RBC Capital Markets (Europe) GMBH

IFR Annual Disclosure

31 October 2022

Contents

Overview

Business Profile

Our Organisation

RBC Capital Markets (Europe) GmbH (“RBC EG” or “the Company”) received permission from the Federal Financial Supervisory Authority (“BaFin”) in accordance with § 32 (1) sentence 1 and (2) of the German Banking act (KWG) to provide banking and financial services on 22nd November 2018 as a Broker/Dealer.

The Company is licensed to provide investment services and ancillary services pursuant to § 15 (1) of the Securities Act (WpIG).

The Company is a wholly owned subsidiary by RBC Holdings (Germany) S.à r.l., and an indirect subsidiary of the Royal Bank of Canada (“RBC” or “the Group”) based in Toronto, Canada.

Firm Classification

The Company is subject to the new Investment Firm Regulation (“IFR”) (EU) 2019/2033 and Directive (“IFD”) (EU) 2019/2034 and has therefore been assessed as a medium Investment Firm under § 2 (17) of WpIG.

Furthermore, the Company is above the threshold for consideration as a small and non-interconnected investment firm and therefore the full IFR disclosure requirements under Part Six of the IFR are applicable.

Foreign Branches

As a result of the Company’s affiliate UK bank RBC Europe Limited (“RBC EL”) losing passporting rights effective 31st December 2020, the Capital Markets business activities carried out in the previous European branches of RBC EL in Frankfurt, Paris, Madrid, Amsterdam and Lausanne (representative office) were transferred to the registered regional branches and head office of the Company.

Business Lines

Building upon the establishment and growth of the Company’s Frankfurt Investment Banking business since 2019 and in alignment with the United Kingdom’s exit from the European Union at the end of 2020, the Company’s planned Brexit growth was executed in Q1 of fiscal 2021. During FY 2022, the Company have continued to increase the scale of trading activity.

The migration of select staff, client and market memberships from the Company’s UK affiliate RBC EL into the Company ensures the continuity of investment services and market access to the Company’s European Economic Area (“EEA”) and RBC rest of world clients.

Global Investment Banking

The Global Investment Banking team work in an advisory capacity with corporate and financial investor clients in pursuing, structuring and implementing Mergers & Acquisitions as well as debt and equity financing transactions. For debt and equity origination, revenue is allocated between Corporate and Investment Banking and Global Markets based on the contribution of each group in accordance with established agreements.

Augmenting the Company’s existing Frankfurt team, the Investment Banking teams in France, Spain and the Netherlands transferred into the respective branches of the company effective 31st December 2020.

Global Markets

The Global Markets business provides execution, distribution and liquidity on EU equity and fixed income securities markets to RBC’s client base. Complementing trade execution services, the business offers corporate access to support capital raising (organized meetings between issuers and investors) and research coverage of sectors and stocks.

As part of RBC's Brexit plan to ensure continuity of service to its EEA client base, staff transfers, client migrations and market access switches between the Company's UK affiliate and the Company were actioned in Q1 of fiscal 2021.

Basis and Frequency of Disclosure

The aim of this document is to publish a set of disclosures which allow market participants to assess key information on the capital condition, risk exposures and risk assessment process. The information disclosed is prepared in accordance with the disclosure requirements set out in Part Six of the Investment Firm Regulation ("IFR") and the German Securities Institutions Act ("WpIG").

The disclosure requirements for investment firms are regulated in articles 46 to 53 of the IFR. According to Article 46 (1) of the IFR, the Company as an investment firm must disclose the information according to Articles 47 to 53 of the IFR on the same day as it publishes its annual financial statements. The information will be disclosed on an annual basis, as at its financial year end of 31 October.

These disclosures have been reviewed and approved by the Company's Management Board and published on the Company's public website: https://www.rbc.com/regulatory-information/basel-disclosures.html#basel-iii-content

Risk Governance

Accountability Structure

The Company is equipped with a clear and robust risk governance framework to ensure the management and mitigation of risk in addition to providing stakeholder assurance with regards to the risk landscape for the Company. The framework sets out the responsible parties tasked with the oversight and management of risk on behalf of the Company including any risk-related responsibilities delegated to management committees or otherwise.

Management Board

The Company operates by way of a two-tier structure comprising of the Management Board and the Supervisory Board.

The Management Board is responsible for the day to day management of the Company. The Management Board comprises of two Managing Directors; the Head of Business and Head of Functions respectively. Similar to the Supervisory Board, the Management Board is governed by its Rules of Procedure, the Articles of Association and the relevant regulatory and statutory provisions. Updates to the Rules of Procedure of the Management Board require a resolution of the Supervisory Board, therefore the ultimate responsibility for the allocation of the roles and responsibilities to the Management Board rests with the Supervisory Board. The Management Board meets monthly and also reports to the Supervisory Board on a quarterly basis in respect of key activity and for items requiring positive advice and counsel.

The Management Board is accountable for the implementation of the risk control framework with the support of the Company risk function and ensures that the Company adheres to applicable regulatory, corporate and other legal requirements in respect of risk. The Management Board oversees and monitors risks applicable to the Company's business environment in addition to the capital and liquidity of the Company. The approval of risk limits, recovery plans, risk frameworks, risk appetite statements and Internal Capital Adequacy Assessment Process ("ICAAP") document is also the responsibility of the Management Board.

Supervisory Board

The Supervisory Board is responsible for monitoring the activities of the Management Board in line with the applicable corporate and regulatory requirements. The Supervisory Board meets on a quarterly basis to consider reports from the Management Board in respect of topics including Business Performance, Financial Results, Risk, Compliance, Internal Audit, Law Group and Human Resources with one additional meeting following each fiscal year end to consider the performance and variable compensation to be awarded to the Management Board members in respect of the prior fiscal year. The Supervisory Board is governed by its regulatory and statutory provisions, its Articles of Association and its Rules of Procedure. The Rules of Procedure set out the roles and responsibilities of the Supervisory Board in particular in relation to its oversight and monitoring of the activities of the Management Board.

The Supervisory Board is responsible for undertaking a regular review of the performance of the Management Board in addition to ensuring effective succession plans for the Management Board to maintain the appropriate balance of skill and experience within the Company.

The Supervisory Board is responsible for the oversight of the risk environment of the Company and ensures that an effective systems and controls framework is in place for business, risk and capital management. The Supervisory Board is responsible for providing oversight and challenge to the Management Board. The Supervisory Board receives quarterly risk reporting regarding the overall risk environment for the Company including information relating to any existing or emerging risks. Through the Company's governance structure, the Supervisory Board has a line-of-sight in respect of the key risks facing the Company in addition to the risk controls in operation across the Company. The Supervisory Board also monitors and assesses the effectiveness of controls against the regulatory expectations and seeks guidance from external sources where necessary in interpreting the local regulations. At present, the Supervisory Board is not required to and has not elected to establish board level committees and discharges its governance requirements through the existing board structure. However, these committees will be established in 2023 as the Company will no longer be eligible for the exemption under § 44 of WertpapierinstituTsgesetz.

In addition, there are a number of management committees of the Company covering key functional areas including Risk, Finance, Compliance, Outsourcing, Business & Client Services and Tax established under the specific authority of the Head of Functions, RBC EG. These Committees meet monthly and escalate matters to the Management Board/Head of Functions as appropriate. Each management committee has a formal Terms of Reference establishing the membership and responsibilities, in addition to how each committee sits within the governance structure. The Company also falls within the remit of a number of wider Capital Markets Europe committees including (but not limited to) the Capital Markets Executive Committee, Global Markets Executive Committee, Asset and Liability Committee and New Business Committee.

Recruitment Policy for Board Members

As the Company is a wholly owned subsidiary within the RBC Group, the nomination and selection of Board members is undertaken in accordance with internal corporate governance practices, stated within RBC's Policy on the Legal Governance of Subsidiaries (SGO Policy), as previously approved by the Management Board.

Selection Criteria / Process

Director selection is based on local applicable laws, regulations and rules, taking into consideration the skills, diversity, geographies and areas of expertise already represented on the Board. In addition to this, successful candidates undergo a robust background check, including inter alia, criminal, financial, regulatory checks and competency validation. The relevant background and professional experience of the Directors of the Board are provided in Appendix 1. The Board Governance Framework including the director selection protocol and its objectives is detailed within the SGO Policy and is subject for review and approval by the Management Board.

Following consultation with the Supervisory (or Management) Board Chair and upon receipt of positive advice and counsel from the Subsidiary Governance Office, the candidate is proposed to the respective Board for its consideration, and if deemed appropriate, approval. The proposal is also subject to a number of internal approvals in accordance with the SGO Policy.

Diversity forms a central focus in the director nomination and appointment process in reflecting RBC's core value, "Diversity & Inclusion". In accordance with Article 48 Regulation (EU) 2019/2033 (Investment Firm Regulations), a diversity policy regarding board selection for the Company was reviewed and approved by the Management Board in October 2022. The diversity policy reaffirms the Company's continued commitment in terms of recognising the significance of diversity within the Company and at the board level in fostering an inclusive and diverse culture and talent pool.

Risk Management

Overview

Risk Management is defined as all frameworks, processes, and controls enabling the management, monitoring and safeguarding of the Company's assets within its defined risk appetite.

The risk of financial and non-financial loss through business activities is inherent in all of the businesses conducted by the Company. For this reason, risk management is considered to be an intrinsic part of the strategy and capital planning processes.

Risk Management Framework

The Company's Enterprise Risk Management Framework ("ERMF") sets out the overarching arrangements for risk management, control and assurance within the Company. The ERMF is designed to provide a consistent and structured approach to identify, assess, measure, control, monitor and report on significant risks. The Company has adopted the ERMF through an addendum catering for its own local specificities.

The ERMF helps to ensure that risk is managed and controlled on behalf of internal and external stakeholders, including shareholders, customers, employees and regulators. Effective and efficient risk governance and oversight provide Management with assurance that the Company's business activities will not be excessively impacted by risks that could have been reasonably foreseen. This, in turn, reduces the uncertainty of achieving the Company's strategic objectives.

The Company's Risk Management begins with the adoption of the Enterprise Risk Frameworks (where possible) with local changes adopted in a local entity addendum. Where the scope of local changes in ensuring adherence to local requirements is significant, this will be incorporated into a Company specific policy. In the circumstance whereby an enterprise-wide policy document is deemed to be wholly applicable to the Company (and where no local, internal or regulatory requirements are identified or when they are deemed insignificant), the policy will be adopted by the Company with no specific customization. Risk Frameworks are approved by the Management Board on an annual basis and are subject to the review and challenge by the Supervisory Board.

The Company complies with the laws and regulations that govern its businesses in the jurisdictions in which it operates. The ERMF recognises that the Company is required to comply with a range of external risk governance requirements, including but not limited to:

- Bundesanstalt für Finanzdienstleistungsaufsicht ("BaFin") rules; and
- Office of the Superintendent of Financial Institutions ("OSFI") requirements as a subsidiary of a Canadian banking group.

Risk Principles

The Company applies the following general principles for its management of risk:

Principle	**Description**
Effectively balance risk and reward to enable sustainable growth	The Company balances risk and reward to capitalise on opportunities within the Company's business strategy and risk appetite, avoids excessive concentrations of risk through diversification and risk transfer, manages earning volatility, and ensures the long-term viability and profitability of the organisation.
Responsibility for risk management is shared	Collectively as One RBC following the Three Lines of Defence risk governance model (see below), employees at all levels of the organisation are responsible for managing the day-to-day risks that may arise in the context of their roles.

Undertake only risks the Company understands. Make thoughtful and future-focused risk decisions	In order to create long term value for RBC Group, clients, employees and communities, the Company exercises rigour in the Company's risk assessments, analyses emerging risk factors and trends, ensures transparency in risk discussions, and improves processes and tools for simpler, better, faster decision-making without exposing the Company to undue risks.
Always uphold the Company's Purpose and Vision, and consistently abide by the Company's Values and Code of Conduct to maintain the Company's reputation and the trust of the Company's clients, colleagues and communities	Guided by the Company's Collective Ambition, the Company exhibits Good Conduct and does business openly and fairly. The Company never compromises quality or integrity for growth. The Company adheres to the "Know Your Client" standards, and ensures transparency and suitability of the products and services offered. The Company complies with all laws and regulatory requirements, and supports transactions and relationships with proper and complete documentation.
Maintain a healthy and robust control environment to protect the Company's stakeholders	To achieve the Company's operational and financial performance goals while maintaining the Company's reputation and integrity, and operating within the parameters of applicable laws and established risk appetite, the Company employs effective processes and controls and resiliency practices to minimise harm from internal and external threats, avoids business interruptions, and ensures timely resolution of control issues.
Use judgment and common sense	Policies and procedures cannot cover all circumstances. The Company's employees should apply judgment and common sense, and when in doubt, escalate through appropriate channels. The Company strives to hire the right people for the right functions and provide them with proper training and support.
Always be operationally prepared and financially resilient for a potential crisis	The Company strives to maintain effective protocols and escalation strategies to respond to all risks that we face, including regulatory, macroeconomic, market and other stakeholder developments. This includes maintaining operational readiness and financial resilience to effectively operate during and following a financial crisis. It is also critical to maintain agility and readiness to respond to potential disruptors to the financial industry.

Three Lines of Defence Model

The Company has implemented a robust system of monitoring, reporting and control based on the Three Lines of Defence model. This model details responsibility for risk management, control and assurance, and clarifies the segregation of duties between those who take on risk, those who control risk and those who provide assurance.

First Line of Defence – This is provided by the business and support functions embedded in the business. The First Line of Defence has the ownership and accountability for:

- Risk identification, assessment, mitigation, monitoring and reporting in accordance with the established Company's risk policies and Risk Appetite;
- Ensuring appropriate and adequate capabilities to manage risks relevant to the business; and
- Alignment of business and operational strategies with risk conduct and culture and risk appetite.

Second Line of Defence – This is provided by areas with independent oversight accountabilities residing in functions such as GRM, Group Compliance, and other areas within Control and Group Functions. (2) The Second Line of Defence is accountable for:

- Establishing the Company's level risk management frameworks and providing risk guidance;
- Providing oversight for the effectiveness of First Line risk management practices;
- Monitoring and independently reporting on the level of risk against the established appetite measures and associated constraints; and

- The entity's monthly Risk Management Committee ("RMC") serves as the oversight forum of the Second Line of Defence across all risk management topics.

Third Line of Defence –The Third Line provides independent objective assurance on the effectiveness of risk management policies, processes and practices in all areas of the Company to the Management Board and inform the Supervisory Board. Further assurance is provided by the firm's external auditor, PricewaterhouseCoopers LLP (or one of its affiliates in Germany).

Risk Identification

The process of Risk Identification and assessment is intrinsic within the Company's pursuit of approved business strategies, and as part of the risk oversight responsibilities undertaken by the support functions outlined in this document. Risk Identification is embedded within a wide range of activities, including but not limited to:

- The approval of new products, transactions, client relationships, projects or initiatives;
- Business strategy development;
- ICAAP, Stress Testing and Recovery Planning;
- Monitoring and Reporting; and
- Ongoing assessment of Industry and Regulatory Developments.

The Company's assessment, identification, monitoring and escalation processes are continuously advancing in response to the environment in which it operates and the risks it is exposed to.

Risk Policy Management

The Company has implemented RBC policies and processes in the context of the Company's Risk Policy Management Requirements to support the assessment and management of risks. The Company's policies and controls review process is continuous to ensure continued effectiveness and alignment with relevant laws and regulations as they are issued. To ensure operation with integrity, the Company adheres to a number of other principles, codes and policies, including the RBC Code of Conduct which governs the behaviour of the Company's employees and informs how the Company conducts its business operations.

Where necessary, the Company adapts the Enterprise policies to ensure compliance with local legal and regulatory requirements and expectations.

The Head of Functions, RBC EG has the responsibility of ensuring these policies are consistent with:

- Regulatory requirements;
- Relevant RBC policies; and
- Higher and lower level policy documents within the risk policy architecture.

The Company's Frameworks and policies (including the Risk Management Framework) are reviewed and refreshed annually, and approved by the Management Board. The Company's Addendum to RBC Enterprise Risk Frameworks was last approved in June 2022.

Risk Appetite

The Company's Risk Appetite is defined as the amount and type of risk that the Company is able and willing to accept in the pursuit of its business objectives.

The overall objective of the Company's Risk Appetite Framework is to protect the Company from unacceptable levels of risk while supporting and enabling the firm's overall business strategy and goals. The Framework is defined in the context of the RBC Enterprise Risk Appetite Framework and has been customised to cater to local requirements. It provides details on the Company's risk appetite principles, constraints and metrics and is reviewed and approved at least annually by the Management Board.

A comprehensive monthly risk appetite scorecard is presented to the Management Board which shows the monthly trend against the Board Approved Risk Appetite.

The Company's Risk Profile considers several internal and external risk and performance indicators including but not limited to Capital, Liquidity, Credit, Market and Operational Risk, Profitability, Market Based and Macroeconomic Indicators. This enable the Management Board to assess whether the entity Risk Profile remains within its risk tolerance.

Capital Planning

Capital Planning

The Company undertakes a regular Internal Capital Adequacy Assessment Process (“ICAAP”) to ensure that the business strategy and planning translate into adequate capital levels over internal and external minimum capital requirements, and identifies any periods where capital buffers could become tight so that corrective action can be undertaken in advance. This also includes reviewing the capital levels against risk appetite to ensure that the business strategy and planned capital levels remain in line with the Company’s risk appetite. The ICAAP includes both the Normative and Economic perspective, as required by regulation.

The capital plan is derived from the Company’s base case business plan and takes into account changes to business forecasts, market conditions and other developments, such as accounting or regulatory changes that may impact capital requirements.

The base case capital plan also forms the basis for stress testing analysis. Stressing the capital plans, enables the Company to test the strength of its capital base and also to consider mitigating actions in advance in order to maintain overall financial adequacy in periods of stress.

The capital plan is updated on a periodic basis to reflect actual operating results, updated Profit and Loss forecasts and any changes in business strategies.

The ICAAP is an annual process managed by the Enterprise Risk Management (“ERM”) Europe function within the Group Risk Function.

The Company’s ICAAP Working Group, which consists of senior management representatives from ERM, Finance, and Corporate Treasury, oversee all aspects involved in the development of the ICAAP, including accurate documentation of key findings from the assessment. Following the review of the ICAAP Working Group and the ICAAP SteerCo, the ICAAP report is submitted to the Management Board for review, challenge and approval.

The Company’s approach to the identification, monitoring, reporting, and control of the risks that it faces (Risk Management) and the underlying systems put in place as defined within this disclosure, the RBC Enterprise Frameworks, policies and standards and where relevant, the Company’s specific addendums are deemed sufficient by the Management Board for its Risk Profile and Overall Strategy. The financial year ICAAP 2021 considered Operational, Credit, Market, Counterparty Credit and Settlement Risk in the normative perspective, while Operational, Credit and Market Risk were taken into account in the Economic perspective. The ICAAP concluded that the Company was sufficiently capitalised in both normal and adverse market conditions, as approved by the Management Board.

Own Funds

EU IF CC1.01 – Composition of Own Funds

As at 31 October 2022, the Company had total own funds of €150.6 million, which comprises of solely Common Equity Tier 1 Capital.

		Amounts (€ 000's)	Source based on reference numbers/letters of the balance sheet in the audited financial statements
	Common Equity Tier 1 (CET1) Capital: Instruments and Reserves		
1	**OWN FUNDS**	**150,630**	
2	**TIER 1 CAPITAL**	**150,630**	
3	**COMMON EQUITY TIER 1 CAPITAL**	**150,630**	**6.**
4	Fully paid up capital instruments	100,025	6.a)
5	Share premium	-	
6	Retained earnings	4,383	6.c)
7	Accumulated other comprehensive income	-	
8	Other reserves	49,981	6.b)
9	Minority interest given recognition in CET1 capital	-	
10	Adjustments to CET1 due to prudential filters	(269)	
11	Other funds	-	
12	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(3,489)	
13	(-) Own CET1 instruments	-	
14	(-) Direct holdings of CET1 instruments	-	
15	(-) Indirect holdings of CET1 instruments	-	
16	(-) Synthetic holdings of CET1 instruments	-	
17	(-) Losses for the current financial year	-	
18	(-) Goodwill	-	
19	(-) Other intangible assets	-	
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	(3,489)	9.
21	(-) Qualifying holding outside the financial sector which exceeds 15% of own funds	-	
22	(-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds	-	
23	(-) CET1 instruments of financial sector entites where the institution does not have a significant investment	-	
24	(-) CET1 instruments of financial sector entities where the institution has a significant investment	-	
25	(-)Defined benefit pension fund assets	-	
26	(-) Other deductions	-	
27	CET1: Other capital elements, deductions and adjustments	-	
28	**ADDITIONAL TIER 1 CAPITAL**	-	
29	Fully paid up, directly issued capital instruments	-	
30	Share premium	-	
31	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	-	
32	(-) Own AT1 instruments	-	
33	(-) Direct holdings of AT1 instruments	-	
34	(-) Indirect holdings of AT1 instruments	-	
35	(-) Synthetic holdings of AT1 instruments	-	
36	(-) AT1 instruments of financial sector entities where the institution does not have a significant investment	-	
37	(-) AT1 instruments of financial sector entities where the institution has a significant investment	-	
38	(-) Other deductions	-	
39	Additional Tier 1: Other capital elements, deductions and adjustments	-	
40	**TIER 2 CAPITAL**	-	
41	Fully paid up, directly issued capital instruments	-	
42	Share premium	-	
43	(-) TOTAL DEDUCTIONS FROM TIER 2	-	

44	(-) Own T2 instruments	-	
45	(-) Direct holdings of T2 instruments	-	
46	(-) Indirect holdings of T2 instruments	-	
47	(-) Synthetic holdings of T2 instruments	-	
48	(-) T2 instruments of financial sector entities where the institution does not have a significant investment	-	
49	(-) T2 instruments of financial sector entities where the institution has a significant investment	-	
50	Tier 2: Other capital elements, deductions and adjustments	-	

EU IF CC1.02 – Reconciliation of Regulatory Own Funds to Balance Sheet In Audited Financial Statements

As at 31 October 2022, a full reconciliation of own funds items to audited consolidated financial statements is shown in the table below.

€ 000's		**Balance sheet as in published/audited financial statements**	**Under regulatory scope of consolidation**	**Cross reference to EU IF CC1**
		As at period end (€)	**As at period end (€)**	
Assets - *Breakdown by asset classes according to the balance sheet in the published/audited financial statements*				
1.	Receivables from credit institutions	262,725		
2.	Receivables from clients	2,557		
3.	Bonds and other securities	11,798		
4.	Stocks and other non-fixed income securities	2,346		
5.	Trading assets	241,026		
6.	Fixed assets	1,667		
7.	Other assets	75,384		
8.	Accruals	(0)		
9.	Deferred Tax	3,489		
	Total Assets	**600,994**		
Liabilities - *Breakdown by liability classes according to the balance sheet in the published/audited financial statements*				
1.	Liabilities to credit institutions	336,717		
2.	Liabilities to clients	2,576		
3.	Trading assets	83,995		
4.	Other liabilities	3,900		
5.	Provisions	19,417		
	Total Liabilities	**446,605**		
Shareholders' Equity				
6.a)	Subscribed capital	100,025		Fully paid up capital instruments
6.b)	Capital reserves	49,981		Other reserves
6.c)	Total profits on balance sheet (retained earnings)	4,383		Retained earnings
	Total Shareholders' equity	**154,389**		

EU IF CCA – Own Funds: Main Features of Own Instruments Issues by the Firm

As at 31 October 2022 a description of the main features of the Common Equity Tier 1 is shown in the table below:

		Common Equity Tier 1 instruments	Common Equity Tier 1 instruments	Common Equity Tier 1 instruments
1	Issuer	RBC Capital Markets (Europe) GmbH	RBC Capital Markets (Europe) GmbH	RBC Capital Markets (Europe) GmbH
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A	N/A
3	Public or private placement	Private	Private	Private
4	Governing law(s) of the instrument	German	German	German
5	Instrument type (types to be specified by each jurisdiction)	Common Equity Tier 1 as published in Regulation (EU) No 575/2013 Article 28	Common Equity Tier 1 as published in Regulation (EU) No 575/2013 Article 28	Common Equity Tier 1 as published in Regulation (EU) No 575/2013 Article 28
6	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	EUR 50million	EUR 6030	EUR 100million
7	Nominal amount of instrument	EUR25,000	EUR3	EUR 100million
8	Issue price	EUR2000 per share	EUR2010 per share	EUR 1 per share
9	Redemption price	100% of Nominal amount and Share premium	100% of Nominal amount and Share premium	100% of Nominal amount and Share premium
10	Accounting classification	Shareholders' equity	Shareholders' equity	Shareholders' equity
11	Original date of issuance	20 December 2017	23 December 2020	24 March 2022
12	Perpetual or dated	Perpetual	Perpetual	Perpetual
13	Original maturity date	No Maturity Date	No Maturity Date	No Maturity Date
14	Issuer call subject to prior supervisory approval	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A
	Coupons / dividends			
17	Fixed or floating dividend/coupon	N/A	N/A	N/A
18	Coupon rate and any related index	N/A	N/A	N/A
19	Existence of a dividend stopper	N/A	N/A	N/A
20	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary
21	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary
22	Existence of step up or other incentive to redeem	No	No	No
23	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative

		Common Equity Tier 1 instruments	Common Equity Tier 1 instruments	Common Equity Tier 1 instruments
24	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
25	If convertible, conversion trigger(s)	N/A	N/A	N/A
26	If convertible, fully or partially	N/A	N/A	N/A
27	If convertible, conversion rate	N/A	N/A	N/A
28	If convertible, mandatory or optional conversion	N/A	N/A	N/A
29	If convertible, specify instrument type convertible into	N/A	N/A	N/A
30	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
31	Write-down features	No	No	No
32	If write-down, write-down trigger(s)	N/A	N/A	N/A
33	If write-down, full or partial	N/A	N/A	N/A
34	If write-down, permanent or temporary	N/A	N/A	N/A
35	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A
38	Link to the full term and conditions of the instrument (signposting)			

Capital Requirements

K-Factor Requirements

As at 31 October 2022 the K-Factor requirements are shown in the table below:

€ 000's	Factor amount	K-Factor Requirement
Risk to client		**-**
Assets under management	-	-
Client money held - Segregated	-	-
Client money held - Non - segregated	-	-
Assets safeguarded and administered	-	-
Client orders handled - Cash trades	-	-
Client orders handled - Derivatives Trades	-	-
Risk to market		**5,815**
K-Net positions risk requirement	-	5,815
Clearing margin given	-	-
Risk to firm		**3,246**
Trading counterparty default	-	145
Daily trading flow - Cash trades	2,931,044	2,931
Daily trading flow - Derivative trades	1,698,034	170
K-Concentration risk requirement	-	-
Total	**4,629,078**	**9,061**

Fixed Overhead Requirements

As at 31 October 2022 the Fixed Overhead requirements are shown in the table below:

€ 000's	Amount
Fixed Overhead Requirement	**20,076**
Annual Fixed Overheads of the previous year after distribution of profits	**80,305**
Total expenses of the previous year after distribution of profits	**115,422**
of which: Fixed expenses incurred on behalf of the investment firms by third parties	-
(-)Total deductions	**(35,118)**
(-)Staff bonuses and other remuneration	(9,560)
(-)Employees', directors' and partners' shares in net profits	-
(-)Other discretionary payments of profits and variable remuneration	-
(-)Shared commission and fees payable	-
(-)Fees, brokerage and other charges paid to CCPs that are charged to customers	-
(-)Fees to tied agents	-
(-)Interest paid to customers on client money where this is at the firm's discretion	-
(-)Non-recurring expenses from non-ordinary activities	-
(-)Expenditures from taxes	-
(-)Losses from trading on own account in financial instruments	(25,557)
(-)Contract based profit and loss transfer agreements	-
(-)Expenditure on raw materials	-
(-)Payments into a fund for general banking risk	-
(-)Expenses related to items that have already been deducted from own funds	-
Projected fixed overheads of the current year	-
Variation of fixed overheads (%)	-

K - Factors

Risk to Client

Risk to Client ("RtC") covers business areas of investment firms from which harm to clients can conceivably be generated in case of any unintended issues. The underlying k-factor requirements for RtC are stipulated as:

- Assets under Management ("K-AUM");
- Client money held ("K-CMH");
- Assets under safeguarding and administration ("K-ASA"); and
- Client Orders Handles ("K-COH")

As a broker dealer the Company does not engage in any business activities that generate RtC K-Factor requirements.

Risk to Firm

Risk to Firm ("RtF") captures an investment firm's exposure to the default of their trading counterparties ("K-TCD") in accordance with simplified provisions for counterparty credit risk based on Regulation (EU) No 575/2013, concentration risk in an investment firm's large exposures to specific counterparties based on the provisions of that Regulation that apply to large exposures in the trading book ("K-CON"), and operational risks from an investment firm's daily trading flow ("K-DTF").

The specific monitoring of transaction flow is shared with the Management Board as part of the Quarterly Reporting defined by MaRisk. Specific regulatory transaction monitoring as part AML/Compliance requirements is shared separately from the Risk Management process. Earnings (NII) Risk: Earnings risk management seeks to manage the impact of changes in interest rates on accrual or reported NII. Limits and reporting use 100bp shocks, both up and down, over a 1 year-time horizon.

Trading Counterparties Default (K-TCD)

The Company defines credit risk as the risk of loss associated with a counterparty's potential inability or unwillingness to fulfil its on- and off-balance sheet payment obligations. Credit risk may arise directly from the risk of default of a primary obligor (e.g., issuer, debtor, borrower or policyholder), or indirectly from a secondary obligor (e.g., guarantor, reinsurance) and/or through off-balance sheet exposures, contingent credit risk and/or transactional risk. Trading counterparty default (TCD) risk only includes counterparty credit risk from trading book activities.

Governance and Framework

Credit risk exposures on trading activities are aggregated and reported to the Risk Management Committee ("RMC") on a monthly basis. It is also monitored daily through specific credit report and operational escalation processes should any breach occur.

Operational limit are also use to monitor and manage the credit exposure.

Each credit trading risk type is managed separately both as part of the RBC Group framework, and as part of a combined exposure metric specific to the Company.

Company Profile

The table below shows the TCD requirements for the Company as at 31st October 22.

€ 000's	K-factor requirement	Exposure value
Breakdown by method for determining the exposure value		
Application of IFR: K-TCD	**145**	**7,484**
Alternative approaches: Exposure value determined in accordance with CRR	-	-
SA-CCR	-	-
Simplified SA-CCR	-	-
Original exposure method	-	-
Alternative approaches: Full application of CRR framework	-	-
Memorandum item: CVA component	-	-
of which: calculated in accordance with CRR framework	-	-
Breakdown of exposure by counterparty type		
Central governments, central banks and public sector entities	-	-
Credit institutions and investment firms	144	7,441
Other counterparties	1	42

Concentration Risk (K-CON)

Concentration risk is defined as the risk of financial loss from the Company's portfolio being too highly correlated to a client or a group of connected clients.

Governance and Framework

Any exposures greater than the regulatory limit must be escalated to the Regulator in a timely manner. The Company maintains internal buffers to the regulatory limits and the exposure profile is monitored on a daily basis.

Concentration risk exposures are reported to the Risk Management Committee ("RMC") on a monthly basis.

Company Profile

The Company's risk appetite does not allow for any exposures over the regulatory limit and therefore there is no K-CON requirement as of 31st October 2022.

Daily Trading Flow (K-DTF)

Daily trading flow ('DTF') means the daily value of transactions that an investment firm enters through dealing on own account or the execution of orders on behalf of clients in its own name

Company Profile

As at 31st October 2022 the Daily Trading Flow is shown in the table below

€ 000's	Factor amount	K-factor Requirement
Daily trading flow - Cash trades	2,931,044	2,931
Daily trading flow - Derivative trades	1,698,034	170

Trading flow across all asset classes is monitored daily by operations department and AML/Compliance, and on a quarterly basis as required by MaRisk BT 3.2.4 Risk Management provide the Management Board with specific trading flow information e.g. trading volume, cancellation rate etc.

Risk to Market

Market risk is defined as the risk of loss resulting from changes in market factors and the volatility of these factors. Market risk can be exacerbated by thinly-traded or illiquid markets.

The Company manages and monitors Risk to Market and specifically Market Risk through internal operational model metrics (VaR, SVaR and Historical Stress) and trading limits (CS01 and PV01) which are reported daily.

The Company considers market risk to fall into the following group-wide categories:

- Credit Spread Risk: The risk of loss due to the change in credit spreads on all financial instruments whose accounting fair value depends on credit spreads. This includes securities and fair value liabilities;
- Interest Rate Risk: The risk of loss resulting from changes in interest rates;
- Foreign Exchange Risk: The risk of loss resulting from changes in exchange rates;
- Equity Risk: The risk of loss resulting from changes in equity prices and indices;
- Commodity Risk: The risk of loss resulting from changes in commodity prices;
- Volatility risk: The risk of a change of price of a portfolio as a result of changes in the volatility of a risk factor; and
- Underwriting Risk: the risk of loss resulting from:
    - (i) the failure to place or sell a particular security or bond concurrent with a negative market or credit risk event; and
    - (ii) inadequate due diligence in connection with a securities offering.

Governance and Framework

Market Risk will be managed through the Company's Market Risk Framework which is governed and overseen by the Head of Functions. The Company is also subject to the RBC Group policies laid out in the RBC Group Market Risk Framework and standing orders.

Group Market Risk has implemented a daily process of reports for the business and senior management detailing the Company's exposure against limits, as well as monthly summaries and quarterly reports for the Risk Management Committee.

The Company's market risk appetite is set and reviewed by the Management Board. The Company will have a range of limits in place covering the risk measurement metrics noted above. All limits set by the Company will be consistent with the stated risk appetite. In addition to limits approved by the Management Board, exposures are also limited by the RBC Group limit structure.

Additional information is provided in the Company's Annual Accounts and Financial Statements.

Company Profile

As at 31st October 2022 the market risk requirement for the Company is shown in the table below

€ 000's	**K-Factor Requirement**
Total Standardised Approach	**5,815**
Position risk	**4,864**
Equity instruments	**-**
Debt instruments	4,864
of which: securitisations	**-**
Particular approach for position risk in CIUs	**-**
Foreign Exchange Risk	**952**
Commodities Risk	**-**
Internal Model Approach	**-**
Total	**5,815**

Liquidity Risk

Definition

Liquidity risk is the risk that the Company is unable to generate or obtain sufficient liquidity in a cost-effective manner to meet contractual and contingent commitments as they fall due.

Liquidity Risk Profile

The Company's risk tolerance statement outlines that it ensures it can generate or obtain sufficient liquidity in a cost-effective manner to meet contractual and contingent commitments as they fall due under normal and extreme-but-plausible stressed conditions, as well as meeting regulatory expectations. This risk tolerance statement is articulated through a series of limits covering regulatory metrics. The Company's risk tolerance statement and risk appetite takes direction from RBC (the parent).

The Company provides investment services and brokerage activity for fixed income & equity cash products to a European client base. Key liquidity risks for the Company include; failed trades where Group will ensure the Company's balance sheet is fully funded and intraday cash flow shortages which is mitigated via the Company and the Company's affiliate RBC EL entering into a related party pledge at its primary settlement agent.

The Company is comfortable with the level of liquidity risk within the entity and throughout the financial year the entity remained within regulatory limits.

Governance and Framework

Responsibility for managing liquidity risk resides with the Management Board. The Board ensures that effective governance arrangement and control frameworks are in place for liquidity risk, enabling it to be adequately overseen, assessed and managed. The role of the Board for liquidity risk, alongside monitoring and oversight of the liquidity position of the Company, includes approval of the:

- Liquidity Risk Framework; and
- Risk Appetite Statement and Metrics.

Corporate Treasury is responsible for all liquidity reporting, including ensuring completeness and accuracy of data. On a monthly basis an overview of management information is presented to the RMC, this is also presented to the Management Board on a quarterly basis.

Remuneration

Overview

This remuneration disclosure relates to compensation practices within the Company, but the policies and processes may apply globally to the Group. An enhanced disclosure on RBC's enterprise-wide compensation practices can be found in the annual proxy statement, which is published on the external RBC website.

The disclosure is made in compliance with the reporting requirements under Art. 51 of the Investment Firm Regulation (the "IFR"). As the final remuneration rules implementing the requirements in this respect under the Investment Firm Directive ("IFD") were not published by the BaFin during the Company's 2022 fiscal year ending on 31 October 2022, the Company's year-end compensation was paid following the requirements of the Capital Requirements Directive ("CRD") as implemented in the German Banking Act ("KWG") and the German Remuneration Ordinance for Institutions ("IVV"). The Company has not been a significant institution in accordance with the definition outlined in the KWG (significant firms have a balance sheet of €15bn or more).

Remuneration Policy and Governance

In September 2020, the Management Board of the Company approved separate remuneration and severance policies, and the Supervisory Board of the Company approved these policies in October 2020. The policies were reviewed during 2022, and were approved at the November 2022 meeting of both the Management and Supervisory Boards.

Principles of Compensation

Guided by the Group's vision of being among the world's most trusted and successful financial institutions and the Group's purpose of helping clients thrive and communities prosper, the Group and Company's approach to compensation, including executive compensation, is based on the five guiding principles set out below:

Compensation aligns with shareholder interests

- Awards vary based on absolute and relative performance of RBC; and
- Mid and long-term incentives vest and pay out over time, encouraging a longer-term view of increasing shareholder value;

Compensation aligns with sound risk management principles

- The Company's risk management culture is reflected in the Company's approach to compensation. The Company's compensation practices appropriately balance risk and reward, and align with shareholder interests; and
- Performance of individuals, lines of business and RBC overall is assessed on a number of measures, including adherence to risk management policies and guidelines.

Compensation rewards performance

- The Company's pay-for-performance approach rewards contributions of employees to individual, business segment and enterprise results relative to objectives that support the Company's business strategies for sustainable growth over short, medium and long-term horizons, which are aligned with the risk appetite of RBC.

Compensation enables the Company to attract, engage and retain talent

- Talented and motivated employees are essential to building a sustainable future for RBC. The Company offers compensation that is competitive within the markets where we operate and compete for talent; and
- Compensation programs reward employees for high performance and their potential for future contribution.

Compensation rewards behaviours that align with RBC values and drive exceptional client experiences.

- RBC values, embedded in the Company's Code of Conduct, form the foundation of the Company's culture and underpin the Company's ongoing commitment to put the needs of the Company's clients first and deliver value to all of the Company's stakeholders.
- Risk conduct and compliance with policies and procedures are considered in determining performance-based compensation.

Elements of Compensation

The employee package is made up of fixed remuneration and benefits (reward for fulfilling the job requirements) and incentive compensation designed to incentivise employees to demonstrate achievement in terms of results and behaviours, to reward them for that achievement, and to encourage them to remain with RBC.

Incentive compensation awards are adjusted downwards or clawback may be sought in cases where disciplinary action is taken for breaches of the RBC Code of Conduct.

Fixed Remuneration

All employees receive fixed remuneration, which is paid in the form of base salary which reflects the individual's market value, skills, qualifications, relevant experience, responsibility and contribution to the Company.

Fixed pay is typically only changed to reflect a change to the role or responsibilities of the recipient or market conditions.

Variable Remuneration

Employees are eligible to participate in discretionary performance-based incentive schemes in respect of their role with the Company.

Performance-based annual discretionary incentives may be awarded based on the performance of the Company, the business, and the individual as detailed below. Annual incentives may consist of a mix of cash and share-linked instruments. Annual incentives for employees of the Company are subject to a review by both the Management Board and Supervisory Board of the entity.

The amount of variable compensation to be awarded to employees is appropriately adjusted for risk. Key considerations that are taken into account in the risk adjustment process include financial measures such as revenue, Net Income After Tax, Economic Profit and regulatory capital and non-financial risk factors such as conduct and credit, market and operational risk exposure against risk appetite. Upon completion of the review, adjustments for risk may be recommended for consideration in the approval of final variable compensation.

In September 2019 the Company obtained unanimous shareholder approval to operate a 200% ratio between the fixed and variable components of remuneration as required under Article 94(1)(g)(ii) of CRD IV and transposed into German law in Sec. 25(5) KWG.

In the absence of final IFD remuneration rules published by the BaFin, the 2022 fiscal year end variable compensation was paid in line with enterprise plans and according to the requirements under CRD as implemented in the KWG and the IVV (including the maximum 2:1 variable to fixed compensation ratio (1/3:1 for Control or Support Function), approved by the Company's shareholders in 2019). Global Investment Banking and Global Markets employees participate in the Capital Markets Compensation Plan (the "Plan"). If certain thresholds are met, participants of the Plan receive part of their variable compensation as a deferred award, which consists of RBC Units and vests over a three year period. Variable compensation is deferred in line with the Plan, and the amount of deferral increases with total bonus.

Control or Support Function staff are eligible to receive variable compensation under the terms of the General Discretionary Incentive Programme (the enterprise rules). Senior employees (PL06 and above) may receive a deferred award under the MTI Equity Program, which is awarded as RBC Units and has a cliff vest after 3 years.

Shareholding Requirement

RBC operates a share ownership requirement which requires Managing Directors in Capital Markets to hold a minimum number of Royal Bank Common Shares, linked to their base salary.

Remuneration of control functions

RBC's enterprise Policy on Compensation Risk Management states that performance measures for senior employees responsible for financial and risk control activities will be based on the achievements and objectives of the functions, and their compensation will be determined independently from the performance of the specific business areas they support, therefore avoiding any potential conflicts of interest. Employees who fall under this arrangement include senior employees in Compliance, CFO Group, Group Risk Management, Internal Audit and Human Resources. Global Function Heads and/or the Function Operating Committee Members will continue to review and approve the individual performance of these employees against established objectives, which are independent of the performance of the business areas that they oversee. Remuneration for employees engaged in control functions is reviewed regularly for market alignment to ensure that remuneration levels are competitive.

The Link Between Pay and Performance

Variable compensation plans reward employees on the basis of a number of factors, including individual, business and enterprise results relative to established performance objectives that are aligned with the risk appetite of RBC. A significant portion of performance-based pay is deferred in the form of equity incentive awards (linked to RBC's share price) in order to align compensation with the risk time horizon and motivate employees to generate longer-term value for shareholders and remain accountable for decisions with long tail risk. To create a clear relationship between pay and performance, employees have an opportunity to earn higher compensation for outstanding performance, and conversely, earn less compensation when RBC, a business segment and/or individual performance falls below expectations.

Incentive awards take into account firm-wide, business unit and individual financial and non-financial factors. Financial factors include the performance of RBC, its global business segments and regional operating subsidiaries. Individual performance is assessed based on the employee's contribution to the overall performance of their business or function, the achievement of individual performance objectives and performance against the Company's Leadership Model and Code of Conduct. Where appropriate (e.g., where firm-wide or entity performance is weak or in a net loss position or in the case of a significant failure of risk management) bonus pools may be reduced to zero at the discretion of the RBC CEO, RBC Board of Directors, or the Management and Supervisory Boards of the Company.

When determining the size of the bonus pool, financial measures such as revenues, Net Income After Tax, the compensation ratio (total compensation as a percentage of revenues), regulatory and economic capital, and economic profit are considered depending on the plan and business area.

Non-financial measures considered in the discretionary bonus evaluation process include the following:

- Adherence to the Company's Code of Conduct. RBC's Code of Conduct (the "Code of Conduct") promotes standards of ethical behaviour that applies to all employees globally. The Company's Code of Conduct fosters an open environment in which questions and concerns may be brought forward. It creates a frame of reference for dealing with sensitive and complex issues, and provides for accountability if standards of conduct are not upheld. All employees are expected to adhere to the Company's Code of Conduct, and failure to do so through unethical or non-compliant behaviours may result in a disciplinary sanction up to and including immediate termination of employment. All employees receive Code of Conduct training and testing on joining RBC and every year thereafter;
- Compliance with a full range of risk management policies specific to individual job requirements as outlined in employee Performance Management Documents;
- Assessment of key behaviours, which are part of the RBC Global Performance Management process, and typically include the obligation to:
    - Abide by the letter and spirit of rules and procedures established by regulators
    - Follow all relevant internal policies and procedures including, but not limited to, trading and position limits and standing orders
    - At all times, act in the best interests of RBC and its clients
    - Escalate, on a timely basis, any areas of material concern related to any of the above
- Lead by example so that direct reports adopt similar high standards;
- Reports from control functions, including those from Internal Audit, Compliance (regulatory gaps, trades beyond excess limits), and Group Risk Management regarding operational, market and credit risks, among others; and
- Assessment of accountabilities and detailed action plans to implement and monitor changes required to close the gaps identified during risk management or internal audit reviews

Employees who are not meeting non-financial performance standards for their role are subject to the Company's corrective action process, which can include either a significant reduction in bonus amounts or termination of employment.

Guaranteed variable remuneration is only awarded in exceptional circumstances, such as senior control functions roles, business critical roles and strategic hires and then only for the first 12 months of employment.

The Company provides severance payments to fulfil its statutory obligations and to support the transition of employees away from their employment with RBC, in circumstances where there is an early termination of their employment. In March 2019 and then again in September 2020, the Management Board of the Company approved and adopted a severance policy. The policy was reviewed and approved at the November 2022 meeting of both the Management and Supervisory Boards.

Pay Equity

The Company is committed to the principles of pay equity and undertakes actions to prevent pay disparities between employees performing work of equal or comparable value. The Company addresses pay equity concerns identified in the year-end pay decision-making process through pay adjustments, where it is concluded that individual factors do not explain a difference in pay. Outside the annual compensation review process, RBC reviews compensation when employees move to new roles, taking into account external and internal pay benchmarks and the skills and experiences the new incumbent brings to the role.

Remuneration Awarded During Financial Year

EUR '000,000

Remuneration Amount	Management Body	All Others	Total
Number of Employees	**6**	**4**	**10**
Total Fixed Remuneration	**2.06**	**0.30**	**2.36**
of which cashed based	2.06	0.30	2.36
of which deferred	0.00	0.00	0.00
of which shares or other share-linked instruments	0.00	0.00	0.00
of which deferred	0.00	0.00	0.00
of which other forms	0.00	0.00	0.00
of which deferred	0.00	0.00	0.00
Total Variable Compensation	**1.47**	**0.05**	**1.51**
of which cashed based	1.08	0.03	1.11
of which deferred	0.00	0.00	0.00
of which shares or other share-linked instruments	0.38	0.02	0.40
of which deferred	0.38	0.02	0.40
of which other forms	0.00	0.00	0.00
of which deferred	0.00	0.00	0.00
Total Remuneration	**3.53**	**0.34**	**3.87**

Special Payments

EUR '000,000

Special Payments	Guaranteed Bonuses		Sign-on Awards		Severance Payments	
	Number of Employees	Total Amount	Number of Employees	Total Amount	Number of Employees	Total Amount
Senior Management	0	0.00	0	0.00	0	0.00
Other Risk Takers	0	0.00	0	0.00	0	0.00

** Due to the General Data Protection Regulation (GDPR), 1 individual who did receive severance is not included in the above table*

Appendix

Board Membership

Current Supervisory and Management Board Members

Director	Role	Biography	Number of Directorships (excluding RBC EG)
Management Board			
Christian Karcher (Residency: Germany)	Head of Business, Germany	Mr Karcher is Head of Capital Markets, Germany and heads the Investment Banking for Germany, Austria and Switzerland. Prior to joining RBC, Mr Karcher was Head of Investment Banking for Nomura in Germany and Austria and a member of the management board of Nomura Bank (Deutschland). Mr Karcher has held various senior management positions in the banking industry including roles at Credit Suisse First Boston and Lehman Brothers Germany prior to its acquisition by Nomura in 2008. Mr Karcher holds a degree in General Management from Otto Beisheim School of Management in Germany. Mr Karcher is Chair of the Supervisory Board of RBC Verwaltungsgesellschaft AG.	1
Jack Tang (Residency: Germany)	Managing Director	Mr. Tang the Head of Functions for RBC EG, responsible for the back office and control functions. In his role Mr. Tang chairs a number of underlying management committees of RBC EG. Mr. Tang joined RBC in 2005, and has held a range of increasingly senior functional support and executive roles in London, New York, Hong Kong and Malaysia. His RBC knowledge spans roles in Market Risk, Product Control, Financial Control, Valuations and Finance Management. Mr. Tang is a CFA Charterholder, a Certified Financial Risk Manager (FRM) and a Chartered Global Management Accountant (CGMA). Mr Tang is a member of the Supervisory Board of RBC Verwaltungsgesellschaft AG.	1

Supervisory Board			
Dave Thomas (Residency: UK)	Supervisory Board Member	Mr. Thomas is the CEO of RBC Europe Limited and Head of Wealth Management International, responsible for leading all aspects of the business in the region, including strategy execution and effective governance. He is a member of the RBC Capital Markets Global Operating Committee and the European Executive Committee, and chairs the European Capital Markets Executive Committee. Mr Thomas also holds a number of UK Board roles including Executive Director of RBC Europe Limited, Executive Director of Brewin Dolphin Ltd and Non Executive Director of RBC Global Asset Management (UK) Limited. Mr. Thomas holds a BSc (Hons) degree from Loughborough University in the UK and joined RBC Capital Markets in 1992 following periods at a UK domestic bank and a technology company.	5
Peter Dixon (Residency: UK)	Supervisory Board Member	Mr. Dixon is the CFO, Europe and is based in London. Prior to joining RBC, Mr Dixon held a number of senior finance roles within other international investment banking organisations and has experience of working in other jurisdictions including the US and Ireland. Mr Dixon is a qualified chartered accountant. Mr. Dixon is a member of the European Capital Markets Executive Committee. He is also a member of the Board of RBC Europe Limited.	3
Malena Ljungkvist (Residency: UK)	Supervisory Board Member	Ms. Ljungkvist is Chief Risk Officer, Europe and has responsibility for the oversight of Risk across all business platforms in Europe. Ms Ljungkvist's responsibilities include setting the strategic direction for risk management across RBC's European operations and providing leadership in the implementation and execution of leading practices in risk oversight and governance for the region and the key legal and regulatory entities. Ms Ljungkvist sits on the European Capital Markets Executive Committee. Ms. Ljungkvist has been at RBC for 16 years and was previously Chief Operational Risk Officer for RBC Investor & Treasury Services. Ms Ljungkvist holds a degree in Accounting and Management and a Master's degree in Money, Banking and Finance from Middlesex University Business School.	4

Simon Goodwin (Residency: UK) Appointed March 2023		Mr. Goodwin is the Chief Compliance Officer, Europe and has responsibility for the oversight of all Compliance related matters in Europe. Mr Goodwin joined RBC in 2022 and prior to that held a number of senior Compliance roles in Investment Banking. Mr. Goodwin holds a BSc (Hons) degree from the University of Newcastle Upon Tyne in the UK and also a FINRA Diploma in Capital Markets, Regulation and Compliance.	0

IFR Disclosure Requirements

Section	Article	Paragraph	Requirements	Document Section
Scope	46	1	Investment firms that do not meet the conditions for qualifying as small and non-interconnected investment firms set out in Article 12(1) shall publicly disclose the information specified in this Part on the same date as they publish their annual financial statements.	Overview
		2	Investment firms that meet the conditions for qualifying as small and non-interconnected investment firms set out in Article 12(1) which issue Additional Tier 1 instruments shall publicly disclose the information set out in Articles 47, 49 and 50 on the same date as they publish their annual financial statements.	
		3	Where an investment firm no longer meets all the conditions for qualifying as a small and non-interconnected investment firm set out in Article 12(1), it shall publicly disclose the information set out in this Part as of the financial year following the financial year in which it ceased to meet those conditions.	
		4	Investment firms may determine the appropriate medium and location to comply effectively with the disclosure requirements referred to in paragraphs 1 and 2. All disclosures shall be provided in one medium or location, where possible. If the same or similar information is disclosed in two or more media, a reference to the synonymous information in the other media shall be included within each medium.	
Risk Management Objective and Policies	**47**		Investment firms shall disclose their risk management objectives and policies for each separate category of risk set out in Parts Three, Four and Five in accordance with Article 46, including a summary of the strategies and processes to manage those risks and a concise risk statement approved by the investment firm's management body succinctly describing the investment firm's overall risk profile associated with the business strategy.	**Risk Management**
Governance	**48**		Investment firms shall disclose the following information regarding internal governance arrangements, in accordance with Article 46: (a) the number of directorships held by members of the management body; (b) the policy on diversity with regard to the selection of members of the management body, its objectives and any relevant targets set out in that policy, and the extent to which those objectives and targets have been achieved; (c) whether or not the investment firm has set up a separate risk committee and the number of times the risk committee has met annually.	**Risk Governance & Appendix**
Own Funds	**49**	1	Investment firms shall disclose the following information regarding their own funds, in accordance with Article 46: (a) a full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and applicable filters and deductions applied to own funds of the investment firm and the balance sheet in the audited financial statements of the investment firm; (b) a description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the investment firm; (c) a description of all restrictions applied to the calculation of own funds in accordance with this Regulation and the instruments and deductions to which those restrictions apply.	**Own Funds**

		2	EBA, in consultation with ESMA, shall develop draft implementing technical standards to specify templates for disclosure under points (a), (b) and (c) of paragraph 1. EBA shall submit those draft implementing technical standards to the Commission by 26 June 2021. Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1093/2010.	
Own Funds Requirements	**50**		Investment firms shall disclose the following information regarding their compliance with the requirements laid down in Article 11(1) of this Regulation and in Article 24 of Directive (EU) 2019/2034, in accordance with Article 46 of this Regulation: (a) a summary of the investment firm's approach to assessing the adequacy of its internal capital to support current and future activities; (b) upon a request from the competent authority, the result of the investment firm's internal capital adequacy assessment process, including the composition of the additional own funds based on the supervisory review process as referred to in point (a) of Article 39(2) of Directive (EU) 2019/2034; (c) the K-factor requirements calculated, in accordance with Article 15 of this Regulation, in aggregate form for RtM, RtF, and RtC, based on the sum of the applicable K-factors; and (d) the fixed overheads requirement determined in accordance with Article 13 of this Regulation.	**Capital Requirements & K-Factors**
Remuneration Policy and Practices	**51**		Investment firms shall disclose the following information regarding their remuneration policy and practices, including aspects related to gender neutrality and the gender pay gap, for those categories of staff whose professional activities have a material impact on investment firm's risk profile, in accordance with Article 46; (a) the most important design characteristics of the remuneration system, including the level of variable remuneration and criteria for awarding variable remuneration, payout in instruments policy, deferral policy and vesting criteria; (b) the ratios between fixed and variable remuneration set in accordance with Article 30(2) of Directive (EU) 2019/2034; (c) aggregated quantitative information on remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of the investment firm, indicating the following: (i) the amounts of remuneration awarded in the financial year, split into fixed remuneration, including a description of the fixed components, and variable remuneration, and the number of beneficiaries; (ii) the amounts and forms of awarded variable remuneration, split into cash, shares, share-linked instruments andother types separately for the part paid upfront and for the deferred part; (iii) the amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years; (iv) the amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments; (v) the guaranteed variable remuneration awards during the financial year and the number of beneficiaries of those awards; (vi) the severance payments awarded in previous periods, that have been paid out during the financial year; (vii) the amounts of severance payments awarded during the financial year, split into paid upfront and deferred, the number of beneficiaries of those payments and the highest payment that has been awarded to a single person;	**Remuneration**

			(d) information on whether the investment firm benefits from a derogation laid down in Article 32(4) of Directive (EU) 2019/2034. For the purposes of point (d) of the first subparagraph, investment firms that benefit from such a derogation shall indicate whether that derogation was granted on the basis of point (a) or point (b) of Article 32(4) of Directive (EU) 2019/2034, or both. They shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members who benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration. This Article shall be without prejudice to the provisions set out in Regulation (EU) 2016/679 of the European Parliament and of the Council (27).	
Investment Policy	**52**	1	Member States shall ensure that investment firms which do not meet the criteria referred to in point (a) of Article 32 (4) of Directive (EU) 2019/2034 disclose the following in accordance with Article 46 of this Regulation: (a) the proportion of voting rights attached to the shares held directly or indirectly by the investment firm, broken down by Member State and sector; (b) a complete description of voting behaviour in the general meetings of companies the shares of which are held in accordance with paragraph 2, an explanation of the votes, and the ratio of proposals put forward by the administrative or management body of the company which the investment firm has approved; and (c) an explanation of the use of proxy advisor firms; (d) the voting guidelines regarding the companies the shares of which are held in accordance with paragraph 2. The disclosure requirement referred to in point (b) of the first subparagraph shall not apply if the contractual arrangements of all shareholders represented by the investment firm at the shareholders' meeting do not authorise the investment firm to vote on their behalf unless express voting orders are given by the shareholders after receiving the meeting's agenda.	**N/A**
		2	The investment firm referred to in paragraph 1 shall comply with that paragraph only in respect of each company whose shares are admitted to trading on a regulated market and only in respect of those shares to which voting rights are attached, where the proportion of voting rights that the investment firm directly or indirectly holds exceeds the threshold of 5 % of all voting rights attached to the shares issued by the company. Voting rights shall be calculated on the basis of all shares to which voting rights are attached, even if the exercise of those voting rights is suspended.	
		3	EBA, in consultation with ESMA, shall develop draft regulatory technical standards to specify templates for disclosure under paragraph 1. EBA shall submit those draft regulatory technical standards to the Commission by 26 June 2021. Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph in accordance with Article 10 to 14 of Regulation (EU) No 1093/2010.	
Environmental, Social and Governance Risks	**53**		From 26 December 2022, investment firms which do not meet the criteria referred to in Article 32(4) of Directive (EU) 2019/2034 shall disclose information on environmental, social and governance risks, including physical risks and transition risks, as defined in the report referred to in Article 35 of Directive (EU) 2019/2034. The information referred to in the first paragraph shall be disclosed once in the first year and biannually thereafter.	**N/A**