



FIXED-INCOME FUND

RBC VISION FOSSIL FUEL FREE SHORT-TERM BOND FUND

June 30, 2022

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 9, 2022.

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.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 current income and stability of capital by investing primarily in a well-diversified portfolio of short-term fixed-income securities issued by Canadian governments and corporations, but excludes securities of issuers directly engaged in the extraction, processing and transportation of fossil fuels such as coal, oil and natural gas.

The Fund's investment process begins by excluding issuers identified in two exclusion lists that determine its investable universe. The first exclusion list is based on the Carbon Underground 200, which identifies the top 100 public coal companies globally and the top 100 public oil and gas companies globally, ranked by the potential carbon emissions content of their reported reserves. RBC GAM has partnered with Sustainalytics to identify issuers for the second exclusion list which excludes companies that directly, or indirectly through a significant stake in a subsidiary, derive any revenues from or are involved in the (i) exploration and extraction of Arctic oil and gas, (ii) exploration, production, refining, transportation and/or storage of oil and natural gas, (iii) extraction of oil sands, shale energy and/or thermal coal, and/or (iv) provision of storage, transportation, mining and refining services of thermal coal. The Fund also excludes companies that directly, or indirectly through a significant stake in a subsidiary, derive 10% or more of their revenues from the provision of tailor-made products and services that support oil and gas exploration, production, refining, transportation and/or storage, or from power generated by thermal coal, as determined by Sustainalytics. RBC GAM then applies its multi-disciplined investment process to select securities for the Fund. This includes the incorporation of material environmental, social and governance ("ESG") factors to consider issuers' oversight and management of these material ESG factors.

On a monthly basis, Sustainalytics provides RBC GAM with a list of ineligible issuers based on the Fund's exclusion criteria. On a semi-annual basis, Sustainalytics conducts reviews of the Fund's holdings against the exclusion criteria.

Results of Operations

The Fund's net asset value was \$259 million as of June 30, 2022.

Over the past six months, the Fund's Series A units lost 4.6%. The Fund's return is after the deduction of fees and expenses. 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.

Government bonds declined, posting their worst first-half performance since 1980, as fixed-income yields rose sharply to account for inflation running at its highest level in 40 years. In response, major central banks began paving the way for a transition away from the long-time era of low inflation and extraordinarily low interest rates to one where rates would be high enough to curtail inflation. Geopolitical challenges mounted during the period after Russia's invasion of Ukraine in February pushed up already high energy prices, and global supply-chain issues persisted. The Bank of Canada raised the overnight rate to 1.50% from 0.25% at the beginning of the year in an effort to calm inflation.

The Fund was positioned to have less sensitivity to rising interest rates than the broader bond market, which helped to insulate the portfolio's performance from some of the corresponding decline in bond prices over the period. The portfolio manager's continued preference for high-quality corporate and provincial bonds, which offer greater yields than Government of Canada bonds, also contributed to the Fund's performance.

Portfolio turnover is normally high for the Fund, as the portfolio manager attempts to generate better returns through active security selection and optimal term exposure.

Sustainalytics conducted one review covering the Fund's holdings in the first half of 2022. Eligibility was determined in relation to the Environmental, Social and Governance ("ESG") criteria developed by RBC GAM in consultation with Sustainalytics. In the opinion of Sustainalytics, all holdings in the Fund were eligible in the latest review, based on the above criteria. During the first half of the year, no companies were removed from the Fund for failing to meet the ESG criteria.

Recent Developments

Given the heightened uncertainty in the current market environment, the portfolio manager is proceeding with caution. As part of this approach, the portfolio manager has been gradually upgrading the quality of the assets in the Fund by taking profits on many positions that have performed well and reallocating that exposure to relatively safer investments to help mitigate the effects of potential volatility in the future. As such, the Fund is well positioned to withstand any market weakness and to take advantage of attractive investment opportunities should they arise.



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.

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 and debt securities from or sales of equity or debt securities 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, 2022), 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												
June 30, 2022	9.74	0.10	(0.05)	(0.25)	(0.24)	(0.44)	(0.06)	–	–	–	(0.06)	9.23
Dec. 31, 2021 ³	10.00 [†]	0.18	(0.10)	(0.07)	(0.15)	(0.14)	(0.08)	–	–	–	(0.08)	9.74
Series D												
June 30, 2022	9.73	0.10	(0.03)	(0.25)	(0.32)	(0.50)	(0.08)	–	–	–	(0.08)	9.22
Dec. 31, 2021 ³	10.00 [†]	0.18	(0.05)	(0.07)	(0.16)	(0.10)	(0.14)	–	–	–	(0.14)	9.73
Series F												
June 30, 2022	9.73	0.10	(0.02)	(0.25)	(0.27)	(0.44)	(0.09)	–	–	–	(0.09)	9.23
Dec. 31, 2021 ³	10.00 [†]	0.18	(0.05)	(0.07)	(0.13)	(0.07)	(0.14)	–	–	–	(0.14)	9.73
Series O												
June 30, 2022	9.84	0.11	–	(0.25)	(0.27)	(0.41)	(0.11)	–	–	–	(0.11)	9.32
Dec. 31, 2021	10.10	0.21	–	(0.08)	(0.20)	(0.07)	(0.19)	–	–	–	(0.19)	9.84
Dec. 31, 2020 ⁴	10.00 [†]	0.21	(0.01)	0.09	0.11	0.40	(0.13)	–	(0.05)	–	(0.18)	10.10

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 January 22, 2021.

⁴ From January 6, 2020.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (cont.)

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							
June 30, 2022	9.23	4 720	511	1.07	1.07	221.19	—
Dec. 31, 2021 ⁴	9.74	2 781	286	1.08	1.08	200.57	—
Series D							
June 30, 2022	9.22	25	3	0.59	0.59	221.19	—
Dec. 31, 2021 ⁴	9.73	75	8	0.58	0.58	200.57	—
Series F							
June 30, 2022	9.23	5 882	638	0.51	0.51	221.19	—
Dec. 31, 2021 ⁴	9.73	6 746	693	0.52	0.52	200.57	—
Series O							
June 30, 2022	9.32	248 862	26 690	0.02	0.02	221.19	—
Dec. 31, 2021	9.84	267 521	27 192	0.02	0.02	200.57	—
Dec. 31, 2020 ⁵	10.10	142 453	14 110	0.06	0.06	148.45	—

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 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 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 January 22, 2021.

⁵ From January 6, 2020.

Effective January 25, 2021, the administration fees for Series O units were reduced to 0.02% from 0.05%. If the changes to the administration fees would have been in effect throughout the financial year ended December 31, 2021, the adjusted MER for each series of the Fund would be: Series O – 0.02%.

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	0.90%	56%	44%	0.05%
Series D	0.50%	30%	70%	0.05%
Series F	0.40%	—	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.

[†] Effective January 25, 2021, the administration fees for Series O units were reduced to 0.02% from 0.05%.

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 or interim period.



PAST PERFORMANCE (cont.)



Series A, Series D and Series F units have been available for sale to unitholders since January 22, 2021. Although Series O units of the Fund were created January 6, 2020, units were not offered for sale under a simplified prospectus until January 22, 2021.

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

For the 12-month periods ended December 31 and the six-month period ended June 30, 2022.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at June 30, 2022

Investment Mix

	% of Net Asset Value
Corporate Bonds	38.0
Federal Bonds	37.6
Provincial/Municipal Bonds	12.3
Foreign Bonds	4.8
Mortgage-Backed Securities	2.0
Cash/Other	5.3

Top 25 Holdings

	% of Net Asset Value
Canada Housing Trust No. 1 3.800% Jun 15, 2027	7.1
Province of Ontario 2.600% Jun 02, 2025	7.0
Canada Housing Trust No. 1 1.550% Dec 15, 2026	5.8
Canadian Government Bond 2.750% Aug 01, 2024	4.9
Cash & Cash Equivalents	4.9
Canada Housing Trust No. 1 1.250% Jun 15, 2026	4.2
Canadian Government Bond 1.250% Mar 01, 2027	4.0
Canadian Government Bond 1.750% Mar 01, 2023	2.8
Ontario Power Generation Inc. 2.893% Apr 08, 2025	2.5
Province of Ontario 2.850% Jun 02, 2023	2.3
Bank of Montreal 2.280% Jul 29, 2024	2.2
Canadian Government Bond 0.500% Sep 01, 2025	2.2
Bank of Montreal 2.850% Mar 06, 2024	2.2
Bell Telephone Co. of Canada or Bell Canada 3.350% Mar 12, 2025	1.9
Brookfield Renewable Partners ULC 3.752% Jun 02, 2025	1.8
Hydro One Inc. 0.710% Jan 16, 2023	1.8
Province of Ontario 2.600% Jun 02, 2027	1.7
Canadian Government Bond 2.250% Mar 01, 2024	1.6
Toronto-Dominion Bank 2.667% Sep 09, 2025	1.6
Toronto-Dominion Bank 2.850% Mar 08, 2024	1.6
Lower Mattagami Energy LP 2.307% Oct 21, 2026	1.5
Royal Bank of Canada 2.609% Nov 01, 2024	1.5
Bank of Nova Scotia 2.380% May 01, 2023	1.4
Bank of America Corp. 3.615% Mar 16, 2028 CAD	1.4
Canadian Government Bond 1.500% Sep 01, 2024	1.2
Top 25 Holdings	71.1

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.