

1ST SUPPLEMENTARY PROSPECTUS DATED SEPTEMBER 4, 2020



ROYAL BANK OF CANADA
(a Canadian chartered bank)

€60,000,000,000
Global Covered Bond Programme
unconditionally and irrevocably guaranteed as to payments by

RBC COVERED BOND GUARANTOR LIMITED PARTNERSHIP
(a limited partnership formed under the laws of Ontario)

This Supplementary Prospectus (the “**1st Supplementary Prospectus**”) to the Base Prospectus dated July 24, 2020 (the “**Base Prospectus**”) which comprises a base prospectus for the purposes of Article 8 of Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”) and Admission Particulars for Royal Bank of Canada (“**RBC**” or the “**Issuer**”) constitutes a supplementary prospectus in respect of the Base Prospectus for the Issuer for the purposes of Article 23.1 of the Prospectus Regulation and supplementary admission particulars in respect of the Admission Particulars for the purposes of the ISM Rulebook, and is prepared in connection with the €60,000,000,000 Global Covered Bond Programme of Royal Bank of Canada, unconditionally and irrevocably guaranteed as to payments by RBC Covered Bond Guarantor Limited Partnership (the “**Guarantor LP**”), established by RBC (the “**Programme**”).

Terms defined in the Base Prospectus have the same meaning when used in this 1st Supplementary Prospectus. This 1st Supplementary Prospectus is supplemental to, and shall be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by RBC.

RBC and the Guarantor LP accept responsibility for the information contained in this 1st Supplementary Prospectus. To the best of the knowledge of RBC and the Guarantor LP, the information contained in this 1st Supplementary Prospectus is in accordance with the facts and this 1st Supplementary Prospectus makes no omission likely to affect its import.

The purpose of this 1st Supplementary Prospectus is to (a) incorporate by reference in the Base Prospectus the Issuer's unaudited interim condensed consolidated financial statements (the "**Third Quarter 2020 Unaudited Interim Condensed Consolidated Financial Statements**"), together with Management's Discussion and Analysis (the "**Third Quarter 2020 MD&A**") for the three- and nine- month periods ended July 31, 2020 set out in the Issuer's Third Quarter 2020 Report to Shareholders (the "**Third Quarter 2020 Report to Shareholders**"); (b) incorporate by reference in the Base Prospectus the Investor Report for the calculation date of July 31, 2020 (the "**Investor Report**"); (c) include a new statement in respect of no significant change and no material adverse change; (d) update paragraph 4 of the section entitled "General Information" in the Base Prospectus regarding governmental, legal or arbitration proceedings which may have, or have had, a significant effect on the financial position or profitability of the Issuer or of the Issuer and its subsidiaries taken as a whole; and (e) in light of the release of the Third Quarter 2020 MD&A, to update the risk factor relating to the coronavirus pandemic ("**COVID-19**") under the risk factors in the Registration Document incorporated by reference in the Base Prospectus.

To the extent that there is any inconsistency between (a) any statement in this 1st Supplementary Prospectus or any statement incorporated by reference into the Base Prospectus by this 1st Supplementary Prospectus; and (b) any other statement in, or incorporated by reference in, the Base Prospectus, the statements referenced in (a) above will prevail.

Save as disclosed in this 1st Supplementary Prospectus or in the Third Quarter 2020 Report to Shareholders incorporated by reference in the Base Prospectus by virtue of this 1st Supplementary Prospectus (including without limitation the information set out at pages 5 to 9 of the Third Quarter 2020 Report to Shareholders under the heading "Significant developments: COVID-19"), no significant new factor, material mistake or material inaccuracy relating to the information included in the Base Prospectus which may affect the assessment of Covered Bonds issued under the Programme has arisen or been noted, as the case may be, since approval by the FCA of the Base Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

The Third Quarter 2020 Unaudited Interim Condensed Consolidated Financial Statements, together with the Third Quarter 2020 MD&A, set out on pages 2 through 86 (excluding page 53 of the same) of the Third Quarter 2020 Report to Shareholders are, by virtue of this 1st Supplementary Prospectus, incorporated in, and form part of, the Base Prospectus. The remainder of the Third Quarter 2020 Report to Shareholders is either covered elsewhere in the Base Prospectus or is not relevant for investors. The Investor Report is, by virtue of this 1st Supplementary Prospectus, incorporated in, and forms part of, the Base Prospectus.

The Third Quarter 2020 Report to Shareholders, which includes the Third Quarter 2020 Unaudited Interim Condensed Consolidated Financial Statements and Third Quarter 2020 MD&A, and the Investor Report are available for viewing at the following links:

Third Quarter 2020 Report to Shareholders:

https://www.rbc.com/investor-relations/assets-custom/pdf/2020q3_report.pdf

Investor Report for the calculation date of July 31, 2020

<https://www.rbc.com/investor-relations/assets-custom/pdf/072020cbreport.pdf>

The Third Quarter 2020 Unaudited Interim Condensed Consolidated Financial Statements, Third Quarter 2020 MD&A, Third Quarter 2020 Report to Shareholders and the Investor Report have been filed with the National Storage Mechanism and are available for viewing at

<https://data.fca.org.uk/#/nsm/nationalstoragemechanism>, and have been announced via the Regulatory News Service operated by the London Stock Exchange.

For the avoidance of doubt, any document incorporated by reference in the Third Quarter 2020 Unaudited Interim Condensed Consolidated Financial Statements, Third Quarter 2020 MD&A, Third Quarter 2020 Report to Shareholders and the Investor Report shall not form part of this 1st Supplementary Prospectus for the purposes of the Prospectus Regulation, or the ISM Rulebook except where such information or other documents are specifically incorporated by reference or attached to this 1st Supplementary Prospectus.

Copies of this 1st Supplementary Prospectus, the Base Prospectus and the documents incorporated by reference in either of these can be (i) viewed on the Issuer's website maintained in respect of the Programme at <http://www.rbc.com/investorrelations/covered-bonds-terms.html>; (ii) obtained on written request and without charge from the Issuer at 20th Floor, 200 Bay Street, Toronto, Ontario, Canada M5J 2J5, Attention: Senior Vice President, Wholesale Finance and Investor Relations and from the office of the Issuing and Paying Agent, The Bank of New York Mellon, London Branch, One Canada Square, London E14 5AL, England, Attention: Manager, EMEA Corporate & Sovereign Department or at the offices of any other Paying Agent at the addresses specified at the end of the Base Prospectus; and (iii) viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Issuer and the headline "Publication of Prospectus". Copies of the Issuer's periodic financial reporting can also be viewed by accessing the Issuer's disclosure documents through the Internet (A) on the Canadian System for Electronic Document Analysis and Retrieval at <http://www.SEDAR.com> (an internet based securities regulatory filing system), or (B) at the SEC's website at <http://www.sec.gov>. Any websites included in this 1st Supplementary Prospectus other than in respect of the information incorporated by reference are for information purposes only and do not form part of this 1st Supplementary Prospectus or the Base Prospectus and the FCA has neither scrutinised or approved the information contained therein.

STATEMENT OF NO SIGNIFICANT CHANGE

There has been no significant change in the financial performance or financial position of the Issuer and its consolidated subsidiaries, including the Guarantor LP, taken as a whole since July 31, 2020, the last day of the financial period in respect of which the most recent unaudited interim condensed consolidated financial statements of the Issuer have been prepared.

STATEMENT OF NO MATERIAL ADVERSE CHANGE

Except as disclosed in the section entitled "Significant developments: COVID-19" on pages 5 to 9 of the Third Quarter 2020 Report to Shareholders, and as disclosed in "**IMPACT OF PANDEMIC RISK FACTOR**" below, there has been no material adverse change in the prospects of the Issuer and its consolidated subsidiaries, including the Guarantor LP, taken as a whole since October 31, 2019, the last day of the financial period in respect of which the most recent published audited consolidated financial statements of the Issuer have been prepared.

AMENDMENT TO STATEMENT REGARDING GOVERNMENTAL, LEGAL OR ARBITRATION PROCEEDINGS

Paragraph 4 of the section entitled “General Information” on page 301 of the Base Prospectus is hereby deleted in its entirety and replaced with the following:

“Other than the matters disclosed under the subsection entitled “Tax examinations and assessments” in Note 23 of the Issuer's 2019 Audited Consolidated Financial Statements set out on page 198 of the Issuer's 2019 Annual Report, and the matters disclosed (with the exception of the subsection entitled “Other matters”) in Note 26 of the 2019 Audited Consolidated Financial Statements set out on pages 201 and 202 of the Issuer's 2019 Annual Report and the litigation matters disclosed in Note 11 of the Issuer's Third Quarter 2020 Unaudited Interim Condensed Consolidated Financial Statements set out on page 83 of the Issuer's Third Quarter 2020 Report to Shareholders and in each case incorporated by reference herein, there are no, nor have there been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had during the twelve months prior to the date of this document, individually or in the aggregate, a significant effect on the financial position or profitability of the Issuer or of the Issuer and its subsidiaries taken as a whole or the Guarantor LP.”

IMPACT OF PANDEMIC RISK FACTOR

In the section entitled “**RISK FACTORS**” on pages 1 to 22 in the Registration Document incorporated by reference in the Base Prospectus, the risk factor entitled “**Risks relating to the Issuer - 5. Macroeconomic risks - *Impact of pandemic***” on pages 17 to 19 is deleted and replaced by the following:

“Impact of pandemic

Pandemics, epidemics or outbreaks of an infectious disease in Canada or worldwide could have an adverse impact on the Issuer's business, including changes to the way the Issuer operates, and on its financial results and condition. Commencing in Q2 2020, the spread of the COVID-19 pandemic, given its severity and scale, continues to adversely affect the Issuer's business, some of the Issuer's clients and also continues to pose risks to the global economy. Governments and regulatory bodies in affected areas have imposed a number of measures designed to contain the pandemic, including widespread business closures, travel restrictions, quarantines, and restrictions on gatherings and events. While a number of containment measures have been gradually eased or lifted across most regions, additional safety precautions and operating protocols aimed at containing the spread of COVID-19 have been and continue to be instituted. Notwithstanding the gradual easing of containment measures, the remaining measures continue to impact global economic activity, including the pace and magnitude of recovery as well as contributing to increased market volatility and changes to the macroeconomic environment. As the impacts of the COVID-19 pandemic continue to materialize, the effects of the disruption on the Issuer's business strategies and initiatives have been and continue to be adversely impacted, resulting in ongoing effects to the Issuer's financial results, including the realization of credit, market or operational risk losses.

Governments, monetary authorities, regulators and financial institutions, including the Issuer, have taken and continue to take actions in support of the economy and financial system. These actions include fiscal, monetary and other financial measures to increase liquidity, and provide financial aid to individual, small business, commercial and corporate clients. Additionally, regulatory relief measures in support of financial institutions have also been provided. For more information on these programs, refer to the Relief programs,

Liquidity and funding risk and Capital management sections of the Management's Discussion and Analysis contained in the Issuer's Third Quarter 2020 Report to Shareholders.

The Issuer is closely monitoring the potential continued effects and impacts of the COVID-19 pandemic, which is a rapidly evolving situation. Uncertainty remains as to the full impacts of COVID-19 on the global economy, financial markets, and the Issuer, including on the Issuer's financial results, regulatory capital and liquidity ratios and ability to meet regulatory and other requirements. The ultimate impacts will depend on future developments that are highly uncertain and cannot be predicted, including the scope, severity, duration and the possibility of subsequent waves of the pandemic, as well as the effectiveness of actions and measures taken by government, monetary and regulatory authorities and other third parties. With respect to client relief programs, the Issuer may face challenges, including increased risk of client disputes, litigation, government and regulatory scrutiny as a result of the effects of the COVID-19 pandemic on market and economic conditions and actions government authorities take in response to those actions. The Issuer may also face increased operational and reputational risk and financial losses, including higher credit losses amongst other things, depending on the effectiveness of these client relief programs for the Issuer's individual, small business, commercial and corporate clients. The effectiveness of these programs will depend on the duration and scale of COVID-19 and will differ by region and industry, with varying degrees of benefit to the Issuer's clients.

The COVID-19 pandemic has and may continue to result in disruptions to the Issuer's clients and the way in which the Issuer conducts its business, including the closure of certain branches, prolonged duration of staff working from home, and changes to the Issuer's operations due to higher volumes of client requests, as well as disruptions to key suppliers of the Issuer's goods and services. These factors have adversely impacted, and may continue to adversely impact, the Issuer's business operations and the quality and continuity of service to customers. To date, the Issuer has taken proactive measures through its business continuity plans, carefully planning the return to premise for some of the Issuer's employees, and the Issuer's crisis management teams have increased their efforts to preserve the well-being of the Issuer's employees and its ability to serve clients. Additionally, the Issuer has launched various relief programs beyond the available government programs to further support its clients in financial need. For more information on the Issuer's relief programs, refer to the Relief programs section of the Management's Discussion and Analysis contained in the Issuer's Third Quarter 2020 Report to Shareholders.

In addition to the impact that the COVID-19 pandemic has had and continues to have on the Issuer's business, it may also continue to increase financial stress on its clients. This, in conjunction with operational constraints due to the impacts of social distancing, including but not limited to continued closures or reduced operating hours, lost sales opportunities and/or increased operating costs, could lead to increased pressure on the Issuer's individual clients as well as on the financial performance of its small business, commercial and corporate clients, which could result in higher than expected credit losses for the Issuer.

If the COVID-19 pandemic is prolonged, including the possibility of subsequent waves, or further diseases emerge that give rise to similar effects, the adverse impact on the economy could deepen and result in further volatility and declines in financial markets. Moreover, it remains uncertain how the macroeconomic environment, and societal and business norms will be impacted following this pandemic. Unexpected developments in financial markets, regulatory environments, or consumer behaviour and confidence may also have adverse impacts on the Issuer's financial results and condition, business operations and reputation, for a substantial period of time.

In virtually all aspects of the Issuer's operations, the Issuer's view of risks is not static. Consistent with its Enterprise Risk Management Framework, the Issuer continues to evaluate top and emerging risks arising from the impacts of the COVID-19 pandemic, including:

- Information Technology ("IT") and Cyber risks have increased as malicious activities are creating more threats for cyberattacks including COVID-19 phishing emails, malware-embedded mobile apps that purport to track infection rates, and targeting of vulnerabilities in remote access platforms as companies continue to operate with work from home arrangements. The Issuer's IT and cyber controls are operating effectively and it is continuing to monitor the threat landscape.
- Privacy, Data and Third Party risks have also been heightened as the use of work from home arrangements have become common practice. As the majority of the Issuer's employees continue to work from home, the Issuer is continuously monitoring and enforcing best practices as it seeks to maintain the privacy and confidentiality of all sensitive information. The Issuer's security awareness program is required to be completed by each employee annually and includes cyber awareness training on managing risks while working remotely. Third party providers critical to the Issuer's operations are being monitored for any impact on their ability to deliver services, including vendors of the Issuer's third party providers.
- Canadian Housing and Household Indebtedness risks have increased as a result of a rise in unemployment and decline in labour participation. While interest rate cuts, government support programs and relief programs offered by financial institutions have helped and will continue to help many households, concerns related to housing affordability in certain markets and levels of Canadian household debt that were already elevated before the additional challenges brought on by the COVID-19 pandemic, could continue to rise if the COVID-19 pandemic worsens, resulting in, among other things, higher credit losses."