



U.S. EQUITY FUND

**RBC LIFE SCIENCE
AND TECHNOLOGY FUND**

December 31, 2020

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this annual management report of fund performance on March 11, 2021.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This annual management report of fund performance ("MRFP") contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/en/ca or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to deliver long-term capital growth by investing primarily in equity securities of U.S. companies whose businesses relate to life sciences and technology and are expected to benefit from scientific and technological advances.

The Fund invests in companies with strong management, focused business models and a competitive advantage.

Risk

There were no significant changes to the investment objective and strategies that affected the Fund's overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Simplified Prospectus.

Results of Operations

The Fund's net asset value rose to \$862 million as of December 31, 2020, from \$474 million at the end of 2019. The increase was due to a combination of net inflows and investment returns.

Over the past year, the Fund's Series A units gained 29.2%, which underperformed the 30.1% rise in the benchmark. The broad-based index rose 16.1%. The Fund's return is after the deduction of fees and expenses, while benchmark and broad-based index returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

Global equity markets rose in early February before plunging after the spread of COVID-19 brought the global economy to a standstill. The U.S. Federal Reserve slashed short-term interest rates to near zero and restored massive bond purchases to steady financial markets. By early September, the S&P 500 Index was again reaching all-time highs on better-than-expected economic growth, and the equity surge accelerated in November after what was perceived as a market-friendly outcome in the U.S. elections and news that at least two vaccines had been approved to combat COVID-19. Technology stocks, especially those with large market capitalizations, performed especially well in 2020 as the pandemic accelerated many of the online-purchasing and efficiency trends already in place before the crisis. Stocks of pharmaceutical companies and businesses that sell medical devices and services also surged in the wake of the pandemic.

The Fund's relative performance was aided primarily by security selection in the Information Technology sector and below-benchmark exposure to Health Care. An overweight position in Align Technology helped boost relative performance as the company was able to

benefit from pent-up demand for its Invisalign teeth straighteners and other orthodontic supplies. A position in Shopify also contributed as the company benefited from an e-commerce and work-from-home environment.

An underweight position in Apple Inc. had a negative impact on the Fund's relative returns. The Fund is not permitted to own a stake in any company that exceeds 10% of the portfolio's net assets, and Apple accounts for more than 10% of the Fund's benchmark. An overweight position in Western Digital also held back returns given falling prices for flash-memory chips.

Recent Developments

Investors seem to be expecting a quick and successful roll-out of two COVID-19 vaccines in 2021, for the Biden administration to get another COVID-19 relief bill passed shortly after the inauguration on January 20, and for economic activity and earnings to exceed 2019 levels by the end of 2021. While this scenario is possible, the portfolio manager acknowledges that strong equity-market gains may already reflect much of the impact of these developments. The portfolio manager's view, therefore, is that earnings will have to continue exceeding expectations to keep the stock market moving higher.

The U.S. economy could experience solid growth beginning in the second quarter of this year in the event that vaccination programs run smoothly, COVID-19-related restrictions are eased and people return to work. Pent-up demand for services such as surgical procedures, travel, entertainment, shopping and dining out should drive much of the improvement in economic activity in the next year or two, in the view of the portfolio manager.

Effective March 1, 2020, administration fees were reduced as follows: from 0.15% to 0.10% for Series A units.

Related-Party Transactions

Manager, Trustee and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. RBC GAM, as trustee, earns a fee, which is paid by the manager from the fixed administration fee paid by the Fund.



RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when unitholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or may distribute certain series of units of, the Fund. Dealers may receive an ongoing commission based on the total value of their clients' investment in certain series of units of the Fund.

Registrars

RBC GAM, RBC Investor Services Trust ("RBC IS") or Royal Bank (or a combination thereof) are the registrars of the Fund and keep records of who owns units of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Custodian

RBC IS is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Securities Lending Agent

To the extent the Fund may engage in securities lending transactions, RBC IS may act as the Fund's securities lending agent. Any revenue earned on such securities lending is split between the Fund and the securities lending agent.

Brokers and Dealers

The Fund has established standard brokerage and dealing agreements at market rates with related parties. For the periods ended December 31, 2020 and 2019, the related-party commissions were \$4,000 (2019 – \$4,000) or 6% (2019 – 11%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements.

Change in Net Assets Per Unit (\$)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²				Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
Dec. 31, 2020	23.37	0.25	(0.55)	0.32	6.80	6.82	—	—	—	—	—	30.21
Dec. 31, 2019	18.56	0.25	(0.44)	0.25	4.74	4.80	—	—	—	—	—	23.37
Dec. 31, 2018	17.06	0.23	(0.40)	0.42	1.11	1.36	—	—	—	—	—	18.56
Dec. 31, 2017	13.98	0.24	(0.33)	0.11	3.06	3.08	—	—	—	—	—	17.06
Dec. 31, 2016	14.10	0.14	(0.28)	0.65	(0.75)	(0.24)	—	—	—	—	—	13.98
Series D												
Dec. 31, 2020	26.31	0.28	(0.37)	0.37	7.51	7.79	—	—	—	—	—	34.28
Dec. 31, 2019	20.70	0.27	(0.29)	0.28	5.27	5.53	—	—	—	—	—	26.31
Dec. 31, 2018	18.87	0.26	(0.26)	0.46	0.86	1.32	—	—	—	—	—	20.70
Dec. 31, 2017	15.32	0.26	(0.21)	0.12	3.14	3.31	—	—	—	—	—	18.87
Dec. 31, 2016	15.31	0.15	(0.17)	0.70	(1.09)	(0.41)	—	—	—	—	—	15.32
Series F												
Dec. 31, 2020	29.93	0.32	(0.33)	0.41	8.93	9.33	—	—	—	—	—	39.11
Dec. 31, 2019	23.49	0.31	(0.25)	0.32	6.01	6.39	—	—	—	—	—	29.93
Dec. 31, 2018	21.35	0.29	(0.22)	0.52	0.38	0.97	—	—	—	—	—	23.49
Dec. 31, 2017	17.29	0.30	(0.19)	0.14	3.33	3.58	—	—	—	—	—	21.35
Dec. 31, 2016	17.23	0.17	(0.16)	0.80	(0.90)	(0.09)	—	—	—	—	—	17.29

¹ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

² Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit (\$)	Net Asset Value (\$000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
Dec. 31, 2020	30.21	417 220	13 812	2.05	2.05	22.22	0.01
Dec. 31, 2019	23.37	254 686	10 896	2.10	2.10	17.90	0.01
Dec. 31, 2018	18.56	197 049	10 617	2.09	2.09	16.51	0.01
Dec. 31, 2017	17.06	165 785	9 716	2.09	2.09	10.33	0.01
Dec. 31, 2016	13.98	139 183	9 958	2.15	2.15	305.23	0.11
Series D							
Dec. 31, 2020	34.28	238 643	6 961	1.21	1.21	22.22	0.01
Dec. 31, 2019	26.31	143 730	5 464	1.21	1.21	17.90	0.01
Dec. 31, 2018	20.70	104 110	5 028	1.21	1.21	16.51	0.01
Dec. 31, 2017	18.87	70 557	3 740	1.21	1.21	10.33	0.01
Dec. 31, 2016	15.32	44 536	2 907	1.21	1.21	305.23	0.11



FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit (\$)	Net Asset Value (\$000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series F							
Dec. 31, 2020	39.11	206 018	5 268	0.93	0.93	22.22	0.01
Dec. 31, 2019	29.93	75 383	2 519	0.93	0.93	17.90	0.01
Dec. 31, 2018	23.49	37 542	1 598	0.93	0.93	16.51	0.01
Dec. 31, 2017	21.35	16 665	781	0.94	0.94	10.33	0.01
Dec. 31, 2016	17.29	5 333	309	0.95	0.95	305.23	0.11

¹ The management expense ratio ("MER") is based on the direct expenses charged to the Fund and the Fund's proportionate share of the expenses of underlying funds, if any, for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Effective March 1, 2020, the administration fees for Series A units were reduced to 0.10% from 0.15%. If the changes to the administration fees would have been in effect throughout the financial year ended December 31, 2020, the adjusted MER for each series of the Fund would be: Series A – 2.04%.

Effective June 30, 2016, the management fees for Series A units were reduced to 1.75% from 1.85%. If the changes to the management fees would have been in effect throughout the financial year ended December 31, 2016, the adjusted MER for each series of the Fund would be: Series A – 2.09%.

Management Fees and Administration Fees

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The management fee, breakdown of services received in consideration of the management fee, as a percentage of the management fee, and the administration fee for each series are as follows:

	Management Fees	Breakdown of Services		Administration Fees [†]
		Distribution	Other*	
Series A	1.75%	57%	43%	0.10%
Series D	1.00%	25%	75%	0.10%
Series F	0.75%	–	100%	0.10%

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

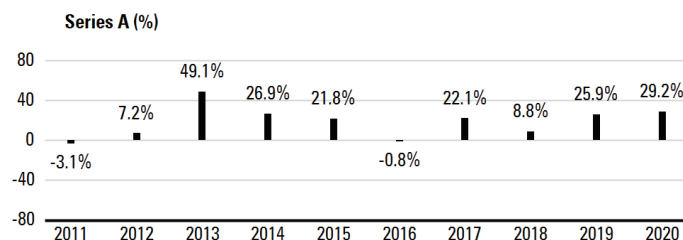
[†] Effective March 1, 2020, the administration fees for Series A units were reduced to 0.10% from 0.15%.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

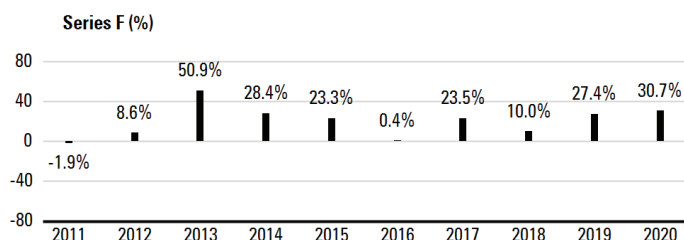
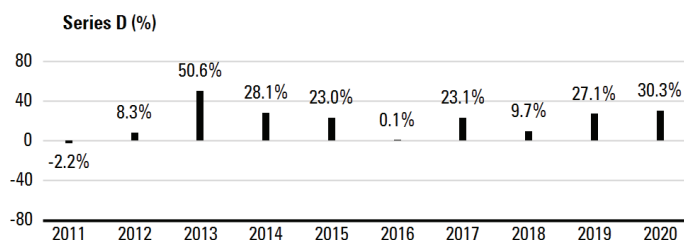
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year.





PAST PERFORMANCE (cont.)



Annual Compound Returns (%)

The table shows the annual compound returns for each series of the Fund and for each of the periods indicated ended on December 31, 2020, compared with the following benchmarks:

The new benchmark is the S&P 500 Health Care, Information Technology, Communication Services – Entertainment and Communication Services – Interactive Media & Services Total Return Net Index (CAD).

The old benchmark is the S&P 500 Health Care and Information Technology Total Return Net Index (CAD).

The change in benchmark better reflects the composition of the Fund.

The broad-based index is the S&P 500 Total Return Index (CAD).

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	29.2	21.0	16.5	17.8	–
New benchmark	30.1	23.5	19.3	21.8	–
Old benchmark	29.7	23.8	19.4	21.8	–
Broad-based index	16.1	14.7	13.3	16.7	–
Series D	30.3	22.0	17.5	18.9	–
New benchmark	30.1	23.5	19.3	21.8	–
Old benchmark	29.7	23.8	19.4	21.8	–
Broad-based index	16.1	14.7	13.3	16.7	–
Series F	30.7	22.4	17.8	19.2	–
New benchmark	30.1	23.5	19.3	21.8	–
Old benchmark	29.7	23.8	19.4	21.8	–
Broad-based index	16.1	14.7	13.3	16.7	–

The returns of each series may vary because of differences in management fees and expenses. Benchmark and/or broad-based index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to benchmark and/or broad-based indexes.

Inception dates are not provided for series that have been in existence for more than 10 years.

INDEX DESCRIPTIONS

S&P 500 Health Care, Information Technology, Communication Services – Entertainment and Communication Services – Interactive Media & Services Total Return Net Index (CAD)

This index tracks, in Canadian dollars, the combined performance of the U.S. Health Care and Information Technology sectors, as well as the entertainment and interactive media and services sub-sector of the U.S. Communication Services sector.

S&P 500 Health Care and Information Technology Total Return Net Index (CAD) This blended sub-index is a broad measure of the combined Canadian-dollar performance of large-cap technology, pharmaceutical and medical-device companies in the S&P 500 Index.

S&P 500 Total Return Index (CAD) This index is a capitalization-weighted index measuring the Canadian dollar performance of 500 widely held common stocks representing all major industries in the United States. The index gives investors a broad measure of the overall performance of the U.S. stock market.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at December 31, 2020

Investment Mix

	% of Net Asset Value
Software	18.4
Interactive Media and Services	13.0
IT Services	11.8
Technology Hardware, Storage and Peripherals	10.9
Semiconductors and Semiconductor Equipment	10.0
Health Care Equipment and Supplies	7.2
Pharmaceuticals	7.1
Health Care Providers and Services	5.0
Entertainment	3.7
Biotechnology	3.0
Electronic Equipment, Instruments and Components	2.6
Life Sciences Tools and Services	2.0
Communications Equipment	1.3
Underlying Funds	1.2
Internet and Catalogue Retail	0.4
Road and Rail	0.3
Equity Real Estate Investment Trusts	0.1
Health Care Technology	0.1
Cash/Other	1.9



SUMMARY OF INVESTMENT PORTFOLIO (cont.)

(after consideration of derivative products, if any)

As at December 31, 2020

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	10.9
Microsoft Corp.	9.7
Alphabet Inc., Class A	7.1
Facebook Inc., Class A	4.6
Visa Inc., Class A	2.7
UnitedHealth Group Incorporated	2.6
Mastercard Inc.	2.3
Johnson & Johnson	2.2
PayPal Holdings Inc.	2.1
Nvidia Corp.	2.0
Cash & Cash Equivalents	2.0
Adobe Inc.	1.9
Abbott Laboratories	1.6
Salesforce.com Inc.	1.6
Thermo Fisher Scientific Inc.	1.4
AbbVie Inc.	1.4
Accenture Plc., Class A	1.4
Broadcom Inc.	1.3
QUALCOMM Inc.	1.3
Netflix Inc.	1.3
Merck & Co. Inc.	1.3
Danaher Corp.	1.2
Bristol-Myers Squibb Co.	1.1
Texas Instruments Inc.	1.1
Eli Lilly & Co.	1.1
Top 25 Holdings	67.2

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/en/ca.