



RBC ETF

RBC TARGET 2015 CORPORATE BOND INDEX ETF

December 31, 2014

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 5, 2015.

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 annual 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/etfs 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 provide income for a limited period of time ending on its termination date by replicating, to the extent possible, the investment results that correspond generally to the performance, before fees and expenses, of the FTSE TMX Canada 2015 Maturity Corporate Bond Index*. The FTSE TMX Canada 2015 Maturity Corporate Bond Index is designed to represent the performance of a held-to-maturity portfolio consisting of, primarily, Canadian dollar-denominated investment grade corporate bonds with effective maturities in 2015.

The Fund intends to invest at least 90% of its assets in and hold the securities that comprise the FTSE TMX Canada 2015 Maturity Corporate Bond Index and/or securities that have economic characteristics that are substantially similar to those that comprise the index.

Risk

There were no significant changes to the Fund that materially 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 Prospectus.

Results of Operations

The Fund's net asset value rose to \$60 million as of December 31, 2014, from \$25 million at the end of 2013. The change was due mostly to net inflows.

Over the past year, the Fund's units gained 1.5%, which underperformed the 1.8% rise in the benchmark. The broad-based index rose 8.8%. 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 other series, if any, which may vary because of differences in management fees and expenses.

* "FTSE TMX Canada 2015 Maturity Corporate Bond Index" is a trademark of FTSE TMX Debt Capital Markets Inc. ("FTDCM"). "TMX" is a trademark of TSX Inc. ("TSX") and is used under licence. "FTSE" is a trademark of the London Stock Exchange Group companies (the "Exchange") and is used by FTDCM under licence. The "FTSE TMX Canada 2015 Maturity Corporate Bond Index" trademark has been licensed for use for certain purposes to RBC GAM. The RBC ETFs are not sponsored, endorsed, sold or promoted by FTDCM, FTSE International Limited, the Exchange or TSX (together, the "Licensor Parties"). The Licensor Parties make no warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the index and/or the figure at which the said index stands at any particular time on any particular day or otherwise. The index is compiled and calculated by FTDCM and all copyright in the index values and constituent lists vests in FTDCM. The Licensor Parties shall not be liable (whether in negligence or otherwise) to any person for any error in the index and the Licensor Parties shall not be under any obligation to advise any person of any error therein.

The Canadian bond market rallied in 2014 along with most developed markets, as many investors sought safety in less-risky investments, particularly in the second half of the year. Prices for both Canadian corporate and government bonds rose over the year as yields declined, with maturities longer than 10 years recording the largest gains. Bonds in the Industrials sector and infrastructure bonds with longer maturities performed best.

Corporate bonds with one year left until maturity recorded small gains in 2014 on a combination of interest income and a slight decline in yields over the course of the year.

Recent Developments

The Fund has entered its maturity year. Proceeds from maturing bonds will be reinvested into Government of Canada T-bills. Short-term rates are expected to rise as the market anticipates the U.S. Federal Reserve will raise rates in 2015.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor 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. RBC GAM is paid a management fee by the Fund as compensation for its services.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Custodian and Valuation Agent

RBC Investor Services Trust ("RBC IS") is the custodian and valuation agent and holds the assets of the Fund and provides administrative services to the Fund.

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 underwriter for distribution of units of the Fund, 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 Fund's Prospectus.



Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as 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 BoG 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.



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. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets," for the periods prior to 2014, are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

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	
RBC 2015 ETF												
Dec. 31, 2014	19.60	0.78	(0.05)	(0.06)	(0.40)	0.27	(0.68)	—	—	—	(0.68)	19.21
Dec. 31, 2013	19.84	0.78	(0.07)	(0.01)	(0.29)	0.41	(0.70)	—	—	—	(0.70)	19.57
Dec. 31, 2012	19.81	0.77	(0.06)	(0.01)	—	0.70	(0.70)	—	—	—	(0.70)	19.84
Dec. 31, 2011 ³	20.00 [†]	0.24	(0.02)	—	(0.16)	0.06	(0.16)	—	—	(0.03)	(0.19)	19.81

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 Fund, or both.

³ From September 15, 2011.

[†] 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 (\$)
RBC 2015 ETF								
Dec. 31, 2014	59 564	3 100	0.28	0.28	—	7.97	19.21	19.23
Dec. 31, 2013	25 480	1 300	0.34	0.34	—	2.65	19.60	19.60
Dec. 31, 2012	18 711	941	0.34	0.34	—	16.66	19.88	19.79
Dec. 31, 2011 ⁴	5 998	302	0.34	0.41	—	0.60	19.86	19.89

¹ The management expense ratio ("MER") is based on expenses 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 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.

⁴ From September 15, 2011.

Management Fees

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

Management Fees	
RBC 2015 ETF	up to 0.25%

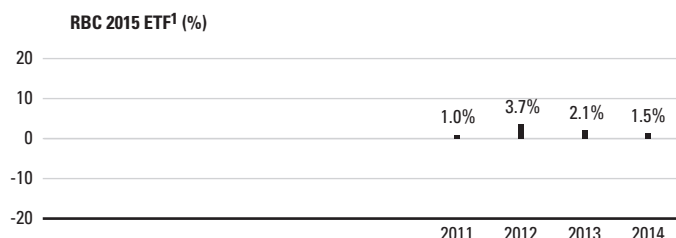


PAST PERFORMANCE

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, 2014, compared with the following benchmarks:

FTSE TMX Canada 2015 Maturity Corporate Bond Index

The broad-based index is the FTSE TMX Canada Universe Bond Index.

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
RBC 2015 ETF ¹	1.5	2.4	—	—	2.5
Benchmark ¹	1.8	2.8	—	—	2.9
Broad-based index	8.8	3.7	—	—	4.0

The Benchmark and broad-based index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark and broad-based indexes.

¹ Inception date September 15, 2011.

INDEX DESCRIPTIONS

FTSE TMX Canada 2015 Maturity Corporate Bond Index* This index is designed to measure the performance of a held-to-maturity portfolio consisting primarily of Canadian-dollar-denominated investment-grade corporate bonds maturing in 2015.

FTSE TMX 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.

* FTSE TMX fixed-income benchmarks were known as the DEX benchmarks before a name change.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at December 31, 2014

Investment Mix

	% of Net Asset Value
Corporate Bonds	
Financial	76.8
Infrastructure	6.7
Communication	6.0
Industrial	5.9
Energy	3.8
Other Net Assets	0.8

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada 3.18% Nov 02, 2020	5.1
Canadian Imperial Bank of Commerce, FRN 3.15% Nov 02, 2020	4.9
Bank of Montreal 3.93% Apr 27, 2015	4.7
Bell Canada 3.6% Dec 02, 2015	3.8
Wells Fargo Canada Corp. 4.38% Jun 30, 2015	3.8
The Toronto-Dominion Bank, FRN 3.37% Nov 02, 2020	3.7
Bank of Nova Scotia 3.34% Mar 25, 2015	3.7
Canadian Imperial Bank of Commerce, FRN 4.11% Apr 30, 2020	3.6
National Bank of Canada 4.03% May 26, 2015	3.4
Manulife Financial Corp. 4.08% Aug 20, 2015	3.4
Bank of Montreal 5.18% Jun 10, 2015	3.3
Molson Coors Capital Finance ULC 5% Sep 22, 2015	3.3
Royal Bank of Canada 3.18% Mar 16, 2015	3.2
The Toronto-Dominion Bank, FRN 4.97% Oct 30, 2104	3.0
The Toronto-Dominion Bank, FRN 5.48% Apr 02, 2020	2.9
Capital Desjardins Inc., FRN 3.80% Nov 23, 2020	2.6
Sun Life Financial Inc., FRN 4.8% Nov 23, 2035	2.3
Thomson Reuters Corp. 5.7% Jul 15, 2015	2.3
GE Capital Canada Funding Co. 4.65% Feb 11, 2015	2.2
Ford Credit Canada Ltd. 7.5% Aug 18, 2015	2.1
Manulife Financial Corp. 5.16% Jun 26, 2015	2.1
GE Capital Canada Funding Co. 4.24% Jun 08, 2015	1.9
Caisse Centrale Desjardins du Quebec 3.79% Jun 08, 2015	1.9
407 International Inc. 3.88% Jun 16, 2015	1.9
Hydro One Inc. 2.95% Sep 11, 2015	1.9
Top 25 Holdings	77.0

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/etfs.