



## RBC Funds (Lux) – Conservative Portfolio

### Investment objective

To provide investors with the potential for moderate capital growth by investing primarily in a portfolio of Target Funds with an emphasis on fixed income securities.

### INVESTMENT MANAGER

RBC Global Asset Management Inc.

### BENCHMARK

14% Barclays U.S. Corporate Investment Grade Index (USD)  
24.5% Barclays U.S. Aggregate Bond Index (USD)  
10.5% Barclays 1-3 Yr U.S. Treasury Index (USD)  
20% S&P500 Total Return Index  
11% Citigroup WGBI Index (Hedged to USD)  
15% MSCI EAFE (NET) Total Return Index  
5% ICE BofAML Global High Yield Constrained Index (USD)

### FUND SIZE (USD)

5.7m

### Fund information

| Share class      | Mgmt fees | Total expense ratio * | NAV per share | Bloomberg code | ISIN code    |
|------------------|-----------|-----------------------|---------------|----------------|--------------|
| O (acc) USD      | 0.45%     | 1.15%                 | 129.41        | RBCCPCU LX     | LU0820967445 |
| O (acc) EUR (H)  | 0.45%     | 1.15%                 | 106.66        | RBCCPCE LX     | LU0820967528 |
| O (acc) GBP (H)  | 0.45%     | 1.15%                 | 126.51        | RBCCPCG LX     | LU0820967791 |
| A (acc) USD      | 1.00%     | 1.80%                 | 117.52        | RBCCAUS LX     | LU0953693164 |
| B (acc) USD      | 0.50%     | 1.30%                 | 121.48        | RBCPBUS LX     | LU0953693248 |
| B (dist) GBP (H) | 0.50%     | 1.30%                 | 117.92        | RBCPBGH LX     | LU0954299045 |

### Investment performance (total return) - Annualised

| Share class      | 1 mo. | 3 mo.  | 1 yr. | 3 yr. | 5 yr. | Since inception | Inception date |
|------------------|-------|--------|-------|-------|-------|-----------------|----------------|
| O (acc) USD      | 0.5%  | (0.2)% | 3.5%  | 3.0%  | 3.9%  | 4.5%            | 05-Sep-12      |
| O (acc) EUR (H)  | 0.2%  | (0.9)% | 0.9%  | --    | --    | 4.4%            | 08-Dec-16      |
| O (acc) GBP (H)  | 0.3%  | (0.6)% | 1.9%  | 2.2%  | 3.4%  | 4.1%            | 05-Sep-12      |
| A (acc) USD      | 0.4%  | (0.4)% | 2.8%  | 2.1%  | --    | 3.5%            | 22-Aug-13      |
| B (acc) USD      | 0.4%  | (0.2)% | 3.3%  | 2.8%  | --    | 4.3%            | 22-Aug-13      |
| B (dist) GBP (H) | 0.3%  | (0.8)% | 1.5%  | 1.7%  | --    | 3.6%            | 29-Aug-13      |
| Benchmark (USD)  | 0.4%  | 0.0%   | 4.2%  | 4.5%  | 5.4%  | 5.7%            | --             |

### Top holdings

|   | Current |
|---|---------|
| iShares Core S&P 500 UCITS ETF                | 18.7%   |
| RBC Funds (Lux) US Inv. Grade Corporate Bond  | 13.0%   |
| Schroder ISF US Dollar Bond                   | 13.0%   |
| RBC Funds (Lux) Global Bond                   | 10.3%   |
| PIMCO GIS Total Return Bond Institutional     | 9.8%    |
| iShares Barclays 1-3 Year Treasury Bond Index | 9.8%    |
| Threadneedle European Select Fund             | 6.8%    |
| BlueBay Global High Yield Bond Fund           | 4.6%    |
| Investec Fund Series I - UK Alpha             | 4.0%    |
| RBC Funds (Lux) Asia Ex-Japan Equity          | 3.7%    |
| SPDR S&P 500 UCITS ETF                        | 2.1%    |
| Aberdeen Global - Japanese Equity             | 1.3%    |

### Net Calendar Year Performance

| Share class      | 2017  | 2016 | 2015   | 2014 | 2013 | Cumulative Since Inception |
|------------------|-------|------|--------|------|------|----------------------------|
| O (acc) USD      | 10.3% | 3.5% | (1.1)% | 4.8% | 7.9% | 28.2%                      |
| O (acc) EUR (H)  | 8.5%  | --   | --     | --   | --   | 6.3%                       |
| O (acc) GBP (H)  | 8.8%  | 2.9% | (1.1)% | 5.1% | 7.8% | 25.4%                      |
| A (acc) USD      | 9.5%  | 2.4% | (2.1)% | 3.7% | --   | 18.0%                      |
| B (acc) USD      | 10.1% | 3.2% | (1.4)% | 4.5% | --   | 22.0%                      |
| B (dist) GBP (H) | 8.5%  | 2.5% | (1.6)% | 4.6% | --   | 18.2%                      |
| Benchmark (USD)  | 10.3% | 5.9% | 0.6%   | 6.6% | 8.4% | 37.1%                      |

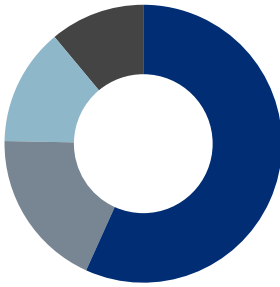
Since inception, share class performance & benchmark performance are calculated from the first month-end following the inception of the respective share classes.

Past performance is not indicative of future results and returns may increase or decrease as a result of currency fluctuations.



**Equity geographic exposure**

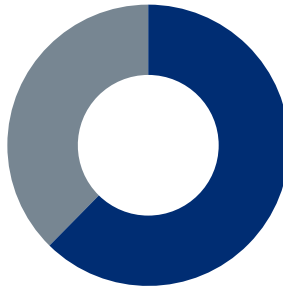
(As at May 31, 2018)



- US 56.7%
- Europe ex U.K. 18.6%
- Asia 13.6%
- UK 11.0%

**Fixed income geographic exposure**

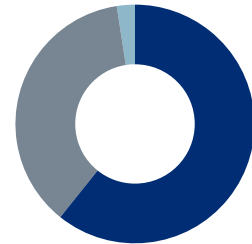
(As at May 31, 2018)



- Global Bonds 62.4%
- US 37.6%

**Asset class**

(As at May 31, 2018)



- Fixed Income 60.7%
- Equity 36.8%
- Cash 2.5%

\* The Total Expense Ratio ("TER") for the RBC Funds (Lux) Portfolios includes the costs of the underlying Funds that the Portfolios invest in, the management fees of the Portfolios and the operating costs of the Portfolios.

#### Important Risk Considerations:

- **General Investment and Taxation Risk:** The value of a Sub-Fund is highly sensitive to changes in interest rates, the general financial market and economic conditions or individual company news.
- **Credit Risk:** There is a potential that a borrower is unable or unwilling to repay the loan or obligation, either on time or at all.
- **Currency Risk:** Sub-Funds are invested in securities denominated in different currencies other than the Reference currency. As a result, changes in the value of the Reference Currency compared to other currencies will affect the value in the Reference Currency of any securities denominated in another currency.
- **Currency Hedging Risk:** Hedging currency risks may protect investors against a decrease in the value of the Reference Currency relative to the Hedged Share Class, but it may also preclude investors from benefiting from an increase in the value of such currencies. All costs and gains/losses of hedging transactions are borne by the relevant Hedged Share Classes.
- **Derivative Risk:** Derivative instruments are highly sensitive to changes in the value of the underlying asset that they are based on. Certain derivatives may result in losses greater than the amount originally invested.
- **Interest Rate Risk:** The value of the Sub-Fund is highly affected by fluctuations in interest rates.
- **Large Shareholder Risk:** Investors holding a large portion of issued and outstanding shares of a Sub-Fund are likely to incur transaction costs in case of redemptions.
- **Liquidity Risk:** Under highly volatile markets, securities may not be sold as quickly or easily, which could have an influence on meeting redemption requests on demand.
- **Market Risk:** The market value of a Sub-Fund's investments will fluctuate based on specific company developments, broader equity or fixed-income market conditions, economic and financial conditions.
- **Securities Lending Risk:** The risk that the Sub-Fund may be left holding the collateral delivered by the other party to secure securities lending transactions.

**Important Information: This information is intended for Professional Investors and shareholders of the retail investor share class only. This document may only be distributed in countries where RBC Funds (Lux) is registered, with the exception of Belgium. The Financial Services and Markets Authority ("FSMA") in Belgium has not approved this document.**

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Past performance is not a reliable guide to future performance. The value of investments and any income from them is not guaranteed and may fall or rise and the investor may not get back the original investment. Exchange rate movement could increase or decrease the value of underlying investments/ holdings. The Sub-Fund may be invested in securities denominated in a number of different currencies other than the Reference Currency. As a result, changes in the value of the Reference Currency compared to other currencies will affect the value, in the Reference Currency, of any securities denominated in another currency. While it is the intention of the Sub-Fund to achieve its investment objective, there can be no assurance that it will.

Index returns are for illustrative purposes only, do not represent actual fund performance and do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.

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None of the Shares of the Sub-Funds has been or will be registered for sale or distribution in Canada or in the United States.

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