

OPERATIONAL INFORMATION DOCUMENT

This Operational Information Document relates to the Final Terms dated September 5, 2018 (the “Final Terms”) in respect of the issue by Royal Bank of Canada of EUR1,500,000,000 0.625 per cent. Covered Bonds due September 10, 2025 (the “Covered Bonds”) unconditionally and irrevocably guaranteed as to payments by RBC Covered Bond Guarantor Limited Partnership under the €32 billion Global Covered Bond Programme.

This Operational Information Document has not been reviewed or approved by any competent authority for the purposes of the Prospectus Directive or otherwise and does not form part of the Final Terms for the purposes of the Prospectus Directive. However, for all other purposes this Operational Information Document must be read in conjunction with the Final Terms. Words and expressions which have a defined meaning in the Final Terms or the Prospectus dated September 8, 2017 and the supplemental prospectuses dated December 1, 2017, February 28, 2018, May 30, 2018, August 6, 2018 and August 29, 2018 have the same meanings in this Operational Information Document.

MIFID II product governance / Professional investors and ECPs only target market Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MIFID II**”); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (the “SFA”) - In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined the classification of the Covered Bonds as capital market products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC (as amended, "**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.

Final Terms dated September 5, 2018



ROYAL BANK OF CANADA
(a Canadian chartered bank)

Issue of EUR1,500,000,000 0.625 per cent. Covered Bonds due September 10, 2025
under the

€32,000,000,000

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)

THESE COVERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY CANADA MORTGAGE AND HOUSING CORPORATION ("CMHC") NOR HAS CMHC PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE DOCUMENT. THESE COVERED BONDS

ARE NOT INSURED OR GUARANTEED BY CMHC OR THE GOVERNMENT OF CANADA OR ANY OTHER AGENCY THEREOF.

THE COVERED BONDS DESCRIBED IN THESE FINAL TERMS HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Prospectus dated September 8, 2017 and the supplements to it dated December 1, 2017, February 28, 2018, May 30, 2018, August 6, 2018 and August 29, 2018 which together constitute a base prospectus (the "**Prospectus**") for the purposes of Directive 2003/71/EC, as amended including by Directive 2010/73/EU and includes any relevant implementing measures in a relevant Member State of the EEA (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive as implemented in the United Kingdom and must be read in conjunction with the Prospectus. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus and all documents incorporated by reference therein are available for viewing 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 Royal Bank of Canada and the headline "Publication of Prospectus" and copies may be obtained from the offices of the Issuer, 13th Floor, 155 Wellington Street West, Toronto, Ontario, Canada M5V 3K7, and the offices of the Issuing and Paying Agent, One Canada Square, London E14 5AL, England.

1.
 - (i) Series Number: CB38
 - (ii) Tranche Number: 1
 - (iii) Date on which the Covered Bonds become fungible: Not Applicable
2. Specified Currency or Currencies: Euro ("**EUR**")
3. Aggregate Principal Amount:
 - (i) Series: EUR1,500,000,000
 - (ii) Tranche: EUR1,500,000,000
4. Issue Price: 99.986 per cent. of the Aggregate Principal Amount
5.
 - (a) Specified Denominations: EUR100,000 and integral multiples of EUR1,000 in excess thereof
 - (b) Calculation Amount: EUR1,000

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| 6. | (i) | Issue Date: | September 7, 2018 |
| | (ii) | Interest Commencement Date: | Issue Date |
| 7. | (i) | Final Maturity Date: | September 10, 2025 |
| | (ii) | Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: | September 10, 2026 |
| 8. | | Interest Basis: | 0.625 per cent. Fixed Rate |
| 9. | | Redemption/Payment Basis: | Subject to any purchase and cancellation or early redemption, the Covered Bonds will be redeemed on the Maturity Date at par |
| 10. | | Change of Interest Basis: | In accordance with paragraphs 13 and 14 below |
| 11. | | Put Option /Call Option: | Not Applicable |
| 12. | | Date of Board approval for issuance of Covered Bonds obtained: | Not Applicable |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 13. | Fixed Rate Covered Bond Provisions | Applicable from and including the Interest Commencement Date, to but excluding the Final Maturity Date |
| | (i) | Rate of Interest: 0.625 per cent per annum payable annually in arrear on each Interest Payment Date |
| | (ii) | Interest Payment Date(s): September 10 in each year, commencing on September 10, 2019, adjusted for payment purposes only in accordance with the Business Day Convention, up to and including the Final Maturity Date |
| | (iii) | Business Day Convention: Following Business Day Convention |
| | (iv) | Business Centre(s): Toronto, TARGET2 and London |
| | (v) | Fixed Coupon Amount(s): EUR6.25 per Calculation Amount, payable on each Interest Payment Date other than the Interest Payment Date falling on September 10, 2019 |
| | (vi) | Broken Amount(s): EUR6.30 per Calculation Amount, payable on the Interest Payment Date falling on September 10, 2019 |

	(vii)	Day Count Fraction:	Actual/Actual (ICMA)
	(viii)	Default Rate:	As set out in Condition 5.07
	(ix)	Calculation Agent:	Not Applicable
	(x)	Determination Dates:	September 10 in each year
14.		Floating Rate Covered Bond Provisions	Applicable from and including the Final Maturity Date to but excluding the Extended Due for Payment Date to the extent payment of the Final Redemption Amount is deferred until the Extended Due for Payment Date in accordance with Condition 6.01
	(i)	Specified Period(s):	Not Applicable
	(ii)	Specified Interest Payment Dates:	The date falling on or nearest to the 10 th day of each month from and excluding the Final Maturity Date to and including the Extended Due for Payment Date, subject to adjustment in accordance with the Business Day Convention specified in paragraph 14(iv) below
	(iii)	First Interest Payment Date:	The Specified Interest Payment Date falling on or nearest to October 10, 2025
	(iv)	Business Day Convention:	Modified Following Business Day Convention
	(v)	Business Centre(s):	Toronto, TARGET2 and London
	(vi)	Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
	(vii)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s):	The Bank of New York Mellon, London Branch One Canada Square London E14 5AL England, United Kingdom
	(viii)	Screen Rate Determination:	Applicable
		– Reference Rate:	1 month EURIBOR
		– Interest Determination Date(s):	The second TARGET2 Business Day prior to the start of each Interest Period
		– Relevant Screen Page:	Reuters Screen Page EURIBOR01
		– Relevant Time:	11:00 am (Central European Time)

–	Reference Banks:	Has the meaning given in the ISDA Definitions
–	Relevant Financial Centre:	Eurozone
–	Principal Financial Centre:	Not Applicable
(ix)	ISDA Determination:	Not Applicable
(x)	Linear Interpolation:	Not Applicable
(ix)	Margin(s):	+0.20 per cent per annum
(xii)	Minimum Rate of Interest:	Not Applicable
(xiii)	Maximum Rate of Interest:	Not Applicable
(xiv)	Day Count Fraction:	Actual/360
15.	Zero Coupon Covered Bond	Not Applicable

PROVISIONS RELATING TO REDEMPTION

16.	Call Option	Not Applicable
17.	Put Option	Not Applicable
18.	Final Redemption Amount of each Covered Bond	EUR1,000 per Calculation Amount
19.	Early Redemption Amount	
	Early Redemption Amount(s) payable on redemption for taxation reasons or illegality or upon acceleration following an Issuer Event of Default or Guarantor LP Event of Default or other early redemption:	EUR1,000 per Calculation Amount
	Early Redemption Amount includes amount in respect of accrued interest:	No: together with the Early Redemption Amount, accrued interest shall also be paid

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

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| 20. | Form of the Covered Bonds: | Registered Covered Bonds:

Regulation S Global Covered Bond registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream (that is, held under the NSS) and exchangeable only after an Exchange Event |
| 21. | New Global Covered Bond: | No |
| 22. | Financial Centre(s) or other special provisions relating to payment dates: | Toronto, TARGET2 and London |
| 23. | Talons for future Coupons to be attached to Definitive Covered Bonds (and dates on which such Talons mature): | No |
| 24. | Euro Conversion Rate: | Not Applicable |
| 25. | Branch of Account: | Main Toronto Branch located at the Executive Offices at the address indicated at the back of the Prospectus |

Third Party Information:

Not Applicable

Signed on behalf of the Issuer:

Signed on behalf of the Managing GP for and on behalf of the Guarantor LP:

By:

By:



PART B – OTHER INFORMATION

1. LISTING

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| (i) | Listing and admission to trading: | Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to the Official List of the UK Listing Authority and to trading on the Market with effect from September 7, 2018 |
| (ii) | Estimate of total expenses related to admission to trading: | GBP4,560 |

2. RATINGS

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| Ratings: | The Covered Bonds to be issued have been rated: |
| | Moody's: Aaa |
| | Fitch: AAA |
| | DBRS: AAA |

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for the fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer, the Covered Bond Guarantor and their affiliates in the ordinary course of business.

4. FIXED RATE COVERED BONDS ONLY – YIELD

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| Indication of yield: | 0.627 per cent. per annum |
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5. OPERATIONAL INFORMATION

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| (i) | ISIN Code: | XS1876471183 |
| (ii) | Common Code: | 187647118 |
| (iii) | WKN Code: | A195GW |
| (iv) | CUSIP: | Not Applicable |

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| (v) | CINS: | Not Applicable |
| (vi) | Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A., DTC, CDS, their addresses and the relevant identification number(s): | Not Applicable |
| (vii) | Delivery | Delivery against payment |
| (viii) | Name(s) and address(es) of additional Paying Agent(s) or Transfer Agent(s): | Not Applicable |
| (ix) | Intended to be held in a manner which would allow Eurosystem eligibility: | Yes. Note that the designation “yes” simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper (and registered in the name of nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. |

5. DISTRIBUTION

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| (i) | U.S. Selling Restrictions: | Regulation S, compliance Category 2; TEFRA Rules not applicable |
| (ii) | Canadian selling restrictions: | Not Applicable |
| (iii) | Prohibition of Sales to EEA Retail Investors: | Applicable |

6. USE OF PROCEEDS

As specified in the Base Prospectus