



An evolution in fixed income investing

RBC Target Maturity Bond ETFs (RBC TMB ETFs) are an innovative suite of fixed income investment solutions designed to meet the evolving needs of today's investors. RBC TMB ETFs combine the defined maturity and regular income characteristics of individual bonds with the transparency, diversification, and tradability of an exchange traded fund. Solutions include RBC Target Maturity Canadian Government Bond ETFs (RBC Canadian TMGB ETFs), RBC Target Maturity Canadian Corporate Bond ETFs (RBC Canadian TMCB ETFs) and RBC Target Maturity U.S. Corporate Bond ETFs (RBC U.S. TMCB ETFs).

Why invest in RBC TMB ETFs?

- **Diversified bond portfolios:** Each RBC TMB ETF holds a basket of bonds that have an effective maturity in the same calendar year.
- **Defined maturity:** Each ETF matures in September of its stated maturity year. Unitholders receive the net asset value at maturity and the ETF is then closed. This provides an investor experience that is similar to an individual bond.
- **Monthly distributions:** Net interest income is distributed monthly, which can help smooth investor cash flow relative to most individual bonds.
- **Transparency:** Average credit quality, yields and individual bond holdings information is available daily for each ETF.
- **Daily liquidity:** Investors have access to real-time market pricing and intraday trading, allowing them to buy and sell any time during exchange trading hours.

Simplify how you manage fixed income

- **Consistency:** Ease of trading, deep liquidity and maturities each September provide investors with consistent and efficient means to manage fixed income portfolios.
- **Convenience:** A single ticker provides efficient access to a diversified fixed income portfolio with regular cash flow.
- **Flexibility:** Tailor fixed income portfolios with government bonds or corporate bonds across a number of maturity dates.
- **Professionally managed:** Investment professional oversight monitors and maintains portfolio quality and risk.

Three ways to use RBC TMB ETFs

- **Bond ladders:** Bond ladders are a great way to manage interest rate or maturity risk. However, finding a suitable selection of individual bonds to invest in can be challenging. RBC TMB ETFs are a convenient and cost-effective solution for building and maintaining a bond ladder.
- **Yield curve positioning:** RBC TMB ETFs offer investors an effective way to gain exposure to specific points on the yield curve. For example, investors can easily take a short or long-term view, or even implement a "barbell"* approach.
- **Liability matching:** In addition to providing monthly income, RBC TMB ETFs can provide a lump-sum source of cash flow to match known future needs.

RBC Target Maturity Bond ETFs

RBC Target Maturity Canadian Government Bond ETFs

Each RBC Canadian TMGB ETF provides exposure to a basket of Canadian government bonds with effective maturities in the same calendar year. The portfolios are actively monitored and managed for risk, credit quality and yields.

Ticker	RBC Target Maturity Canadian Government Bond ETFs
RGQN	RBC Target 2025 Canadian Government Bond ETF
RGQO	RBC Target 2026 Canadian Government Bond ETF
RGQP	RBC Target 2027 Canadian Government Bond ETF
RGQQ	RBC Target 2028 Canadian Government Bond ETF
RGQR	RBC Target 2029 Canadian Government Bond ETF
RGQS	RBC Target 2030 Canadian Government Bond ETF
RGQT	RBC Target 2031 Canadian Government Bond ETF

Additional information

- **Management fees:**
0.15%
- **Credit rating:**
Investment grade
- **Maturity date:**
September of the maturity year

RBC Target Maturity Canadian Corporate Bond ETFs

Each RBC Canadian TMCB ETF provides exposure to a basket of Canadian investment grade corporate bonds¹ with effective maturities in the same calendar year.

The portfolios are well diversified by issuer and structured to manage portfolio risk, credit quality and yield.

RBC Target Maturity (2026-2030) Canadian Corporate Bond Index ETFs are available as mutual funds.

Ticker	RBC Target Maturity Canadian Corporate Bond ETFs
RQN	RBC Target 2025 Canadian Corporate Bond Index ETF
RQO	RBC Target 2026 Canadian Corporate Bond Index ETF
RQP	RBC Target 2027 Canadian Corporate Bond Index ETF
RQQ	RBC Target 2028 Canadian Corporate Bond Index ETF
RQR	RBC Target 2029 Canadian Corporate Bond Index ETF
RQS	RBC Target 2030 Canadian Corporate Bond Index ETF
RQT	RBC Target 2031 Canadian Corporate Bond ETF

Additional information

- **Management fees:**
0.20%
- **Credit rating:**
Investment grade
- **Maturity date:**
September of the maturity year

¹ The ETFs may hold provincial bonds from time to time to enhance diversification for RBC Canadian TMCB ETFs

RBC Target Maturity Bond ETFs

RBC Target Maturity U.S. Corporate Bond ETFs

Each RBC U.S. TMCB ETF provides exposure to a basket of U.S. Corporate bonds with effective maturities in the same calendar year. The portfolios are actively monitored and managed for risk, credit quality and yields.

Ticker	RBC Target Maturity U.S. Corporate Bond ETFs
RUQN RUQN.U	RBC Target 2025 U.S. Corporate Bond ETF RBC Target 2025 U.S. Corporate Bond ETF (USD Units)
RUQO RUQO.U	RBC Target 2026 U.S. Corporate Bond ETF RBC Target 2026 U.S. Corporate Bond ETF (USD Units)
RUQP RUQP.U	RBC Target 2027 U.S. Corporate Bond ETF RBC Target 2027 U.S. Corporate Bond ETF (USD Units)
RUQQ RUQQ.U	RBC Target 2028 U.S. Corporate Bond ETF RBC Target 2028 U.S. Corporate Bond ETF (USD Units)
RUQR RUQR.U	RBC Target 2029 U.S. Corporate Bond ETF RBC Target 2029 U.S. Corporate Bond ETF (USD Units)
RUQS RUQS.U	RBC Target 2030 U.S. Corporate Bond ETF RBC Target 2030 U.S. Corporate Bond ETF (USD Units)
RUQT RUQT.U	RBC Target 2031 U.S. Corporate Bond ETF RBC Target 2031 U.S. Corporate Bond ETF (USD Units)

Additional information

- **Management fees:**
0.20%
- **Credit rating:**
Investment grade
- **Maturity date:**
September of the maturity year

RBC Target Maturity Bond ETFs

About par value per unit, yield to maturity and duration

Unlike a bond, RBC TMB ETFs do not seek to deliver a predetermined amount at maturity. However, RBC Global Asset Management Inc. (RBC GAM) estimates the amount an investor can expect to receive at maturity by calculating each RBC TMB ETF's **par value per unit**. The **par value per unit** of an RBC TMB ETF may fluctuate modestly over its life, generally due to trading, rebalancing or other similar activities².

The **yield to maturity** of an RBC TMB ETF is mostly driven by market forces on the portfolio holdings, while the ETF's **duration** is driven by the effective maturity of the portfolio's holdings. At the same time, similar to traditional fixed income ETFs and mutual funds, portfolio changes can also drive changes to the yield to maturity and duration of RBC TMB ETFs.

RBC GAM publishes each RBC TMB ETF's par value per unit, weighted average yield to maturity and duration daily. The amounts are available on the product page for each RBC TMB ETFs.

What happens in the maturity year?

In its maturity year, as portfolio bond holdings mature, each RBC TMB ETF reinvests the proceeds in cash equivalents, typically in a T-bill with a maturity in line with the ETF's September maturity date.

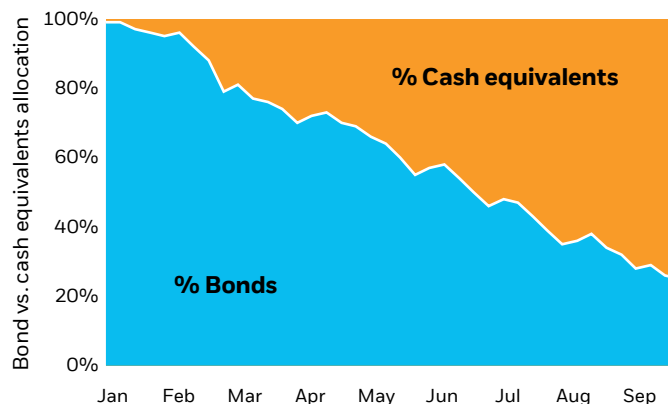
As shown in the chart below, the cash allocation will grow throughout the maturity year.

Similar to a bond, as each RBC TMB ETF approaches maturity:

- Its net asset value per unit will converge toward its par value per unit.
- Its duration will converge towards zero.
- Its yield to maturity will transition towards the yield of its cash equivalent holdings.

At maturity, any remaining bond holdings will be sold. On the maturity date, the ETF will delist from the exchange, and make a final distribution of the net asset value per unit to unitholders. This is similar to owning an individual bond, where the investor receives a principle repayment upon maturity. The ETF will then be closed.

Maturity year holdings for RBC TMB ETFs



Source: RBC GAM. For illustrative purposes only. Does not represent actual holdings for any ETF.

² Factors that can cause an RBC TMB ETF's par value to change include, but are not limited to, RBC Canadian TMCB ETF index changes (adding/removing of bonds), index/portfolio rebalancing and the ETF's creation and redemption activity. RBC TMB ETFs do not seek to deliver a predetermined amount at maturity, and the amount an investor receives may be more or less than their original investment.

RBC Target Maturity Bond ETFs

RBC TMB ETFs combine the benefits of individual bonds, fixed income ETFs and mutual funds

	RBC TMB ETFs	Individual bonds	Traditional fixed income ETFs	Fixed income mutual funds
Diversified portfolios	Yes	No	Yes	Yes
Distributions/Cash flows	Monthly	Semi-annually	Monthly	Monthly/Quarterly
Set maturity	Yes	Yes	No	No
Trading	Exchange	Over the counter	Exchange	Fundserv ³
Duration	Declines over time	Declines over time	Managed	Managed
Intraday price transparency	Yes	No	Yes	No
Liquidity	Trades intraday at market price, which may be more or less than its net asset value	Varies depending on type of bond	Trades intraday at market price, which may be more or less than its net asset value	Purchased or sold once per day at net asset value

³ Fundserv is the Canadian mutual fund industry's proprietary system over which mutual fund transactions are sent between dealers and mutual fund issuers.

About RBC iShares

RBC iShares is a strategic alliance forged to provide the largest full-service ETF platform in Canada. The combined expertise, insights and broad product offering of RBC Global Asset Management and BlackRock Canada drive meaningful progress for our clients in today's world.

For more information, visit rbcishares.com

*The barbell investment approach is a fixed income portfolio strategy where half of fixed income holdings are short term and the other half are long term.

RBC iShares ETFs are comprised of RBC ETFs managed by RBC Global Asset Management Inc. and iShares ETFs managed by BlackRock Asset Management Canada Limited ("BlackRock Canada"). Commissions, trailing commissions, management fees and expenses all may be associated with investing in exchange-traded funds (ETFs). Please read the relevant prospectus or ETF Facts document before investing. ETFs are not guaranteed, their values change frequently and past performance may not be repeated. ETF units are bought and sold at market price on a stock exchange and brokerage commissions will reduce returns. Index returns do not represent RBC ETF returns. RBC ETFs are managed by RBC Global Asset Management Inc., an indirect wholly owned subsidiary of Royal Bank of Canada. RBC Target Maturity Bond ETFs do not seek to return any predetermined amount at maturity.

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