



**ROYAL BANK OF CANADA**  
(a Canadian chartered bank)

**3<sup>rd</sup> Supplementary Notes Base Prospectus**  
**dated April 17, 2019**

**Pursuant to the Programme for the**  
**Issuance of Securities**

Pages i to 168 (inclusive) of the Notes Base Prospectus dated September 24, 2018 (the “**Notes Base Prospectus**”), as supplemented by the 1<sup>st</sup> Supplementary Prospectus dated December 19, 2018 and the 2<sup>nd</sup> Supplementary Prospectus dated March 6, 2019 of Royal Bank of Canada (“**RBC**” or the “**Issuer**”) comprise a base prospectus (the “**Base Prospectus**”) for the purposes of Article 5.4 of the Prospectus Directive (as defined herein) in respect of notes (“**PD Notes**”) to be offered to the public in the Relevant Member States (as defined in the Base Prospectus) and/or to be admitted to the Official List of the Financial Conduct Authority (in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 as amended, the “**UK Listing Authority**”) and admitted to trading on the Regulated Market of the London Stock Exchange plc (the “**London Stock Exchange**”). Pages 169 to 251 (inclusive) of the Notes Base Prospectus comprise an offering circular (the “**Offering Circular**”), which has been prepared by the Issuer in connection with the issue of Notes other than PD Notes (“**Non PD Notes**”). The Offering Circular has not been reviewed or approved by the UK Listing Authority and does not constitute a base prospectus for purposes of the Prospectus Directive.

**SUPPLEMENTARY PROSPECTUS**

Pages 1 to 5 inclusive of this supplement (the “**3<sup>rd</sup> Supplementary Prospectus**”) constitute a supplementary prospectus for purposes of Section 87G of the *Financial Services and Markets Act 2000* (the “**FSMA**”) prepared in connection with the programme for the issuance of securities established by RBC (the “**Programme**”). The information on page 6 of this supplement constitutes a supplementary offering circular and does not form part of this 3<sup>rd</sup> Supplementary Prospectus.

Terms defined in the Base Prospectus have the same meaning when used in this 3<sup>rd</sup> Supplementary Prospectus. The 3<sup>rd</sup> 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 accepts responsibility for the information in this 3<sup>rd</sup> Supplementary Prospectus. To the best of the knowledge of RBC, having taken reasonable care to ensure that such is the case, the information contained in this 3<sup>rd</sup> Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this 3<sup>rd</sup> Supplementary Prospectus is to (a) update the use of proceeds disclosure in the Base Prospectus to reflect the application of the proceeds of “green” PD Notes to “green” projects, and (b) update the risk factors in respect of any such application of the proceeds of such “green” PD Notes.

To the extent that there is any inconsistency between (a) any statement in this 3<sup>rd</sup> Supplementary Prospectus or any statement incorporated by reference into the Base Prospectus by this 3<sup>rd</sup> Supplementary Prospectus

and (b) any other statement in, or incorporated by reference in, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this 3<sup>rd</sup> Supplementary Prospectus, no significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of PD Notes issued under the Programme has arisen or been noted, as the case may be, since the publication of the 2<sup>nd</sup> Supplementary Notes Base Prospectus dated March 6, 2019.

## RISK FACTORS

The Risk Factor entitled “**2. Risks related to the structure of a particular issue of Notes**” on pages 24 to 33 of the Base Prospectus is supplemented by inserting the following new risk factor after the paragraph entitled “**A Noteholder shall be responsible for all taxes arising upon an NVCC Automatic Conversion**” as set out below:

### **“2.4 Risks related to Green Bonds**

#### ***Notes issued as “green bonds” may not be a suitable investment for all investors seeking exposure to green assets***

The Issuer may issue Notes under the Programme where the use of proceeds is specified in the applicable Final Terms as being Green Bonds and/or for the financing and/or refinancing, in part or in full, eligible businesses and projects that promote the transition to a low carbon, climate resilient and sustainable economy and provide clear environmental sustainability benefits that fall within eligible categories (see further under “Use of Proceeds”) (any such Notes, “**Green Bonds**”). **Green Bonds issued under this Base Prospectus will be issued with a denomination of at least Euro 100,000 (or its equivalent in any other currency).**

The Issuer will exercise its judgement and sole discretion in determining the businesses and projects that will be financed by the proceeds of Green Bonds. If the use of the proceeds of Green Bonds is a factor in an investor's decision to invest in Green Bonds, they should consider the disclosure in "Use of Proceeds" set out in the applicable Final Terms and the Base Prospectus and consult with their legal or other advisers before making an investment in Green Bonds. While it is the intention of the Issuer, there can be no assurance that any of the businesses and projects funded with the proceeds from Green Bonds will meet the Issuer's Green Bond Framework (as defined below) or an investor's expectations or requirements, whether as to green impact or outcome or otherwise.

Furthermore, while the intention of the Issuer is to apply the net proceeds of the relevant Green Bonds as may be described in "Use of Proceeds" set out in the applicable Final Terms and the Base Prospectus, there is no contractual obligation to allocate the proceeds of such Green Bonds to finance eligible businesses and projects or to provide annual progress reports as may be described therein.

The Issuer's failure to so allocate or report, the failure of any of the businesses and projects funded with the proceeds from Green Bonds to meet the Issuer's Green Bond Framework, the failure of external assurance providers to opine on the Green Bond Report's conformity with the Issuer's Green Bond Framework, or the cessation of the listing or admission of Green Bonds to trading on any dedicated "green", "environmental" or other equivalently-labelled segment of any stock exchange on securities market (where applicable) will not constitute an Event of Default with respect to the relevant Green Bonds or give rise to any other claim by a holder of such Green Bonds against the Issuer. Any such failure may affect the value of the relevant Green Bonds and/or have adverse consequences for certain investors with portfolio mandates to invest in green assets.

Furthermore, it should be noted that there is currently no clearly-defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or an equivalently labelled project or

business, nor as to what precise attributes are required for a particular project or business to be defined as "green" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, while it is the intention of the Issuer, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any of the businesses and projects funded with the proceeds from Green Bonds will meet any or all investor expectations regarding such "green" or other equivalently-labelled performance objectives or that any adverse environmental and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any of the businesses and projects funded with the proceeds from Green Bonds.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of Green Bonds and in particular with any of the businesses and projects funded with the proceeds from Green Bonds to fulfil any environmental and/or other criteria. For the avoidance of doubt, none of the Issuer's Green Bond Framework, the second party opinion or any other report, assessment, opinion or certification is, nor shall they be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such report, assessment, opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold Green Bonds. The second party opinion and any such other report, assessment, opinion or certification is only current as at the date that it was initially issued. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in any Green Bonds. The providers of such reports, assessments, opinions and certifications are not currently subject to any specific regulatory or other regime or oversight.

If Green Bonds are at any time listed or admitted to trading on any dedicated "green", "environmental" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Arranger, any Dealer or any other person that such listing or admission satisfies, whether in part or in full, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own bylaws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental impact of any projects or uses, the subject of or related to, any of the businesses and projects funded with the proceeds from Green Bonds. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the Issuer, the Arranger, any Dealer or any other person that any such listing or admission to trading will be obtained in respect of Green Bonds or, if obtained, that any such listing or admission to trading will be maintained during the life of the relevant Green Bonds.

While it is the intention of the Issuer to apply the net proceeds of any Green Bonds and (where applicable) obtain and publish the relevant reports, assessments, opinions and certifications in, or substantially in, the manner described in "Use of Proceeds" set out in the applicable Final Terms and the Base Prospectus, there can be no assurance that the Issuer will be able to do this. Nor can there be any assurance that any eligible projects (where applicable) will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer.

Any such event or failure to apply the net proceeds of any issue of Green Bonds for any eligible businesses or projects or to obtain and publish any such reports, assessments, opinions and certifications, will not constitute an Event of Default under the relevant Green Bonds or give rise to any other claim of a holder of such Green Bonds against the Issuer. The withdrawal of any report, assessment, opinion or certification as described above, or any such report, assessment, opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying on, and/or any such Green Bonds no longer being listed or admitted to trading

on any stock exchange or securities market, as aforesaid (where applicable), may have a material adverse effect on the value of such Green Bonds and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.”

## USE OF PROCEEDS

The section entitled “Use of Proceeds” on page 147 of the Base Prospectus is hereby deleted in its entirety and replaced with the following:

### “USE OF PROCEEDS

Except as otherwise set out in the applicable Final Terms, the net proceeds of the issue of each Tranche of Notes will be added to the general funds of the Issuer or used by the Issuer and/or its affiliates for hedging the Notes. Except as otherwise set out in the applicable Final Terms, the purpose of an issue of Subordinated Notes will be to enlarge the Issuer’s capital base.

Where the “Reasons for the Offer” in Part B of the applicable Final Terms (or “Use of Proceeds” in the applicable Pricing Supplement) are stated as being Green Bonds and/or for “green” purposes as described therein, the proceeds of the issue of the Green Bonds will be used to finance or refinance, in part or in full, eligible businesses and projects that promote the transition to a low carbon, climate resilient and sustainable economy and provide clear environmental sustainability benefits (“**Eligible Assets**”) (and/or as may be described therein in the applicable Final Terms or Pricing Supplement). Eligible Assets may include, but are not limited to, loans to businesses and projects that meet the eligibility criteria as described in the Issuer’s Green Bond Framework dated March 2019 (as may be amended from time to time) and available on the following webpage: <http://www.rbc.com/investorrelations/green-bonds.html> (the “**Green Bond Framework**”).

The eligible categories consist of the following seven categories (all as more fully described in the Issuer’s Green Bond Framework):

- Renewable energy
- Energy efficiency
- Pollution prevention and control
- Clean transportation
- Environmentally sustainable management of living natural resources and land use
- Sustainable water and wastewater management
- Green buildings

Where a business or project derives 90% or more of its revenues from activities in the eligible categories, it will be considered as eligible for financing from the Green Bonds. In such instances, the use of proceeds can be used by the business for general purposes, so long as this financing does not fund expansion into activities falling outside the eligible categories. The Issuer will not knowingly allocate any proceeds from the issuance of Green Bonds to finance any businesses whose current principal industry or primary activity has been assessed by the Issuer as being weapons, tobacco, gambling, adult entertainment and/or predatory lending.

The Issuer will maintain a single pool for Eligible Assets in a “Green Bond Asset Portfolio”. All Eligible Assets in the Issuer’s Green Bond Asset Portfolio will be tagged as “Green Bonds Eligible” in the Issuer’s global credit management system, which tracks the Issuer’s credit exposure on an ongoing basis.

The proceeds from the Issuer’s Green Bonds will be managed in a portfolio approach. The Green Bond Working Group of the Issuer will monitor the aggregate amount of assets in the Issuer’s Green Bond Asset Portfolio on a quarterly basis to ensure that it is equal to or greater than the aggregate amount of proceeds raised by the Issuer’s Green Bonds.

If for any reason the aggregate amount in the Issuer's Green Bond Asset Portfolio is less than the total outstanding amount of the Issuer's Green Bonds issued, the Issuer will hold the unallocated amount in cash or liquid securities in accordance with the Issuer's normal liquidity management policy until the amount can be allocated to the Green Bond Asset Portfolio.

The Issuer intends to publish Green Bond reporting within a year from issuance, to be renewed annually until full allocation and in case of any material changes. Such Green Bond reporting will be made publicly available through <http://www.rbc.com> and may include (but will not be limited to):

- Net proceeds raised from each of the Issuer's Green Bond;
- Aggregate amounts of funds allocated to each of the eligible categories; and
- The balance of unallocated proceeds from the Issuer's Green Bonds at the reporting period end.

Where feasible, the Issuer will provide further information and examples of eligible businesses and projects financed or refinanced by the Green Bonds, including quantitative performance measures. Disclosure of information related to Use of Proceeds, impact reporting, and businesses and projects financed or refinanced will be made, subject to the Issuer's confidentiality obligations and the availability of information.

Pursuant to the Green Bond Principles, the Issuer has obtained a second party opinion from an appropriate provider, also available on: <http://www.rbc.com/investorrelations/green-bonds.html>.

The Issuer may request, on an annual basis, a limited assurance report of the allocation of proceeds from the Issuer's Green Bonds to Eligible Assets provided by its external auditor.

Please note that websites and URLs referred to herein do not form part of the Base Prospectus.”

## SUPPLEMENTARY OFFERING CIRCULAR

Page 6 of this Supplement (the “**3<sup>rd</sup> Supplementary Offering Circular**”) constitutes a supplement to the Offering Circular and is prepared in connection with the Programme for the Issuance of Securities established by RBC.

Terms defined in the Offering Circular have the same meaning when used in this 3<sup>rd</sup> Supplementary Offering Circular. The 3<sup>rd</sup> Supplementary Offering Circular is supplemental to, and shall be read in conjunction with, the Offering Circular and any other prior supplements to the Offering Circular issued by RBC (together, the “**Offering Circular**”).

**NEITHER THE OFFERING CIRCULAR NOR THIS 3<sup>RD</sup> SUPPLEMENTARY OFFERING CIRCULAR TO THE OFFERING CIRCULAR HAVE BEEN REVIEWED OR APPROVED BY THE UK LISTING AUTHORITY AND THE OFFERING CIRCULAR DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSE OF DIRECTIVE 2003/71/EC AS AMENDED OR SUPERSEDED.**

RBC accepts responsibility for the information in this 3<sup>rd</sup> Supplementary Offering Circular. To the best of the knowledge of RBC, having taken reasonable care to ensure that such is the case, the information contained in this 3<sup>rd</sup> Supplementary Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

This 3<sup>rd</sup> Supplementary Offering Circular is supplemental to, and should be read in conjunction with, the Offering Circular and the documents incorporated by reference therein. This 3<sup>rd</sup> Supplementary Offering Circular is to be read in conjunction with the following sections of the 3<sup>rd</sup> Supplementary Prospectus (as amended herein):

- (i) Risk Factors; and
- (ii) Use of Proceeds;

each of which will be deemed to be incorporated by reference herein, save that references to “**Base Prospectus**” shall be deemed to be to the “**Offering Circular**”, references to “**3<sup>rd</sup> Supplementary Prospectus**” shall be deemed to be to the “**3<sup>rd</sup> Supplementary Offering Circular**”, references to “**Final Terms**” shall be deemed to be “**Pricing Supplement**” and, references to “**PD Notes**” shall be deemed to be reference to “**Non PD Notes**”.

To the extent that there is any inconsistency between (a) any statement in this 3<sup>rd</sup> Supplementary Offering Circular or any statement incorporated by reference into the Offering Circular by this 3<sup>rd</sup> Supplementary Offering Circular and (b) any other statement in, or incorporated by reference in, the Offering Circular, the statements in (a) above will prevail.

Save as disclosed in this 3<sup>rd</sup> Supplementary Offering Circular, no significant new factor, material mistake or inaccuracy relating to the information included in the Offering Circular which is capable of affecting the assessment of Non PD Notes issued under the Programme has arisen or been noted, as the case may be, since the publication of the Offering Circular.