



FIXED-INCOME ETF

RBC BLUEBAY GLOBAL DIVERSIFIED INCOME (CAD HEDGED) ETF

September 30, 2021

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

Sub-Advisor: BlueBay Asset Management LLP, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this annual management report of fund performance on December 9, 2021.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the ETF, its future performance, strategies or prospects, and possible future ETF 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 ETF 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 ETF. 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 ETF. You can get a copy of the financial statements at your request, and at no cost, by calling 1-855-RBC-ETFS (722-3837), 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 ETF's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The ETF seeks to provide unitholders with exposure to the performance of a diversified portfolio of global bonds that provide regular monthly income and total returns comprised of interest income and modest capital appreciation, while seeking to minimize the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

The ETF invests primarily in an actively managed portfolio of global investment-grade developed-market corporate bonds, global high-yield bonds and emerging market government and corporate bonds, and may also invest in asset-backed securities and loans. These fixed-income securities are selected by the portfolio sub-advisor on the basis of company credit and industry analysis to identify investment opportunities offering higher probabilities of superior rates of return while simultaneously minimizing the prospect of default. The portfolio sub-advisor considers environmental, social and governance (ESG) factors where material to the investment decision.

The ETF uses derivatives to hedge against fluctuations in foreign currencies to minimize exposure to changes of the foreign currencies held by the ETF relative to the Canadian dollar. The ETF may also use derivatives to protect against losses or reduce volatility resulting from changes in interest rates.

Risk

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

Results of Operations

The ETF's net asset value fell to \$14 million as of September 30, 2021, from \$15 million on September 30, 2020. The decrease was due to net redemptions, partially offset by investment returns.

Over the past financial year, the ETF's units gained 5.2%, which outperformed the 3.3% decline in the benchmark. The ETF'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 the ETF.

The ETF's returns benefited from exposure to bonds issued by companies in the Financials and Energy sectors. The largest contributor to returns was a position in Intesa Sanpaolo, an Italian bank, as well as holdings in Barclays of the U.K., and Rabobank of the Netherlands. The ETF's performance was bolstered by exposure to bonds issued by Petroleos Mexicanos, the state-controlled oil company, and Occidental Petroleum, a U.S.-based oil producer. The ETF also benefited from investments designed to protect the portfolio from a rise in interest rates.

On the negative side, the ETF's positioning in government debt issued by Israel and Sharjah, one of the states of the United Arab Emirates, limited returns. Also holding back performance was a position in long-term bonds issued by the government of Mexico.

The sub-advisor held an above-average amount of cash in the portfolio on expectation that a seasonally busier period for new bond issues would offer opportunities to add attractively priced bonds while minimizing transaction costs.

Recent Developments

The big risk in recent months has been central-bank efforts to begin the process of tightening monetary and financial conditions. The sub-advisor's view is that the withdrawal of some easy money has been well flagged, and that the market impact in the coming months will be more subdued. Over the longer term, however, the effects will likely be more meaningful, as the U.S. Federal Reserve's US\$120 billion in monthly bond purchases will undoubtedly be missed.

The more potent near-term risk to stocks and other risk assets is the threat that global economic growth will decelerate given a slowdown in China, policy tightening across many emerging markets and the possibility of worse-than-expected economic data in more developed markets. However, the sub-advisor's view is that any modest deceleration in growth would not materially change the outlook for risk assets. The sub-advisor also notes that default rates are low, and that corporate balance sheets and earnings should continue to improve as economies return to pre-pandemic levels of activity.

Effective February 28, 2021, Ms. Catherine J. Kloepper resigned as Vice Chair of the Independent Review Committee (the "IRC"). Effective March 22, 2021, Mr. Paul K. Bates was appointed as Vice Chair of the IRC. Effective April 1, 2021, Ms. Brenda Eaton 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 ETF. RBC GAM is responsible for the ETF's day-to-day operations, holds title to the ETF's property on behalf of its unitholders, and provides investment advice and portfolio management services to the ETF. RBC GAM is paid a management fee by the ETF as compensation for its services. The management fee is calculated and accrued on a daily basis and is based on a percentage of the net asset value of the ETF.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the ETF, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a foreign exchange spread when unitholders buy and sell ETF units denominated in different currencies. The ETF may also maintain 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 ETF in the course of their normal businesses are discussed below.

Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the ETF. The sub-advisor earns a fee which is calculated and accrued daily as a percentage of the net asset value of the ETF. The sub-advisor is paid by the manager from the management fee paid by the ETF.

Custodian and Valuation Agent

RBC Investor Services Trust ("RBC IS") is the custodian and valuation agent and holds the assets of the ETF and provides administrative services to the ETF. RBC IS earns a fee for these services, which is paid by the manager from the management fee paid by the ETF.

Designated Broker

RBC GAM has entered into an agreement with RBC Dominion Securities Inc., an affiliate of RBC GAM, to act as designated broker and/or authorized dealer for the distribution of units of the ETF, on terms and conditions that are comparable to arm's length agreements in the ETF industry. The material terms and conditions of the agreement have been disclosed in the ETF's Prospectus.

Securities Lending Agent

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

Other Related-Party Transactions

Pursuant to applicable securities legislation, the ETF 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 debt securities from or sales of debt securities to a related-party dealer, where it acted as principal.

The applicable standing instructions require that Related-Party Trading Activities 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 ETF, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the ETF.



September 30, 2021

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for the past five financial years or for the periods since inception. This information is derived from the ETF'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		
											Total	
Sept. 30, 2021	19.68	1.64	(0.14)	(0.32)	(0.10)	1.08	—	(0.58)	(0.01)	(0.01)	(0.60)	20.11
Sept. 30, 2020 ³	20.02	(0.11)	(0.10)	0.65	(0.21)	0.23	(0.53)	—	—	—	(0.53)	19.68
Dec. 31, 2019	17.98	2.01	(0.13)	0.22	0.75	2.85	(0.81)	—	—	—	(0.81)	20.02
Dec. 31, 2018	19.50	0.94	(0.13)	(1.27)	(0.25)	(0.71)	(0.84)	—	—	—	(0.84)	17.98
Dec. 31, 2017 ⁴	20.00 [†]	0.22	(0.03)	(0.49)	0.55	0.25	(0.17)	—	—	(0.57)	(0.74)	19.50

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 either paid in cash, reinvested in additional units of the ETF, or both.

³ The financial year-end of the ETF was changed from December 31 to September 30 in 2020 and therefore the information disclosed is for the nine-month period ended September 30, 2020.

⁴ From August 25, 2017.

[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value (\$000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Trading Expense Ratio (%) ²	Portfolio Turnover Rate (%) ³	Net Asset Value Per Unit (\$)	Closing Market Price (\$)
Sept. 30, 2021	14 075	700	0.69	0.69	—	33.03	20.11	20.16
Sept. 30, 2020 ⁴	14 761	750	0.69	0.69	—	114.67	19.68	19.68
Dec. 31, 2019	16 016	800	0.70	0.70	—	71.30	20.02	20.09
Dec. 31, 2018	14 385	800	0.73	0.73	—	48.60	17.98	17.92
Dec. 31, 2017 ⁵	16 575	850	0.71	0.71	—	3.40	19.50	19.54

¹ The management expense ratio ("MER") is based on the direct expenses charged to the ETF and the ETF'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 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.

³ The ETF'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 ETF buying and selling all of the securities in its portfolio once in the course of the year. The higher the ETF's portfolio turnover rate in a year, the greater the trading costs payable by the ETF 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 ETF.

⁴ The financial year-end of the ETF was changed from December 31 to September 30 in 2020 and therefore the information disclosed is for the nine-month period ended September 30, 2020.

⁵ From August 25, 2017.

Management Fees

RBC GAM is the manager, trustee and portfolio manager of the ETF.
The management fee of the ETF is calculated at the annual percentage,
before GST/HST, of the daily net asset value of the ETF.

Management Fees

RBC BlueBay Global Diversified Income (CAD Hedged) ETF 0.60%



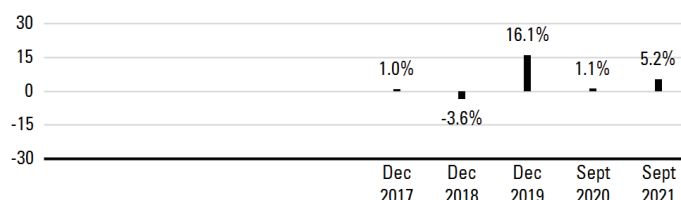
September 30, 2021

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the ETF in the periods shown were reinvested in additional units of the ETF 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 ETF 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 ETF's performance for each of the years shown, and illustrates how the ETF'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 of the ETF for each of the periods indicated ended on September 30, 2021, compared with the following benchmark:

FTSE Canada Universe Bond Index

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
ETF	5.2	6.3	—	—	4.8
Benchmark	-3.3	4.3	—	—	3.5

The 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.

The ETF's units have been available for sale to unitholders since October 19, 2017.

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

For the 12-month periods ended December 31, the nine-month period ended September 30, 2020 and the 12-month period ended September 30, 2021.

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.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at September 30, 2021

Investment Mix

	% of Net Asset Value
Global Bonds	
United States	15.5
Netherlands	15.0
United Kingdom	10.4
France	9.9
Italy	9.4
Spain	4.7
Mexico	3.7
Belgium	2.5
Canada	2.3
Sweden	2.1
Japan	2.1
China	2.0
Other Global Bonds	6.7
Other Net Assets	13.7

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	13.7
United States Treasury 0.125% Apr 30, 2023	4.5
Veolia Environnement S.A. EUR 2.500% Perpetual	3.2
Intesa Sanpaolo S.p.A. EUR 4.125% Perpetual	3.0
Petroleos Mexicanos USD 6.950% Jan 28, 2060	2.7
Nationwide Building Society GBP 5.750% Perpetual	2.7
Intesa Sanpaolo S.p.A. EUR 7.750% Perpetual	2.6
Fairfax Financial Holdings Ltd. EUR 2.750% Mar 29, 2028	2.3
Enel S.p.A. EUR 3.375% Nov 24, 2081	2.3
Telefonica Europe BV EUR 3.875% Perpetual	2.3
Cooperatieve Rabobank U.A. EUR 4.625% Perpetual	2.3
AT&T Inc. EUR 1.600% May 19, 2028	2.2
Abertis Infraestructuras S.A. EUR 1.625% Jul 15, 2029	2.2
ING Groep N.V. EUR 2.125% May 26, 2031	2.2
Vodafone Group Plc. EUR 2.625% Aug 27, 2080	2.2
Fastighets AB Balder EUR 3.000% Mar 07, 2078	2.1
Rakuten Group Inc. EUR 4.250% Perpetual	2.1
Sands China Ltd. USD 5.400% Aug 08, 2028	2.0
MV24 Capital BV USD 6.748% Jun 01, 2034	2.0
RTE Réseau de Transport d'Électricité SADIR EUR 1.125% Sep 09, 2049	2.0
Barclays Plc. USD 8.000% Perpetual	2.0
PPF Telecom Group BV EUR 3.500% May 20, 2024	1.9
SURA Asset Management S.A. USD 4.375% Apr 11, 2027	1.9
Oryx Funding Ltd. USD 5.800% Feb 03, 2031	1.9
Qatar Petroleum USD 3.300% Jul 12, 2051	1.8
Top 25 Holdings	70.1

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