ultimately responsible for OSAM's investment strategies. He directs the Senior Portfolio Manager, Director of Research, and the Portfolio Management Team and helps to set the agenda for the team. He is also responsible for the development of OSAM's existing strategies and directs the team on idea generation and specific initiatives to improve the models and develop new factors and products.

Performance Analysis Cont'd as of December 31, 2017

Distributions (\$)/Unit	2017*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.18	0.20	0.15	0.23	0.14	0.20	0.31	0.12	0.12	0.22	0.99
Interest	0.18	0.20	0.15	0.23	0.14	0.20	0.31	0.12	0.12	0.22	0.14
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	0.85
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	3-2014	41.3	7-2015	21.4	5-2017	14.8	3-2015	3.1
Worst	3-2009	-41.3	5-2010	-19.9	5-2012	-11.9	1-2017	-0.5
Average		4.8		3.2		4.0		1.5
No. of Periods		144		120		96		36
Pct. Positive		65.3		62.5		54.2		91.7

* Final distribution attribution (interest, dividends, capital gains and return of capital) for 2017 will be reflected with January month-end profiles.

Quarterly Commentary as at December 31, 2017

An overweight allocation to the Size factor—being positioned in stocks smaller in market cap than the benchmark— was the largest contributors to returns, returning 0.97%. Additionally, an overweight allocation to the Momentum factor also marginally aided returns. An overweight allocation to the Yield factor was the largest detractor from returns. Additionally, an overweight allocation to the Value factor detracted from returns. Overall allocation effects contributed to returns while overall security selection detracted from returns for Q4. An underweight allocation to Health Care and an overweight allocation to Materials contributed to returns while overweight allocations to Utilities and Telecommunication Services detracted from returns. Security selection within Consumer Discretionary aided returns while security selection within Materials, Consumer Staples, and Financials detracted from returns.

From a country perspective, overall allocation effects and security selection effects detracted from performance. An underweight allocation to Spain and an overweight allocation to Japan

contributed to returns while an overweight allocation to Italy and Norway detracted from returns. Security selection within Finland and Israel contributed to returns while security selection within Japan, Norway, and France detracted from returns.

Compared to the Fund's benchmark, our focus on value, yield, momentum and quality has allowed us to construct a Fund trading at 26-48% discounts on PE and PS with cash flow yield approximately 50% higher than the benchmark. Our research of individual stock data leads us to believe that value, yield, momentum, and quality are themes that are critically important to future outperformance. We consistently avoid sectors and industries that exhibit unfavorable characteristics and overweight areas of the market that are favorable in the ways we deem important. Given the Fund's positioning relative to its benchmark—measured by key characteristics we use in our stock selection process—we believe the Fund is well situated for 2018.



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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 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.

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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, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the half-year period, April 1, to September 30, 2017, expressed on an annualized basis.

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 December 31, 2017.

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