



FIXED-INCOME ETF

## RBC SHORT TERM U.S. CORPORATE BOND ETF

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March 31, 2025

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

Sub-Advisor: RBC Global Asset Management (U.S.) Inc.,  
Minneapolis, Minnesota

The Board of Directors of RBC Global Asset Management Inc. approved this interim management report of fund performance on May 6, 2025.

### 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.

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*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 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/regulatorydocuments](http://www.rbcgam.com/regulatorydocuments) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). 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.*



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## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Investment Objective and Strategies

The ETF seeks to provide unitholders with regular monthly income with the potential for modest capital growth by investing primarily in a well-diversified portfolio of short-term fixed-income securities issued in the U.S. market by U.S. and foreign corporations.

The ETF invests primarily in an actively managed portfolio of high-quality short-duration bonds issued in the U.S. market by U.S. (and, in some cases, foreign) corporations. These bonds are selected by the sub-advisor on the basis of company credit and industry analysis to identify investment opportunities offering higher probabilities of competitive rates of return while simultaneously mitigating interest rate risk.

### Results of Operations

The ETF's net asset value was \$321 million as of March 31, 2025.

Over the past six months, the ETF's CAD units gained 8.1%. The ETF'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 the USD units, which will usually vary because of foreign exchange rates.

It was a volatile time for fixed-income markets between the election of U.S. President Donald Trump in late 2024 and the announcement of U.S. trade tariffs during the first calendar quarter of 2025. Bond yields on all maturities rose over the period, leading to modest losses for U.S. investment-grade corporate securities. Non-government bonds outperformed until early March, when concern that the highest U.S. tariffs in a century would hurt corporate profits and economic growth prompted investors to demand higher compensation to own them. The rise in yields led to modest declines in prices of the securities.

The ETF's relative performance benefited from the sub-advisor's decision to position the ETF such that it was less exposed to changes in interest rates, and the portfolio therefore avoided some of the negative impact of higher yields. Returns were negatively affected by securities selection and the impact of relative exposure to certain sectors.

### Recent Developments

The ETF continues to favour large domestically focused companies and that operate in industries less sensitive to changes in the rate of economic growth, as well as companies with stable-to-improving credit profiles and that are in the process of reducing debt. The ETF remains overweight in areas where regulations are favourable to bondholders, such as insurance and basic materials, a broad category including mining, steel, paper and chemicals.

The implementation of tariffs is having an immense effect on global financial markets. Uncertainty on the trade front began to build at the end of 2024, when the sub-advisor modestly reduced risk in the portfolio by favouring shorter-maturity bonds with attractive yields, which are less sensitive to interest-rate fluctuations.

### 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***

RBC Global Asset Management (U.S.) Inc. 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.



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***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.



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## 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 six months (noted by March 31, 2025), and for the past five financial years or for the periods since inception. This information is derived from the ETF's unaudited interim financial statements and audited annual financial statements.

### Change in Net Assets Per Unit (\$)

		Increase (Decrease) from Operations <sup>1</sup>					Annual Distributions <sup>2</sup>						
For the Year/ Period Ended	Net Assets Beginning 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	Net Assets End of Year/Period	
CAD Units													
Mar. 31, 2025	21.04	0.48	(0.04)	0.15	1.12	1.71	(0.43)	—	—	—	(0.43)	22.30	
Sep. 30, 2024	19.98	0.81	(0.08)	0.04	1.01	1.78	(0.75)	—	—	(0.01)	(0.76)	21.04	
Sep. 30, 2023	19.94	0.69	(0.08)	(0.28)	0.43	0.76	(0.55)	—	—	—	(0.55)	19.98	
Sep. 30, 2022	20.50	0.59	(0.08)	(0.69)	(0.18)	(0.36)	(0.45)	—	—	—	(0.45)	19.94	
Sep. 30, 2021	22.00	0.56	(0.08)	(0.31)	(1.36)	(1.19)	—	(0.46)	(0.08)	(0.03)	(0.57)	20.50	
Sep. 30, 2020 <sup>3</sup>	21.15	0.52	(0.07)	0.12	0.89	1.46	(0.46)	—	—	(0.01)	(0.47)	22.00	
USD Units*													
Mar. 31, 2025	15.58	0.34	(0.03)	0.11	0.76	1.18	(0.31)	—	—	—	(0.31)	15.49	
Sep. 30, 2024	14.77	0.60	(0.06)	0.03	0.76	1.33	(0.55)	—	—	(0.01)	(0.56)	15.58	
Sep. 30, 2023	14.51	0.51	(0.06)	(0.20)	0.18	0.43	(0.41)	—	—	—	(0.41)	14.77	
Sep. 30, 2022	16.18	0.47	(0.06)	(0.54)	(0.03)	(0.16)	(0.36)	—	—	—	(0.36)	14.51	
Sep. 30, 2021	16.47	0.44	(0.07)	(0.24)	(0.94)	(0.81)	—	(0.37)	(0.06)	(0.02)	(0.45)	16.18	
Sep. 30, 2020 <sup>3</sup>	16.31	0.38	(0.05)	0.09	0.50	0.92	(0.34)	—	—	(0.01)	(0.35)	16.47	

<sup>1</sup> 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.

<sup>2</sup> Distributions are either paid in cash, reinvested in additional units of the ETF, or both.

<sup>3</sup> 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.

\* Stated in U.S. dollars.

### Ratios and Supplemental Data

As at	Net Asset Value Per Unit (\$)	Net Asset Value (\$000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%) <sup>1</sup>	MER Before Absorption (%) <sup>1</sup>	Portfolio Turnover Rate (%) <sup>2</sup>	Trading Expense Ratio (%) <sup>3</sup>	Closing Market Price (\$)
<b>CAD Units</b>								
<b>Mar. 31, 2025</b>	<b>22.30</b>	<b>6,132</b>	<b>275</b>	<b>0.41</b>	<b>0.41</b>	<b>16.71</b>	—	<b>22.07</b>
Sep. 30, 2024	21.04	3,682	175	0.40	0.40	44.24	—	20.97
Sep. 30, 2023	19.98	1,998	100	0.41	0.41	45.46	—	19.92
Sep. 30, 2022	19.94	4,985	250	0.40	0.40	54.80	—	19.79
Sep. 30, 2021	20.50	7,175	350	0.40	0.40	51.96	—	20.50
Sep. 30, 2020 <sup>4</sup>	22.00	9,900	450	0.40	0.40	34.42	—	21.98



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## 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 (%) <sup>1</sup>	MER Before Absorption (%) <sup>1</sup>	Portfolio Turnover Rate (%) <sup>2</sup>	Trading Expense Ratio (%) <sup>3</sup>	Closing Market Price (\$)
<b>USD Units*</b>								
<b>Mar. 31, 2025</b>	<b>15.49</b>	<b>218,849</b>	<b>14,125</b>	<b>0.41</b>	<b>0.41</b>	<b>16.71</b>	—	<b>15.47</b>
Sep. 30, 2024	15.58	198,590	12,750	0.40	0.40	44.24	—	15.59
Sep. 30, 2023	14.77	166,953	11,300	0.41	0.41	45.46	—	14.76
Sep. 30, 2022	14.51	168,325	11,600	0.40	0.40	54.80	—	14.57
Sep. 30, 2021	16.18	220,894	13,650	0.40	0.40	51.96	—	16.20
Sep. 30, 2020 <sup>4</sup>	16.47	248,697	15,100	0.40	0.40	34.42	—	16.46

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> The trading expense ratio represents total commissions and other portfolio transaction costs of the ETF and the ETF'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.

<sup>4</sup> 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.

\* Stated in U.S. dollars.

### Management Fees

RBC GAM is the manager, trustee and portfolio manager of the ETF. RBC GAM is paid a management fee per annum of the net asset value by the ETF as compensation for its services. The management fee of the ETF is calculated at the following annual percentages, before GST/HST, of the daily net asset value of the class of the ETF.

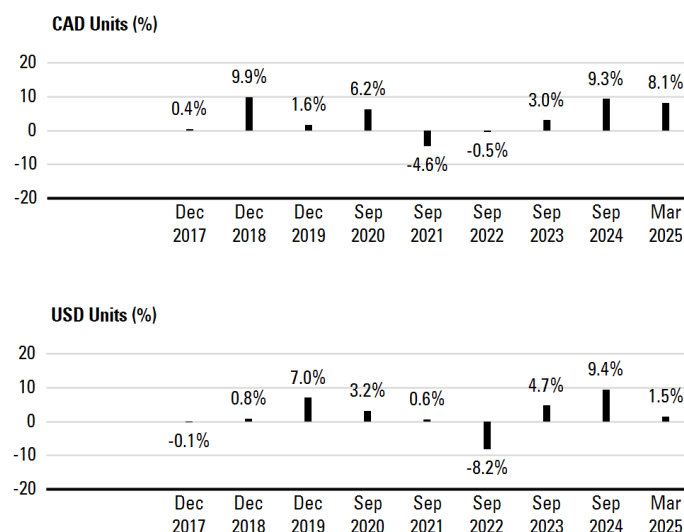
	Management Fees
CAD Units	0.35%
USD Units	0.35%

### 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 or interim period.



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 and September 30 (nine-month period ended September 30, 2020) and the six-month period ended March 31, 2025.



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## SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)

As at March 31, 2025

### Investment Mix

	% of Net Asset Value
United States	79.4
United Kingdom	4.3
Australia	2.5
Switzerland	1.7
Japan	1.7
Canada	1.7
Ireland	1.4
Norway	1.3
Germany	1.0
Netherlands	0.9
Other Countries	1.8
Cash/Other	2.3

### Top 25 Holdings

	% of Net Asset Value
United States Treasury Note 4.375% Nov 30, 2028	4.0
United States Treasury Note 4.875% Oct 31, 2030	3.9
United States Treasury Note 2.375% Mar 31, 2029	1.6
American Tower Corp. 3.650% Mar 15, 2027	1.5
Citigroup Inc. 5.610% Sep 29, 2026	1.5
Australia & New Zealand Banking Group Ltd. 4.400% May 19, 2026	1.3
Morgan Stanley 4.210% Apr 20, 2028	1.3
Goldman Sachs Group Inc. 6.484% Oct 24, 2029	1.3
Cash & Cash Equivalents	1.3
Bank of America Corp. 4.376% Apr 27, 2028	1.3
Crown Castle Inc. 2.900% Mar 15, 2027	1.2
Morgan Stanley 5.164% Apr 20, 2029	1.1
Var Energi ASA 7.500% Jan 15, 2028	1.0
Met Tower Global Funding 4.000% Oct 01, 2027	1.0
Broadcom Inc. 3.459% Sep 15, 2026	1.0
HSBC Holdings Plc. 2.099% Jun 04, 2026	0.9
J.P. Morgan Chase & Co. 1.045% Nov 19, 2026	0.9
EQT Corp. 5.700% Apr 01, 2028	0.9
Mitsubishi UFJ Financial Group Inc. 5.017% Jul 20, 2028	0.9
New York Life Global Funding 3.900% Oct 01, 2027	0.9
Intel Corp. 4.875% Feb 10, 2028	0.9
VICI Properties LP 4.750% Feb 15, 2028	0.9
Mercedes-Benz Finance North America LLC 4.850% Jan 11, 2029	0.9
Wells Fargo & Co. 2.188% Apr 30, 2026	0.9
HSBC Holdings Plc. 4.583% Jun 19, 2029	0.9
Top 25 Holdings	33.3

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/regulatorydocuments](http://www.rbcgam.com/regulatorydocuments).