



BALANCED FUND

## RBC MONTHLY INCOME FUND

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December 31, 2023

**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 7, 2024.

### **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.

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*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/regulatorydocuments](http://www.rbcgam.com/regulatorydocuments) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). 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 provide a tax-efficient monthly distribution consisting of dividend income, interest income and capital gains along with providing the potential for modest capital growth.

The Fund invests primarily in Canadian fixed-income securities, common shares, income trusts and similar higher-yielding investments. For fixed-income securities, the Fund targets a duration similar to the FTSE Canada Universe Bond Index. Stocks that qualify as investments will generally carry above-average dividend yields and offer the potential for increases in their payouts.

The Fund's target weightings for each asset class are 55% for fixed income and 45% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class. The actual allocation to each class will be no more than 15% above or below its target weighting.

### 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 fell to \$6.2 billion as of December 31, 2023, from \$6.5 billion at the end of 2022. The decrease was due to net redemptions, partially offset by investment returns.

Over the past year, the Fund's Series F units gained 8.3%, which matched the 8.3% rise in the benchmark. The broad-based index 1 rose 6.7% and the broad-based index 2 rose 10.2%. 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.

In 2023, the Fund made monthly distributions of 4.70 cents per Series F unit. For the year, the Fund made total distributions of approximately 62 cents per Series F unit, consisting of 18 cents per unit from interest income, 24 cents from dividends and 20 cents from capital gains. The total distribution included an extra 5-cent year-end payout for each Series F unit. In 2024, the monthly distribution was increased to 4.80 cents per Series F unit.

Canadian equities rose in 2023 but underperformed most major markets given Canada's concentrated exposure to stocks in the Financials and Energy sectors and a relatively low number of high-flying technology companies. Most of the index gains came in the latter half of 2023 as investors grew more optimistic that two years of uncomfortably high inflation had been brought under control.

In this environment, speculation arose that the Bank of Canada (the "BOC") would begin to roll back interest rates in a bid to rejuvenate an economy weakened by soaring mortgage rates and high consumer-debt levels. Slower growth, both domestic and global, led Canada's banks to increase their reserves for loan losses and kept energy prices in check.

Canadian bonds posted gains in 2023, breaking a two-year losing streak. Fixed-income returns were bolstered, particularly in the fourth quarter, by signs that slowdowns in inflation and economic growth, especially in Canada and Europe, would give central banks the cover they needed to bring down their benchmark rates from the highest levels in two decades. In particular, the avoidance of a highly anticipated recession made the job of policymakers more difficult, as fears persisted that lower rates would rekindle inflation.

Investment-grade corporate bonds, which are held in the fixed-income portion of the Fund, outperformed Canadian government bonds.

In the equity segment of the portfolio, the Fund's exposure to First Quantum Minerals, Onex and SNC-Lavalin had the most positive impact on relative returns, while exposure to Fairfax Financial Holdings, Cameco and Constellation Software was negative for performance.

The equity sectors that had the most positive impact on the Fund's returns were Materials, Utilities and Consumer Staples, while exposure to Financials, Consumer Discretionary and Energy had a negative impact.

The Fund had overweight positions in Brookfield Corp., Canadian Natural Resources and PrairieSky Royalty and underweight positions in Constellation Software, Cenovus Energy and Fairfax Financial Holdings.

At the sector level, the Fund had overweight exposure to Energy, Consumer Staples and Real Estate and underweight exposure to Materials, Information Technology and Communication Services.

### Recent Developments

While a recession was avoided in 2023, the economy may slow over the next year, in the view of the portfolio manager, limiting equity gains in the near term. The portfolio manager believes, however, that economic growth and earnings should rebound at some point in 2024 as long as declines in interest rates and inflation are sustained.



The portfolio manager believes the BOC has finished the current round of rate hikes and will start lowering rates in 2024 as the Canadian economy slows under the impact of tighter financial conditions. Given record-high levels of debt and high interest rates, Canadian households are cutting back their spending, and businesses are borrowing and investing less. The portfolio manager's view is that domestic bond yields will therefore continue to fall as the economy slows through the first half of 2024.

Effective June 27, 2023, the Fund's risk rating changed from "low" to "low to medium."

Effective January 1, 2023, Suromitra Sanatani was appointed as Chair of the Independent Review Committee ("the IRC"). Effective February 1, 2023, Joanne Vézina was appointed as a member of the IRC. Effective March 1, 2023, Enrique Cuyegkeng was appointed as a member of the IRC.

### **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, 2023 and 2022, the related-party commissions were \$105,000 (2022 – \$83,000) or 24% (2022 – 13%) 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, debt securities or mortgages from or sales of equity, debt securities or mortgages 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 <sup>1</sup>					Annual Distributions <sup>2</sup>				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		
<b>Series A</b>												
<b>Dec. 31, 2023</b>	<b>14.01</b>	<b>0.57</b>	<b>(0.16)</b>	<b>0.30</b>	<b>0.34</b>	<b>1.05</b>	<b>(0.16)</b>	<b>(0.21)</b>	<b>(0.18)</b>	–	<b>(0.55)</b>	<b>14.52</b>
Dec. 31, 2022	15.96	0.49	(0.17)	0.46	(2.04)	(1.26)	(0.12)	(0.23)	(0.36)	–	(0.71)	14.01
Dec. 31, 2021	14.94	0.45	(0.18)	0.71	0.75	1.73	(0.09)	(0.20)	(0.42)	–	(0.71)	15.96
Dec. 31, 2020	14.69	0.48	(0.17)	0.22	0.18	0.71	(0.13)	(0.21)	–	(0.17)	(0.51)	14.94
Dec. 31, 2019	13.52	0.48	(0.17)	0.39	1.01	1.71	(0.13)	(0.20)	(0.14)	(0.04)	(0.51)	14.69
<b>Series D</b>												
<b>Dec. 31, 2023</b>	<b>14.82</b>	–	<b>(0.14)</b>	–	<b>1.17</b>	<b>1.03</b>	<b>(0.17)</b>	<b>(0.22)</b>	<b>(0.19)</b>	–	<b>(0.58)</b>	<b>15.41</b>
Dec. 31, 2022	16.84	0.51	(0.15)	0.48	(2.07)	(1.23)	(0.13)	(0.24)	(0.38)	–	(0.75)	14.82
Dec. 31, 2021	15.71	0.47	(0.14)	0.74	0.81	1.88	(0.09)	(0.22)	(0.43)	–	(0.74)	16.84
Dec. 31, 2020	15.40	0.50	(0.13)	0.23	0.17	0.77	(0.13)	(0.22)	–	(0.18)	(0.53)	15.71
Dec. 31, 2019	14.13	0.50	(0.13)	0.41	1.02	1.80	(0.15)	(0.20)	(0.14)	(0.04)	(0.53)	15.40
<b>Series F</b>												
<b>Dec. 31, 2023</b>	<b>15.77</b>	<b>0.64</b>	<b>(0.11)</b>	<b>0.33</b>	<b>0.39</b>	<b>1.25</b>	<b>(0.18)</b>	<b>(0.24)</b>	<b>(0.20)</b>	–	<b>(0.62)</b>	<b>16.42</b>
Dec. 31, 2022	17.87	0.55	(0.12)	0.52	(2.27)	(1.32)	(0.14)	(0.25)	(0.39)	–	(0.78)	15.77
Dec. 31, 2021	16.64	0.50	(0.12)	0.79	0.84	2.01	(0.09)	(0.23)	(0.46)	–	(0.78)	17.87
Dec. 31, 2020	16.29	0.53	(0.11)	0.25	0.13	0.80	(0.14)	(0.23)	–	(0.19)	(0.56)	16.64
Dec. 31, 2019	14.92	0.53	(0.11)	0.43	0.97	1.82	(0.15)	(0.22)	(0.15)	(0.04)	(0.56)	16.29
<b>Series O</b>												
<b>Dec. 31, 2023</b>	<b>17.13</b>	<b>0.70</b>	–	<b>0.36</b>	<b>0.37</b>	<b>1.43</b>	<b>(0.19)</b>	<b>(0.25)</b>	<b>(0.22)</b>	–	<b>(0.66)</b>	<b>17.99</b>
Dec. 31, 2022	19.27	0.60	–	0.56	(2.55)	(1.39)	(0.15)	(0.27)	(0.43)	–	(0.85)	17.13
Dec. 31, 2021	17.82	0.54	–	0.85	0.91	2.30	(0.10)	(0.24)	(0.50)	–	(0.84)	19.27
Dec. 31, 2020	17.33	0.57	–	0.26	0.20	1.03	(0.15)	(0.25)	–	(0.20)	(0.60)	17.82
Dec. 31, 2019	15.75	0.56	–	0.45	1.17	2.18	(0.16)	(0.22)	(0.16)	(0.04)	(0.58)	17.33

<sup>1</sup> 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.

<sup>2</sup> 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 (%) <sup>1</sup>	MER Before Absorption (%) <sup>1</sup>	Portfolio Turnover Rate (%) <sup>2</sup>	Trading Expense Ratio (%) <sup>3</sup>
<b>Series A</b>							
<b>Dec. 31, 2023</b>	<b>14.52</b>	<b>4 318 412</b>	<b>297 389</b>	<b>1.16</b>	<b>1.16</b>	<b>12.41</b>	<b>0.01</b>
Dec. 31, 2022	14.01	4 541 927	324 153	1.16	1.16	19.69	0.02
Dec. 31, 2021	15.96	5 581 166	349 722	1.16	1.16	19.46	0.06
Dec. 31, 2020	14.94	5 431 220	363 640	1.17	1.17	22.64	0.02
Dec. 31, 2019	14.69	5 737 468	390 519	1.20	1.20	12.44	0.02



**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 (%) <sup>1</sup>	MER Before Absorption (%) <sup>1</sup>	Portfolio Turnover Rate (%) <sup>2</sup>	Trading Expense Ratio (%) <sup>3</sup>
<b>Series D</b>							
<b>Dec. 31, 2023</b>	<b>15.41</b>	<b>182</b>	<b>12</b>	<b>0.92</b>	<b>0.92</b>	<b>12.41</b>	<b>0.01</b>
Dec. 31, 2022	14.82	204	14	0.89	0.89	19.69	0.02
Dec. 31, 2021	16.84	189 511	11 254	0.88	0.88	19.46	0.06
Dec. 31, 2020	15.71	173 667	11 058	0.88	0.88	22.64	0.02
Dec. 31, 2019	15.40	173 847	11 286	0.88	0.88	12.44	0.02
<b>Series F</b>							
<b>Dec. 31, 2023</b>	<b>16.42</b>	<b>1 450 320</b>	<b>88 300</b>	<b>0.71</b>	<b>0.71</b>	<b>12.41</b>	<b>0.01</b>
Dec. 31, 2022	15.77	1 474 364	93 511	0.71	0.71	19.69	0.02
Dec. 31, 2021	17.87	1 348 386	75 456	0.71	0.71	19.46	0.06
Dec. 31, 2020	16.64	1 104 424	66 367	0.72	0.72	22.64	0.02
Dec. 31, 2019	16.29	1 074 003	65 920	0.71	0.71	12.44	0.02
<b>Series O</b>							
<b>Dec. 31, 2023</b>	<b>17.99</b>	<b>410 946</b>	<b>22 844</b>	<b>0.02</b>	<b>0.02</b>	<b>12.41</b>	<b>0.01</b>
Dec. 31, 2022	17.13	452 244	26 393	0.02	0.02	19.69	0.02
Dec. 31, 2021	19.27	567 053	29 420	0.02	0.02	19.46	0.06
Dec. 31, 2020	17.82	523 731	29 386	0.03	0.03	22.64	0.02
Dec. 31, 2019	17.33	541 255	31 237	0.03	0.03	12.44	0.02

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> The trading expense ratio represents total commissions and other portfolio transaction costs of the Fund and the Fund's proportionate share of such costs of underlying funds 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 0.05% from 0.09%. 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 – 1.16%.

**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	1.00%	50%	50%	0.05%
Series D	0.75%	20%	80%	0.05%
Series F	0.60%	–	100%	0.05%
Series O	n/a	n/a	n/a	0.02%

Series O – no management fees are paid by the Fund with respect to Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

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

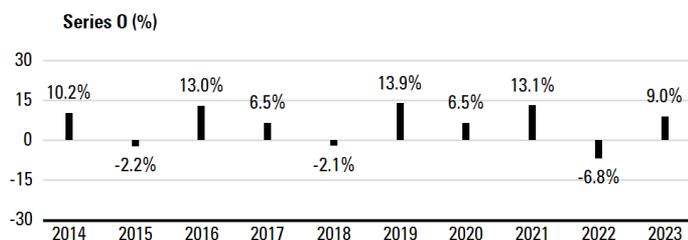
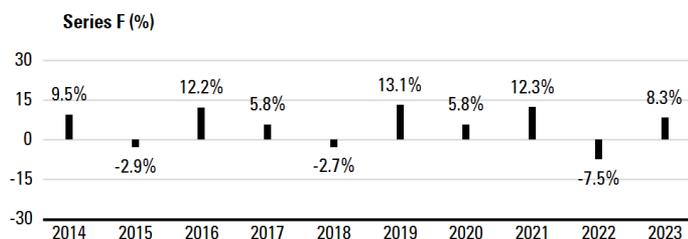
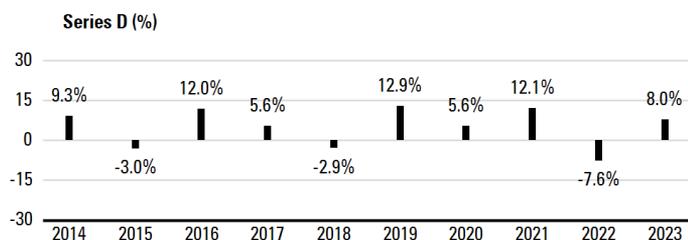
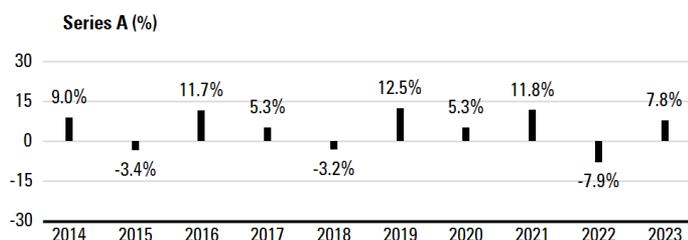


**PAST PERFORMANCE**

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.



**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, 2023, compared with the following benchmarks:

The new benchmark is composed of:

- 52% FTSE Canada Universe Bond Index
- 46% S&P/TSX Composite Dividend and S&P/TSX Composite Dividend Ex-Energy & Materials and Incl-Oil & Gas Refining & Marketing and Oil & Gas Storage & Transportation 66.67/33.33 Blend Index (CAD) TR (Custom)
- 2% FTSE Canada 30 Day TBill Index

The old benchmark is composed of:

- 52% FTSE Canada Universe Bond Index
- 46% S&P/TSX Capped Composite Total Return Index
- 2% FTSE Canada 30 Day TBill Index

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

The broad-based indexes are as follows:

- Broad-based index 1 – FTSE Canada Universe Bond Index
- New broad-based index 2 – S&P/TSX Composite Dividend and S&P/TSX Composite Dividend Ex-Energy & Materials and Incl-Oil & Gas Refining & Marketing and Oil & Gas Storage & Transportation 66.67/33.33 Blend Index (CAD) TR (Custom)
- Old broad-based index 2 – S&P/TSX Capped Composite Total Return Index

The change in broad-based index better reflects the composition of the Fund.

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A	7.8	3.6	5.7	4.7	–
New benchmark	8.3	3.8	6.1	5.4	–
Old benchmark	9.1	3.0	6.1	4.9	–
Broad-based index 1	6.7	-2.8	1.3	2.4	–
New broad-based index 2	10.2	11.5	11.5	8.6	–
Old broad-based index 2	11.8	9.6	11.3	7.6	–
Series D	8.0	3.8	5.9	5.0	–
New benchmark	8.3	3.8	6.1	5.4	–
Old benchmark	9.1	3.0	6.1	4.9	–
Broad-based index 1	6.7	-2.8	1.3	2.4	–
New broad-based index 2	10.2	11.5	11.5	8.6	–
Old broad-based index 2	11.8	9.6	11.3	7.6	–
Series F	8.3	4.0	6.1	5.2	–
New benchmark	8.3	3.8	6.1	5.4	–
Old benchmark	9.1	3.0	6.1	4.9	–
Broad-based index 1	6.7	-2.8	1.3	2.4	–
New broad-based index 2	10.2	11.5	11.5	8.6	–
Old broad-based index 2	11.8	9.6	11.3	7.6	–



### PAST PERFORMANCE (cont.)

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series 0	9.0	4.7	6.9	5.9	—
New benchmark	8.3	3.8	6.1	5.4	—
Old benchmark	9.1	3.0	6.1	4.9	—
Broad-based index 1	6.7	-2.8	1.3	2.4	—
New broad-based index 2	10.2	11.5	11.5	8.6	—
Old broad-based index 2	11.8	9.6	11.3	7.6	—

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

**FTSE Canada Universe Bond Index** This index is designed as a broad measure of the Canadian investment-grade fixed-income market and includes bonds with maturities of at least one year.

**S&P/TSX Composite Dividend and S&P/TSX Composite Dividend Ex-Energy & Materials and Incl-Oil & Gas Refining & Marketing and Oil & Gas Storage & Transportation**

**66.67/33.33 Blend Index (CAD) TR (Custom)** The index seeks to measure the Canadian-dollar performance of the underlying indexes with a 66.67% weight in the S&P/TSX Composite Dividend Index and a 33.33% weight in the S&P/TSX Composite Dividend Index, excluding the Energy and Materials sectors while including the Oil & Gas Refining & Marketing and Oil & Gas Storage & Transportation sub-industries.

**FTSE Canada 30 Day TBill Index** This index is a measure of the performance of Canadian short-term cash investments.

**S&P/TSX Capped Composite Total Return Index** This index is the amended capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, with no individual stock exceeding 10% of the overall weight.

### SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at December 31, 2023

#### Investment Mix

	% of Net Asset Value
Canadian Bonds	51.5
Canadian Equities	41.2
Underlying Funds	6.0
Cash/Other	1.3

### Top 25 Holdings

	% of Net Asset Value
RBC U.S. Dividend Fund - Series 0	5.7
Royal Bank of Canada	3.2
Toronto-Dominion Bank	2.5
Bank of Montreal	1.8
Canadian Pacific Kansas City Ltd.	1.7
Enbridge Inc.	1.6
Brookfield Corp.	1.6
Canadian National Railway Co.	1.6
Canadian Government Bond 2.000% Dec 01, 2051	1.3
Canadian Natural Resources Ltd.	1.2
Alimentation Couche-Tard Inc.	1.1
Province of Ontario 3.450% Jun 02, 2045	1.1
Bank of Nova Scotia	1.1
Province of Ontario 6.500% Mar 08, 2029	1.1
Waste Connections Inc.	1.0
Manulife Financial Corp.	1.0
Canadian Imperial Bank of Commerce	1.0
TC Energy Corp.	1.0
Canadian Government Bond 2.000% Jun 01, 2032	0.9
Province of Ontario 2.800% Jun 02, 2048	0.9
Province of Ontario 3.500% Jun 02, 2043	0.9
Province of Ontario 3.750% Jun 02, 2032	0.9
Cash & Cash Equivalents	0.9
Canadian Government Bond 1.500% Dec 01, 2031	0.9
Ontario Electricity Financial Corp. 8.250% Jun 22, 2026	0.8
<b>Top 25 Holdings</b>	<b>36.8</b>

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/regulatorydocuments](http://www.rbcgam.com/regulatorydocuments).

The Simplified Prospectus and other information about the underlying funds are available on the investment fund's designated website and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).