



PORTFOLIO SOLUTION

RBC TARGET 2025 EDUCATION FUND

June 30, 2023

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, 2023.

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 is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding their child's post-secondary education that commences around 2025. The Fund gradually shifts its asset mix from an emphasis on equity funds in its early years, to an emphasis on money-market funds as its "target" year of 2025 approaches. The Fund invests its assets primarily in units of other funds managed by RBC GAM or an affiliate of RBC GAM (called the "underlying funds").

Over the life of the Fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that preserve capital.

Results of Operations

The Fund's net asset value was \$1.7 billion as of June 30, 2023.

Over the past six months, the Fund's Series F units gained 2.3%. 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.

Financial markets offered decent returns in the first half of 2023 even as macroeconomic conditions deteriorated. Among the factors that supported equities and bonds were optimism that central banks were nearing the end of the current cycle of interest-rate hikes and the superb performance of a handful of technology stocks tipped to benefit from the increased use of artificial intelligence ("AI"). These positives were offset by tighter financial conditions and slower-than-expected growth in China, the world's second-largest economy. Also bolstering expansions in North America and Europe were declines in oil prices as the economic impact of Russia's war on Ukraine, which entered its second year, receded somewhat.

Canadian bonds rose in the first half of 2023, reversing some of the losses incurred in 2021 and 2022, on expectations that the Bank of Canada (the "BOC") would decrease the speed at which it raised interest rates amid slowing economic growth. The BOC increased interest rates twice during the period, representing a slower pace of rate hikes than in 2022 and resulting in a benchmark rate of 4.75%. The U.S. Federal Reserve continued raising its short-term benchmark rate, also at a reduced pace, leaving the benchmark rate in a range of 5% to 5.25%. Yields on short-maturity bonds rose more than those on long-maturity issues, indicating that investors anticipate a recession in the future. Canadian government bonds underperformed their U.S. counterparts as Canadian growth was stronger than many investors had expected.

Returns in the fixed-income segment of the portfolio were boosted by the RBC Canadian Short-Term Income Fund and the RBC Global Bond Fund.

The stock-market rebound continued into 2023, propelled by diminishing investor concerns regarding inflation and fewer worries about the sustainability of economic growth. The rally was initially broad-based across regions, but returns in the final months of the period were concentrated in a narrow set of U.S. mega-cap technology stocks. Apart from the U.S. large-cap market, which was fuelled by excitement about AI, most major indexes were flat or down. In emerging markets, technology-heavy Taiwan and South Korea gained after underperforming significantly in 2022. Emerging-market equities finished the period up but underperformed developed-market stocks. Returns were bolstered by the RBC European Equity Fund and the RBC Canadian Equity Fund.

Recent Developments

The global economy is slowing as higher borrowing costs and tighter financial conditions weigh on activity. At this late stage in the business cycle and with inflation gradually falling, short-term interest rates are likely nearing their peak, bonds are more appealing than they've been in a long time, and equity markets could be vulnerable to correction should a recession materialize. The portfolio manager's base case is that the economy is headed for a recession sometime over the next year.

Effective January 1, 2023, the management fees for Series A units were fixed at 0.88% and for Series D units were fixed at 0.69%.

Effective January 1, 2023, Suromitra Sanatani was appointed as Chair of the Independent Review Committee ("the IRC"). Effective February 1, 2023, Joanne Vézina was appointed as a member of the IRC. Effective March 1, 2023, Enrique Cuyegkeng 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 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, 2023), 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, 2023	9.75	0.16	(0.05)	(0.11)	0.22	0.22	–	–	–	–	–	9.96
Dec. 31, 2022	10.97	0.25	(0.16)	0.21	(1.21)	(0.91)	(0.03)	(0.03)	(0.26)	–	(0.32)	9.75
Dec. 31, 2021	11.21	0.25	(0.18)	0.39	(0.31)	0.15	(0.03)	(0.03)	(0.33)	–	(0.39)	10.97
Dec. 31, 2020	10.70	0.30	(0.18)	0.30	0.46	0.88	(0.06)	(0.05)	(0.25)	–	(0.36)	11.21
Dec. 31, 2019	9.99	0.29	(0.19)	0.12	0.65	0.87	(0.02)	(0.08)	(0.08)	–	(0.18)	10.70
Dec. 31, 2018	10.64	0.29	(0.19)	0.36	(0.69)	(0.23)	(0.01)	(0.08)	(0.33)	–	(0.42)	9.99
Series D												
June 30, 2023	9.70	0.16	(0.04)	(0.11)	0.23	0.24	–	–	–	–	–	9.93
Dec. 31, 2022	10.92	0.25	(0.10)	0.21	(1.83)	(1.47)	(0.06)	(0.07)	(0.26)	–	(0.39)	9.70
Dec. 31, 2021	11.17	0.25	(0.10)	0.39	(0.32)	0.22	(0.06)	(0.08)	(0.33)	–	(0.47)	10.92
Dec. 31, 2020	10.67	0.30	(0.10)	0.30	0.45	0.95	(0.10)	(0.10)	(0.25)	–	(0.45)	11.17
Dec. 31, 2019	9.97	0.29	(0.11)	0.12	0.68	0.98	(0.05)	(0.13)	(0.08)	–	(0.26)	10.67
Dec. 31, 2018	10.62	0.29	(0.11)	0.36	(0.68)	(0.14)	(0.02)	(0.16)	(0.33)	–	(0.51)	9.97
Series F												
June 30, 2023	9.36	0.15	(0.04)	(0.11)	0.22	0.22	–	–	–	–	–	9.58
Dec. 31, 2022	10.54	0.24	(0.08)	0.20	(1.11)	(0.75)	(0.07)	(0.07)	(0.25)	–	(0.39)	9.36
Dec. 31, 2021	10.78	0.24	(0.09)	0.38	(0.29)	0.24	(0.06)	(0.09)	(0.32)	–	(0.47)	10.54
Dec. 31, 2020	10.30	0.29	(0.09)	0.29	0.46	0.95	(0.10)	(0.11)	(0.24)	–	(0.45)	10.78
Dec. 31, 2019	9.62	0.28	(0.09)	0.11	0.58	0.88	(0.05)	(0.14)	(0.08)	–	(0.27)	10.30
Dec. 31, 2018	10.26	0.28	(0.09)	0.35	(0.72)	(0.18)	(0.02)	(0.16)	(0.33)	–	(0.51)	9.62

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.

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, 2023	9.96	1 611 031	161 695	1.05	1.05	25.95	0.01
Dec. 31, 2022	9.75	1 595 292	163 632	1.62	1.62	32.25	0.01
Dec. 31, 2021	10.97	1 772 273	161 619	1.62	1.62	8.65	0.02
Dec. 31, 2020	11.21	1 702 387	151 835	1.62	1.62	17.63	0.02
Dec. 31, 2019	10.70	1 479 789	138 260	1.83	1.83	5.70	0.02
Dec. 31, 2018	9.99	1 260 290	126 100	1.83	1.83	10.92	0.03
Series D							
June 30, 2023	9.93	1 842	186	0.84	0.84	25.95	0.01
Dec. 31, 2022	9.70	2 093	216	0.94	0.94	32.25	0.01
Dec. 31, 2021	10.92	12 270	1 124	0.95	0.95	8.65	0.02
Dec. 31, 2020	11.17	12 385	1 109	0.95	0.95	17.63	0.02
Dec. 31, 2019	10.67	10 989	1 030	1.05	1.05	5.70	0.02
Dec. 31, 2018	9.97	10 345	1 038	1.05	1.05	10.92	0.03



FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

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 F							
June 30, 2023	9.58	85 426	8 918	0.78	0.78	25.95	0.01
Dec. 31, 2022	9.36	85 033	9 084	0.84	0.84	32.25	0.01
Dec. 31, 2021	10.54	79 657	7 560	0.84	0.84	8.65	0.02
Dec. 31, 2020	10.78	64 716	6 003	0.84	0.84	17.63	0.02
Dec. 31, 2019	10.30	44 682	4 338	0.95	0.95	5.70	0.02
Dec. 31, 2018	9.62	27 325	2 840	0.95	0.95	10.92	0.03

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.

Effective January 1, 2023, the management fees for Series A units were fixed at 0.88%; for Series D units were fixed at 0.69%; and for Series F units were reduced to 0.65% from 0.70%. If the changes to the management fees would have been in effect throughout the financial year ended December 31, 2022, the adjusted MER for each series of the Fund would be: Series A – 1.05%, Series D – 0.85% and Series F – 0.78%.

Effective January 1, 2020, the Specified Percentage for Series A units was reduced to 1.55% from 1.75%; and for Series D units was reduced to 0.90% from 1.00%; and the management fees for Series F units were reduced to 0.70% from 0.80%.

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	0.88%	53%	47%	0.05%
Series D	0.69%	29%	71%	0.05%
Series F	0.65%	–	100%	0.05%

* Effective January 1, 2023, the management fees for Series A units were fixed at 0.88% and for Series D units were fixed at 0.69%, and the management fees for Series F units were reduced to 0.65% from 0.70%. For the period ended June 30, 2022, the actual average management fee rate was: Series A – 1.40% and Series D – 0.79%.

† Prior to January 1, 2023, the management fee payable in respect of each of Series A and Series D units of the Fund was a variable fee and was determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, were equal to a specified percentage of the average net asset value of each of these series of the Fund ("Specified Percentage"). The Specified Percentage included the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. The Specified Percentage for Series A units was 1.55% and Series D units was 0.90%.

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

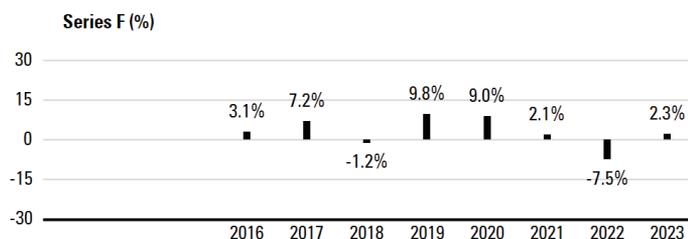
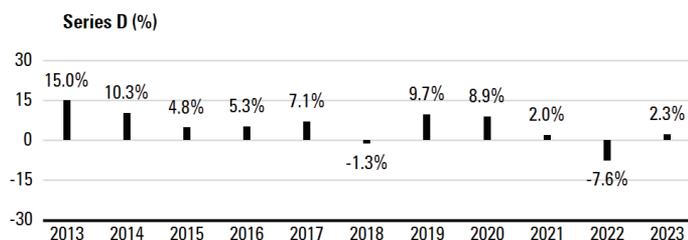
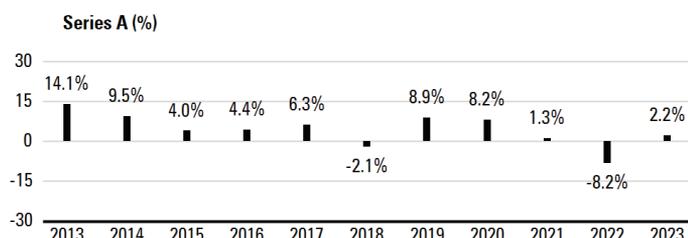


PAST PERFORMANCE

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.



Series F units have been available for sale to unitholders since July 4, 2016.

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, 2023.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at June 30, 2023

Investment Mix

	% of Net Asset Value
Fixed Income Funds	91.7
United States Equity Funds	3.0
Canadian Equity Funds	2.9
International Equity Funds	2.2
Cash/Other	0.2

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Money Market Fund - Series O	36.6
RBC Canadian Short-Term Income Fund - Series O	30.9
RBC Global Bond Fund - Series O	9.9
RBC Bond Fund - Series O	6.2
Phillips, Hager & North Short Term Bond & Mortgage Fund - Series O	5.0
Phillips, Hager & North Total Return Bond Fund - Series O	3.0
RBC Canadian Equity Fund - Series O	1.5
RBC European Equity Fund - Series O	1.2
RBC QUBE Low Volatility Canadian Equity Fund - Series O	0.7
RBC Canadian Dividend Fund - Series O	0.7
RBC O'Shaughnessy U.S. Value Fund (Unhedged) - Series O	0.7
RBC Private U.S. Large-Cap Core Equity Pool - Series O	0.7
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund - Series O	0.6
RBC U.S. Equity Fund - Series O	0.6
RBC U.S. Mid-Cap Growth Equity Fund - Series O	0.4
RBC Emerging Markets Equity Fund - Series O	0.4
RBC Asia Pacific ex-Japan Equity Fund - Series O	0.3
RBC Japanese Equity Fund - Series O	0.3
Cash & Cash Equivalents	0.3
Total	100.0

* The Fund holds fewer than 25 holdings.

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.