



FIXED-INCOME FUND

RBC TARGET 2027 CANADIAN CORPORATE BOND INDEX ETF FUND

June 30, 2025

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

The Board of Directors of RBC Global Asset Management Inc. approved this interim management report of fund performance on August 7, 2025.

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 interim management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete interim financial statements or 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 or SEDAR+ at 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 long-term capital growth by tracking the performance of the FTSE Canada 2027 Maturity Corporate Bond Index* (or any successor thereto) and investing primarily in units of the RBC Target 2027 Canadian Corporate Bond Index ETF (the “underlying fund”). Following an effective maturity in 2027, the Fund seeks to obtain exposure to cash, cash equivalents and/or units of a money market fund until the Fund’s termination.

The FTSE Canada 2027 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 2027. The underlying fund seeks to provide income, for a limited period of time ending on or about its target year of 2027 by replicating, to the extent possible, the investment results that correspond generally to the performance of the FTSE Canada 2027 Maturity Corporate Bond Index, before the underlying fund’s fees and expenses.

Results of Operations

The Fund was launched on March 24, 2025, and its net asset value was \$368,000 as of June 30, 2025. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The portfolio manager expects bond yields to drop modestly over the remainder of the year. High uncertainty regarding the economic outlook, due to a trade war precipitated by the U.S., means that a range of economic outcomes remains possible. At this point, central banks are more concerned with ensuring inflation remains on a slowing trajectory. Meanwhile, most governments are supporting higher spending. On balance, policymakers are unlikely to cut interest rates sharply as long as the risk of faster inflation from tariffs remains high, even as risks to growth skew downwards. Corporate-bond valuations remain expensive, possibly limiting gains for the remainder of the year.

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.

* FTSE® is a trademark of the London Stock Exchange Group companies and is used by FTSE Global Debt Capital Markets Inc. under licence. The Fund is not sponsored, endorsed, sold or promoted by FTSE Global Debt Capital Markets Inc., FTSE International Limited or the London Stock Exchange Group companies, and they make no representation, warranty, or condition regarding the results to be obtained from the use of the index or the advisability of investing in the 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 six months (noted by June 30, 2025), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited interim financial statements and 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												
Jun. 30, 2025³	10.00[†]	0.12	(0.02)	(0.01)	(0.04)	0.05	(0.08)	–	–	–	(0.08)	10.00
Series F												
Jun. 30, 2025³	10.00[†]	0.12	–	(0.01)	0.01	0.12	(0.09)	–	–	–	(0.09)	10.00

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.

³ From February 4, 2025.

[†] Initial offering net asset value per unit.

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							
Jun. 30, 2025⁴	10.00	1	–	0.82	0.82	7.13	0.17
Series F							
Jun. 30, 2025⁴	10.00	367	37	0.26	0.26	7.13	0.17

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 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.

⁴ From February 4, 2025.



FINANCIAL HIGHLIGHTS (cont.)

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	0.70%	71%	29%	0.05%
Series F	0.20%	–	100%	0.05%

* The management fee disclosed reflects the total combined management fees charged by the Fund and the underlying ETF.

† Effective on or about January 1, 2027, the management fees for Series A units will be reduced to 0.30% from 0.70%.

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

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A and Series F units of the Fund were launched on March 24, 2025.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at June 30, 2025

Investment Mix

	% of Net Asset Value
Financials	72.2
Energy	6.7
Real Estate	6.5
Infrastructure	6.1
Industrials	3.5
Communication Services	1.9
Cash/Other	3.1

Top 25 Holdings*

	% of Net Asset Value
Royal Bank of Canada 3.626% Dec 10, 2028	7.3
Bank of Nova Scotia 3.807% Nov 15, 2028	5.8
Bank of Montreal 4.309% Jun 01, 2027	4.7
Federation des Caisses Desjardins du Quebec 4.407% May 19, 2027	4.6
Toronto-Dominion Bank 5.376% Oct 21, 2027	4.4
Canadian Imperial Bank of Commerce 5.050% Oct 07, 2027	4.2
Canadian Imperial Bank of Commerce 2.250% Jan 07, 2027	2.9
Enbridge Inc. 5.700% Nov 09, 2027	2.8
Sun Life Financial Inc. 2.580% May 10, 2032	2.7
Manulife Bank of Canada 2.864% Feb 16, 2027	2.7
Toronto-Dominion Bank 2.260% Jan 07, 2027	2.6
OMERS Realty Corp. 3.244% Oct 04, 2027	2.6
Fairfax Financial Holdings Ltd. 4.250% Dec 06, 2027	2.6
Alectra Inc. 2.488% May 17, 2027	2.5
Bank of Nova Scotia 2.950% Mar 08, 2027	2.5
Mercedes-Benz Finance Canada Inc. 4.640% Jul 09, 2027	2.3
Toyota Credit Canada Inc. 3.550% Oct 04, 2027	2.3
Ontario Power Generation Inc. 3.315% Oct 04, 2027	2.3
bcIMC Realty Corp. 3.000% Mar 31, 2027	2.2
Hyundai Capital Canada Inc. 3.196% Feb 16, 2027	2.2
General Motors Financial of Canada Ltd. 3.150% Feb 08, 2027	2.2
Bank of Montreal 3.650% Apr 01, 2027	2.2
Brookfield Corp. 3.800% Mar 16, 2027	2.2
National Bank of Canada 1.818% Dec 16, 2027	2.2
Royal Bank of Canada 2.328% Jan 28, 2027	2.2
Top 25 Holdings	77.2

* The Fund invests substantially all of its assets directly in the RBC Target 2027 Canadian Corporate Bond Index ETF. The above are the Top 25 holdings of the RBC Target 2027 Canadian Corporate Bond Index ETF.

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.

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.