Dated January 31, 2017

ROYAL BANK OF CANADA

(a Canadian chartered bank)

REGISTRATION DOCUMENT

INTRODUCTION

What is this document?

According to Article 5.3 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**"), a prospectus may be drawn up as a single document or separate documents. A prospectus composed of separate documents shall divide the required information into a registration document, a securities note and a summary note. This document constitutes a registration document ("**Registration Document**") for the purposes of Article 5.3 of the Prospectus Directive and has been prepared for the purpose of giving information with respect to Royal Bank of Canada (the "**Bank**" or the "**Issuer**") and its subsidiaries (together with the Bank, the "**RBC Group**"). The Registration Document contains information describing the Bank's business activities as well as certain financial information and material risks faced by it which, according to the particular nature of the Bank and the debt or derivative securities which it may offer to the public or apply to have admitted to trading on a regulated market during the period of twelve months after the date hereof, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Bank. Some of the information is incorporated by reference into the Registration Document.

Information on any debt or derivative securities issued by the Bank may be found in a separate securities note containing disclosure on such debt or derivative securities (and, where appropriate, in the relevant summary note applicable to the relevant debt or derivative securities) which, together with this Registration Document, constitutes a prospectus issued in compliance with Article 5.3 of the Prospectus Directive.

How do I use this Registration Document?

You should read and understand fully the contents of this Registration Document, including any documents incorporated by reference. This Registration Document contains important information about the Issuer, as well as describing certain risks relating to the Issuer and its business. An overview of the various sections comprising this Registration Document is set out below.

- The *Caution Regarding Forward-Looking Statements* section sets out considerations that should be taken into account when reading any statement relating to future events and circumstances.
- A *Table of Contents* section, with corresponding page references, is set out on page v.
- The *Risk Factors* section describes the principal material risks that the Issuer believes could affect its results of operations or financial conditions and its ability to satisfy its obligations under any debt or derivative securities issued by it.
- The *Documents Incorporated by Reference* section sets out the information that is incorporated by reference into, and forms part of, this Registration Document. This Registration Document should be read together with all information which is deemed to be incorporated into the Registration Document by reference.

- The *Description of Royal Bank of Canada* section provides certain information about the Bank, including its history and development, principal activities and markets, principal markets in which it competes, organisational structure, Issuer ratings, summary financial information, directors, major shareholders and material contracts.

- The *General Information* section sets out further information on the Issuer which the Issuer is required to include under applicable rules. These include the availability of certain relevant documents for inspection and confirmations from the Bank.

Responsibility for the information contained in this Registration Document

The Bank accepts responsibility for the information in this Registration Document. To the best of the knowledge of the Bank, having taken all reasonable care to ensure that such is the case, the information contained in the Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Registration Document has been filed with, and approved by, the Financial Conduct Authority (the "**FCA**") under Part VI of the Financial Services and Markets Act 2000 (the "**FSMA**").

Credit Rating Agency Regulation notice

Each of Moody's Investors Service, Inc. ("**Moody's USA**"), Standard & Poor's Financial Services LLC ("**S&P USA**"), Fitch Ratings, Inc. ("**Fitch**") and DBRS Limited ("**DBRS**") has provided issuer ratings for the Issuer as specified under "*Description of Royal Bank of Canada – Issuer Ratings*".

In accordance with Article 4.1 of the Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "**CRA Regulation**"), please note that the following documents (as defined in the section entitled "*Documents Incorporated by Reference*") incorporated by reference in this Registration Document contain references to credit ratings from the same rating agencies as well as Kroll Bond Rating Agency ("**KBRA**"), which provided an unsolicited rating:

(a) the 2016 AIF (pages 12, 13, 28 and 29); and

(b) the 2016 Annual Report (page 78).

None of S&P USA, Moody's USA, Fitch, DBRS or KBRA (the "**non-EU CRAs**") is established in the European Union or has applied for registration under the CRA Regulation. However, Standard and Poor's Credit Market Services Europe Ltd., Moody's Investors Service Ltd., DBRS Ratings Limited and Fitch Ratings Ltd., which are affiliates of S&P USA, Moody's USA, Fitch and DBRS, respectively, established in the European Union and registered under the CRA Regulation have endorsed the ratings of their affiliated non-EU CRAs. KBRA is certified under the CRA Regulation. See "*Description of Royal Bank of Canada – Issuer Ratings*".

Use of certain defined terms in this Registration Document

All references in this Registration Document to "**$**", "**C$**", "**CAD**" or "**Canadian dollars**" are to the lawful currency of Canada. In this Registration Document, the term "**PRA**" shall mean the Prudential Regulation Authority.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, the Issuer makes written or oral forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the *United States Private Securities Litigation Reform Act of 1995* and any applicable Canadian securities legislation. Forward-looking statements may be made in this Registration Document and in the documents incorporated by reference in this Registration Document, in filings with Canadian regulators, the United States Securities and Exchange Commission or other securities regulators, in reports to shareholders and in other communications. The forward-looking statements contained in this Registration Document and in the documents incorporated by reference in this Registration Document include, but are not limited to, statements relating to the Issuer's financial performance objectives, vision and strategic goals, the economic and market review and outlook for Canadian, U.S., European and global economies, the regulatory environment in which the Issuer operates, the outlook and priorities for each of the Issuer's business segments, and the risk environment including the Issuer's liquidity and funding risk. The forward-looking information contained in this document is presented for the purpose of assisting the holders and potential purchasers of the debt or derivative securities issued by the Issuer and financial analysts in understanding the Issuer's financial position and results of operations as at and for the periods ended on the dates presented as well as the Issuer's financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "believe", "expect", "foresee", "forecast", "anticipate", "intend", "estimate", "goal", "plan" and "project" and similar expressions of future or conditional verbs such as "will", "may", "should", "could" or "would".

By their very nature, forward-looking statements require the Issuer to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that the Issuer's predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that the Issuer's assumptions may not be correct and that the Issuer's financial performance objectives, vision and strategic goals will not be achieved. Readers are cautioned not to place undue reliance on these statements as a number of risk factors could cause the Issuer's actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond the Issuer's control and the effects of which can be difficult to predict – include: credit, market, liquidity and funding, insurance, operational, regulatory compliance, strategic, reputation, legal and regulatory environment, competitive and systemic risks and other risks discussed in the "Risk management" and "Overview of other risks" sections of the Issuer's Management's Discussions and Analysis for the year ended October 31, 2016 contained in the Issuer's 2016 Annual Report and incorporated by reference herein (the "**2016 MD&A**") (see "*Documents incorporated by Reference*" on page 17); global uncertainty, the Brexit vote to have the United Kingdom leave the European Union, weak oil and gas prices, cyber risk, anti-money laundering, exposure to more volatile sectors, technological innovation and new Fintech entrants, increasing complexity of regulation, data management, litigation and administrative penalties; the business and economic conditions in the geographic regions in which the Issuer operates; the effects of changes in government fiscal, monetary and other policies; tax risk and transparency; and environmental risk.

Readers are cautioned that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect the Issuer's results. When relying on the Issuer's forward-looking statements to make decisions with respect to the Issuer, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Material economic assumptions underlying the forward-looking statements contained in this Registration Document and in the documents incorporated by reference herein are set out in the “Overview and outlook” section and for each business segment under the heading “Outlook and priorities” of the Issuer’s 2016 MD&A contained in its 2016 Annual Report, which sections are incorporated by reference herein. Except as required by law, none of the Issuer, any dealer appointed in relation to any issue of debt or derivative securities by the Issuer or any other person undertakes to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Issuer.

Additional information about these and other factors can be found in the “Risk management” and “Overview of other risks” sections in the Issuer’s 2016 MD&A contained in its 2016 Annual Report, which sections are incorporated by reference herein.

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RISK FACTORS

The Issuer is exposed to a variety of risks that could affect its results of operations or financial condition and believes that the following factors are material for the purpose of assessing risks associated with the Issuer. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring or the likelihood or extent to which any such contingencies may affect the ability of the Issuer to pay interest, principal or other amounts on or in connection with any debt or derivative securities issued by it.

The Issuer believes that the factors described below represent the principal risks inherent in investing in debt or derivative securities issued by it, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any debt or derivative securities issued by it or deliver the specified assets in connection with physical delivery debt or derivative securities issued by it may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any debt or derivative securities issued by it are exhaustive. The risks described below are not the only risks the Issuer faces. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its results of operations or financial condition or affect the ability of the Issuer to pay interest, principal or other amounts on or in connection with any debt or derivative securities issued by it or deliver the specified assets in connection with physical delivery debt or derivative securities issued by it. Prospective investors should also read the detailed information set out elsewhere in this document (including information incorporated by reference) and any applicable securities note (and, where appropriate, summary note), final terms or pricing supplement to reach their own views prior to making any investment decisions.

Factors which are material for the purpose of assessing risks associated with the Issuer

Prospective investors should consider the following risks to which the Issuer's businesses are exposed.

1. Top and emerging risks

The Issuer's view of risks is not static. An important component of the Issuer's enterprise risk management approach is to ensure that top and emerging risks are appropriately identified, managed and incorporated into existing enterprise risk management assessment, measurement and monitoring and escalation processes.

Top and emerging risks occur as a result of exogenous factors, such as changes in the macroeconomic or regulatory environment, or endogenous factors, such as changes to the Issuer's strategic imperatives, or failure to adapt to an evolving competitive or operational environment.

A top risk is an existing, significant risk that can potentially affect the Issuer's earnings or capital within a one-year time horizon.

An emerging risk has a lower probability of occurring within a one-year horizon, but, in the event it materializes, can have a significant adverse impact on the Issuer's ability to achieve its goals. Emerging risks are defined as "new" risks, "familiar risks in new or unfamiliar conditions", or "existing risks that are expected to increase in significance" that have the potential of creating new or changing top risks within the next annual reporting cycle that may or could prevent the Issuer from achieving its business objectives.

The table below sets out the risk factors that the Issuer currently considers its top and emerging risks but it should be highlighted that the risks set out in the table are not exhaustive and investors should consider all the risk factors disclosed in the Risk Factors section below.

Top Risks	**Trend**	**Commentary**
► Risk did not increase in 2016	**▲ Risk heightened during 2016**	**▲ Top Risk in 2016**
Global uncertainty	▲	Uncertainty around the potential for a global recession remained heightened during 2016. Concerns remain around the social, political and economic impacts of mass immigration in continental Europe led by the Middle East's changing political landscape, Russia-Ukraine tension and territorial disputes between Japan and China. Increasing income inequality, unemployment and decline in living standards against the backdrop of growing foreign ownership of strategic assets is driving an increase in nationalism and extremist political movements around the globe. Slow global growth and the attempts of central banks around the world to use monetary policy to stimulate their economies, even using negative interest rates, remains a key risk. Following the recent U.S. election, drastic policy changes including trade and fiscal policy, could be a key risk that may result in economic uncertainty for the U.S. and its trading partners, including Canada.
Brexit	▲	The Brexit vote has resulted in increased concerns about the economic, legal, political, regulatory and trade consequences for the U.K. and Europe. The Issuer will be monitoring negotiations between the U.K., the EU and individual member states closely to assess the potential impacts to its business strategy in the U.K. and in Europe.
Oil & gas	►	The oil & gas sector experienced a partial recovery during 2016, easing pressure on Provision for Credit Losses ("**PCL**") in the latter half of the year. However, the risks associated with sustained low oil prices remain. The low oil prices might lead to additional PCL for the Issuer in the longer term. The Issuer has performed a number of low oil price stress tests, which focus specifically on the impact to our retail and wholesale portfolios. In the Issuer's view, its exposure to weak oil and gas prices remains within its risk appetite.

Cyber risk	▲	Information and cybersecurity continue to be an increasingly problematic issue, not only for the financial services sector, but for other industries in Canada and around the globe. The volume and sophistication of cyber-attacks in the industry continue to increase and adversaries are becoming more organized. These attacks could compromise the Issuer's confidential information as well as that of its clients and third parties with whom the Issuer interacts and may result in negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny, litigation and reputational damage. The Issuer continues to see challenges in the management of information technology risk with respect to third party hosted applications, eMessaging and social media related risks.
Anti-money laundering	▲	The Issuer is subject to a dynamic set of anti-money laundering/anti-terrorist financing, economic sanctions and anti-bribery/anti-corruption ("**AML**") laws and regulations across the multiple jurisdictions in which it operates. As the scope of criminal activities such as tax evasion, human trafficking, bribery and corruption continues to expand, regulators worldwide are intensifying regulatory requirements and increasing enforcement actions and penalties for those who fail to comply. As a consequence, money laundering, terrorist financing, economic sanctions violations, bribery and corruption ("**Money Laundering**") pose significant legal, regulatory, financial and reputational risk to the Issuer.
Exposure to more volatile sectors	►	In the event of significant economic deterioration, exposure to more volatile sectors may have an adverse impact on the Issuer's results of operations and financial condition.The Issuer manages risks associated with its wholesale loan portfolio by focusing on diversification, driven by limits on single name, country and industry exposures across all businesses, portfolios and transactions. The Issuer continues to adhere to strict lending standards and stress test its portfolio to assist in evaluating the potential impact of severe economic conditions.

Emerging Risks	Trend	Commentary
► Risk did not increase in 2016	**▲ Risk heightened during 2016**	**▲New Emerging Risk in 2016**
Technological innovation and new entrants	►	The financial system and the Issuer continue to be subject to rapid technological change resulting in changing consumer habits and additional regulatory expectations and oversight responsibilities. New Fintech entrants have the potential to disrupt existing financial services value chains. These companies offer new payment methods and alternative lending solutions. In response, the Issuer has made digital and information technology innovation a key strategic priority.

Increasing complexity of regulation	►	The Issuer operates in multiple jurisdictions, and the continued expansion of the breadth and depth of regulations may lead to declining profitability and slower response to market needs. Financial reforms coming on stream in multiple jurisdictions may have significant impact on the Issuer's businesses and could affect their strategies.
Data management	▲	Financial institutions, including the Issuer, are subject to increased informational demands from regulators and other stakeholders which may increase costs. The Issuer is continually investing in building better data management capabilities, including data ownership and stewardship, data architecture, metadata management, and data delivery, in order to enable consistent data aggregation, reporting and management.
Litigation and administrative penalties	►	Some financial institutions have been affected by inadequate internal controls on risky or unlawful behaviour, including not conducting adequate due diligence on new clients, new products, misrepresentation, and not addressing customer privacy amid rapid increases in the scope and volume of personal data, leading to increased scrutiny from regulators over such financial institutions and others, including the Issuer.

2. Credit risk

Credit risk is the risk of loss associated with an obligor's potential inability or unwillingness to fulfill its contractual obligations. Credit risk may arise directly from the risk of default of a primary obligor of the Issuer (e.g. issuer, debtor, counterparty, borrower or policyholder), or indirectly from a secondary obligor of the Issuer (e.g. guarantor or reinsurer). Credit risk includes counterparty credit risk from both trading and non-trading activities. The failure to effectively manage credit risk across all the Issuer's products, services and activities can have a direct, immediate and material impact on the Issuer's earnings and reputation.

Credit risk is inherent in a wide range of the Issuer's businesses. This includes lending to businesses, sovereigns, public sector entities, banks and other financial institutions and certain individuals and small businesses, which comprise the Issuer's wholesale credit portfolio and residential mortgages, personal, credit card and small business loans, which comprise the Issuer's retail credit portfolio. The Issuer's gross credit exposure includes: loans and acceptances outstanding, undrawn commitments, and other exposures including contingent liabilities such as letters of credit and guarantees, available-for-sale debt securities and deposits with financial institutions, repo-style transactions, and derivatives.

Credit risk also includes (i) counterparty credit risk and (ii) wrong way risk. Counterparty credit risk is the risk that a party with whom the Issuer has entered into a financial or non-financial contract will fail to fulfill its contractual agreement and default on the obligation. It is measured not only by its current value, but also by how this value can move as market conditions change. Counterparty credit risk usually occurs in trading-related derivative and repo-style transactions.

Derivative transactions include financial (e.g., forwards, futures, swaps and options) and non-financial derivatives (e.g., precious metal and commodities).

Wrong-way risk is the risk that exposure to a counterparty or obligor is adversely correlated with the credit quality of that counterparty. There are two types of wrong-way risk: (i) Specific wrong-way risk, which exists when the Issuer’s exposure to a particular counterparty is positively and highly correlated with the probability of default of the counterparty due to the nature of the Issuer’s transactions with them (e.g., loan collateralized by shares or debt issued by the counterparty or a related party); and (ii) General wrong-way risk, which exists when there is a positive correlation between the probability of default of counterparties and general macroeconomic or market factors This typically occurs with derivatives (e.g., the size of the exposure increases) or with collateralized transactions (the value of the collateral declines).

Geographically, as at October 31, 2016, Canada represented approximately 50% of the Issuer’s credit exposure while the United States represented 30%, Europe 15% and the other international regions 5%. Accordingly, deterioration in general business and economic conditions in Canada and the United States could adversely affect the credit quality of the Issuer’s borrowers and counterparties and could thus affect the value of the Issuer’s assets and require an increase in loan impairment charges and provisions. Even though efforts are made to manage such risks diligently, there can be no assurances that these risks will not materialize.

3. Market risk

Market risk is defined to be the impact of market prices upon the financial condition of the Issuer. This includes potential gains or losses due to changes in market determined variables such as interest rates, credit spreads, equity prices, commodity prices, foreign exchange rate and implied volatilities. For example, changes in interest rates and credit spreads may affect the interest rate margin realized by the Issuer between lending and borrowing costs. Changes in foreign exchange rates may affect the value of assets, liabilities, income and expenses of the Issuer denominated in foreign currencies and may affect the Issuer’s reported consolidated financial condition or its income from foreign exchange dealings. Potential losses from trading activity due to market volatility would also impact the Issuer’s ability to pay interest, principal or other amounts on or in connection with any debt or derivative securities issued by it.

The measures of financial condition impacted by market risk are as follows: positions whose revaluation gains and losses are reported in revenue, Common Equity Tier 1 (“**CET1**”) capital, CET1 ratio, and the economic value of the Issuer.

4. Liquidity and funding risk

Liquidity and funding risk (“**liquidity risk**”) is the risk that the Issuer may be unable to generate sufficient cash or its equivalent in a timely and cost-effective manner to meet its commitments as they come due. Liquidity risk arises from mismatches in the timing and value of on-balance sheet and off-balance sheet cash flows.

Core funding, comprising, capital, longer-term wholesale liabilities and a diversified pool of personal and, to a lesser extent, commercial and institutional deposits is the foundation of the Issuer's structural liquidity position.

The Issuer's ability to access unsecured funding markets and to engage in certain collateralized business activities on a cost-effective basis are primarily dependent upon maintaining competitive credit ratings. Credit ratings and outlooks provided by rating agencies reflect their views and methodologies. Ratings are subject to change from time to time, based on a number of factors including, but not limited to, the Issuer's financial strength, competitive position and liquidity and other factors not completely within the Issuer's control. A lowering of the Issuer's credit ratings may have potentially adverse consequences for the Issuer's funding capacity or access to the capital markets, may affect the Issuer's ability, and the cost, to enter into normal course derivative or hedging transactions and may require the Issuer to post additional collateral under certain contracts, any of which may have an adverse effect on its results of operations and financial condition.

5. Insurance risk

Insurance risk refers to the potential financial loss to the Issuer that may arise where the amount, timing and/or frequency of benefit payments under insurance or reinsurance contracts are different than expected. Insurance risk is distinct from those risks covered by other parts of the Issuer's risk management framework (e.g., credit, market and operational risk) where those risks are ancillary to, or accompany the risk transfer.

6. Operational risk

Operational risk is the risk of loss or harm to the Issuer resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk is inherent in all of the Issuer's activities, including the practices and controls used to manage other risks. Failure to manage operational risk can result in direct or indirect financial loss, reputational impact, regulatory censure, or failure in the management of other risks such as credit or market risk.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that the Issuer will be unable to comply with its obligations as a company with securities admitted to the Official List of the United Kingdom Listing Authority or as a supervised firm regulated by the FCA or PRA.

The Issuer's operations expose it to many different operational risks, which may adversely affect its businesses and financial results. The following list is not exhaustive, as other factors could also adversely affect the Issuer's results.

Model risk

The use of models plays an important role in many of the Issuer's business activities. The Issuer uses a variety of models for many purposes, including the valuation of financial products, risk measurement and management of different types of risk. Model risk is the risk of error in the design, development, implementation or subsequent use of models, which may adversely affect the Issuer.

Information technology risk and cybersecurity risk

The Issuer uses information technology for business operations and the enablement of strategic business goals and objectives. Information technology risk is the risk to the Issuer's business associated with the use, ownership, operation, involvement, influence and adoption of information technology within the enterprise. It consists of information technology related events (e.g. cybersecurity incidents) that could potentially have an adverse impact on the Issuer's business. Such events could result in business interruption, service disruptions, theft of intellectual property and confidential information, additional regulatory scrutiny, litigation and reputational damage.

Information management risk

Information management risk is the risk of loss or harm to the Issuer resulting from the failure to manage information appropriately throughout its lifecycle. Exposure to this risk exists when information is acquired or created, processed, used, shared, accessed, retained or disposed. With respect to personal information, the failure to manage information appropriately can result in the misuse of personal information or privacy breaches. With respect to client information, the inability to process information accurately and on a timely basis can result in service disruptions. With respect to corporate and proprietary information, the mismanagement of information can result in the disclosure of confidential information, the unavailability of information when it is required and the reliance on inaccurate information for decision-making purposes. Such events could lead to legal and regulatory consequences, reputational damage and financial loss.

Third party and outsourcing risk

Failing to effectively manage the Issuer's service providers may expose the Issuer to service disruptions, regulatory action, financial loss, litigation or reputational damage. Third party and outsourcing risk has received increased oversight from regulators and attention from the media.

Social media risk

The scale and profile of social media has grown to present a number of risks. These risks include brand and reputational damage, information leaks, non-compliance with regulatory requirements and governance risk.

Processing and execution risk

Processing and execution risk is the risk of failure to effectively design, implement and execute a process. Exposure to this risk is global, existing in all of the Issuer's locations, and in the Issuer's employees' actions. Examples of processing and execution events range from selecting the wrong interest rates, duplicating wire payment instructions, transposing figures, processing a foreign exchange transaction incorrectly, underinsuring a property and incorrectly investing funds. The potential impacts of such events include financial loss, legal and regulatory consequences and reputational damage.

Fraud

Fraud risk is defined as the risk of intentional unauthorized activities designed to obtain benefits either from the Issuer or assets under the Issuer's care, or using the Issuer's products. Fraud can be initiated by one or more parties who can include employees, potential or existing clients, agents, suppliers or outsourcers, or other external parties.

7. Regulatory compliance risk

Regulatory compliance risk is the risk of potential non-conformance with laws, rules, regulations and prescribed practices in any jurisdiction in which the Issuer operates. Issues regarding compliance with laws and regulations can arise in a number of areas in a large complex financial institution such as the Issuer, and are often the result of inadequate or failed internal processes, people or systems.

Laws and regulations are in place to protect the financial and other interests of the Issuer's clients, investors and the public. As a large-scale global financial institution, the Issuer is subject to numerous laws and to extensive and evolving regulation by governmental agencies, supervisory authorities and self-regulatory organizations in Canada, the U.S., Europe and other jurisdictions in which the Issuer operates. In recent years, such regulation has become increasingly extensive and complex. In addition, the enforcement of regulatory matters has intensified. Recent resolution of such matters involving other global financial institutions have involved the payment of substantial penalties, agreements with respect to future operation of their business, actions with respect to relevant personnel and guilty pleas with respect to criminal charges.

Operating in this increasingly complex regulatory environment and intense regulatory enforcement environment, the Issuer is and has been subject to a variety of legal proceedings, including civil claims and lawsuits, criminal charges, regulatory examinations, investigations, audits and requests for information by various governmental regulatory agencies and law enforcement authorities in various jurisdictions, and the Issuer anticipates that its ongoing business activities will give rise to such matters in the future. Changes to laws, including tax laws, regulations or regulatory policies, as well as the changes in how they are interpreted, implemented or enforced, could adversely affect the Issuer, for example, by lowering barriers to entry in the businesses in which the Issuer operates, increasing the Issuer's costs of compliance or limiting the Issuer's activities and ability to execute its strategic plans. Further, there is no assurance that the Issuer always will be or will be deemed to be in compliance with laws, regulations or regulatory policies. Accordingly, it is possible that the Issuer could receive a judicial or regulatory judgment or decision that results in fines, damages, penalties, and other costs or injunctions, criminal convictions or loss of licences or registrations that would damage the Issuer's reputation and negatively impact its earnings. In addition, the Issuer is subject to litigation arising in the ordinary course of its business and the adverse resolution of any litigation could have a significant adverse effect on the Issuer's results or could give rise to significant reputational damage, which in turn could impact the Issuer's future business prospects.

Regulatory compliance risk has been further defined as risks associated with financial crime (which includes, but is not limited to, money laundering, bribery and sanctions), privacy, market conduct, consumer protection, business conduct and prudential requirements.

8. Strategic risk

Strategic risk is the risk that the Issuer or particular business areas of the Issuer will make inappropriate strategic choices, or will be unable to successfully implement selected strategies or related plans and decisions. Business strategy is the major driver of the Issuer's risk profile and consequently the strategic choices the Issuer makes in terms of business mix determines how the Issuer's risk profile changes. The Issuer's ability to execute on its objectives and strategic goals will influence its financial performance. If the Issuer is unable to successfully implement selected strategies or related plans and decisions, if the Issuer makes inappropriate strategic choices or if the Issuer makes a change to its strategic goals, its financial results could be adversely affected.

9. Reputation risk

Reputation risk is the risk that an activity undertaken by the Issuer or its representatives will impair its image in the community or lower public confidence in it, resulting in the loss of business, legal action or increased regulatory oversight.

Reputation risk can arise from a number of events and primarily occurs in connection with credit risk, regulatory, legal and operational risks and failure to maintain strong risk conduct. Operational failures and non-compliance with laws and regulations can have a significant reputational impact on the Issuer.

10. Legal and regulatory environment risk

Certain regulatory reforms will impact the way in which the Issuer operates, both in Canada and abroad, and the full impact of some of these reforms on the Issuer's business will not be known until final rules are implemented and market practices have developed in response. The following regulatory reforms have potential to increase the Issuer's operational, compliance, and technology costs and adversely affect the Issuer's profitability.

Canadian Housing Market and Consumer Debt

The Government of Canada ("**GoC**") continues to express concerns with the level and sustainability of Canadian household debt, driven in part by higher levels of mortgage debt as a result of persistent and unprecedented low interest rates and continued elevation of house prices in the Vancouver and Toronto markets. The Office of the Superintendent of Financial Institutions ("**OSFI**") has introduced a number of measures to address these concerns. These include updates to the regulatory capital requirements for loans secured by residential real estate, effective November 1, 2016, and changes to the regulatory framework for mortgage insurers to better align capital requirements to market conditions and more accurately reflect underlying risks, effective January 1, 2017. In addition, on July 7, 2016, OSFI released a letter to all federally regulated financial institutions ("**FRFIs**") outlining the regulator's expectation for the internal controls and risk management practices of mortgage lenders and insurers to be sound and take into account changing market developments.

The GoC has also been studying the Canadian housing market, particularly in areas such as affordability, supply and demand, and long-term sustainability, and, on October 3, 2016, announced additional measures. These include: (i) standardizing the eligibility criteria for high- and low-ratio insured mortgages (effective November 30, 2016); (ii) introducing a mortgage rate stress test for all insured mortgages (effective October 17, 2016); (iii) modifying eligibility for the capital gains tax exemption on the sale of a principal residence by non-residents and certain trusts; and (iv) expanding the authority of the Canada Revenue Agency to improve compliance and administration of the tax system with respect to the disposition of real estate. In addition, the GoC announced it will be holding further public consultations on whether lenderrisk sharing for government-backed insured mortgages could enhance the current system.

Credit Cards and Interchange Fees

On September 14, 2016, the GoC announced its intention to further assess the fees charged by credit card networks in order to ensure adequate competition and transparency for Canadian businesses and consumers when it comes to the fees they incur when using credit cards. At the same time, the GoC indicated it will review the effects of the November 2014 voluntary fee reductions undertaken by Visa and MasterCard‡.

*Supervision of Foreign Banking Organizations ("**FBO**")*

On February 18, 2014, the U.S. Federal Reserve ("**Fed**") finalized a new oversight regime for non-U.S. banks with subsidiaries, affiliates and branches operating in the U.S. The Enhanced Prudential Standards applies to all Bank Holding Companies and FBOs and is intended to address the perceived systemic risk that large foreign banks could pose to U.S. financial markets.

As an FBO with more than US$50 billion in U.S. non-branch assets, the Issuer was required to establish a separately capitalized U.S. Intermediate Holding Company ("**IHC**"), into which all of its U.S. legal entities must be placed and for which certain U.S.-based requirements apply. The IHC is subject to Fed oversight comparable to U.S. bank holding companies. On November 2, 2015, the Issuer's existing U.S. holding company, RBC USA Holdco Corporation, became a U.S. bank holding company, subjecting it to certain U.S.-based requirements as a result of the Issuer's acquisition of City National Bank Corporation, a U.S. insured depository institution. As of July 1, 2016, the Issuer's required non-branch and non-agency U.S. assets were transferred into the Issuer's U.S. holding company in order to establish the requisite IHC as it applies to the Issuer as an FBO.

On March 4, 2016, the Fed re-proposed a rule to limit the credit exposures of large banking organizations, including FBOs and IHCs, to any single counterparty or group of related counterparties. The Issuer expects it will need to modify its existing systems and put in place appropriate monitoring and reporting mechanisms in order to comply with the prescribed limits by the implementation deadline that will be established once the final rule is issued. If the rule is adopted as proposed, compliance will be required to be met daily, with monthly reporting to the Fed evidencing compliance.

The Issuer continues to enhance its existing risk management oversight and governance framework and practices in order to provide the governance and infrastructure needed to implement and support the remaining FBO-related requirements over the next several years, including those that relate to U.S. stress test and capital planning requirements.

Canadian Bail-in Regime

Bail-in regimes are being implemented in a number of jurisdictions in an effort to limit taxpayer exposure to potential losses of a failing institution and ensure the institution's shareholders and creditors remain responsible for bearing such losses. On April 20, 2016, the GoC introduced legislation to create a bank recapitalization or "bail-in" regime for the six domestic systemically important banks ("**D-SIBs**"). On June 22, 2016, legislation came into force, amending the Bank Act, the Canada Deposit Insurance Corporation Act and certain other federal statutes pertaining to banks to create such a regime for D-SIBs.

Under the regime, if OSFI is of the opinion that a D-SIB has ceased or is about to cease to be viable and its viability cannot be restored through the exercise of the Superintendent's powers, the GoC can direct the Canada Deposit Insurance Corporation to convert certain shares and liabilities of the bank into common shares of the bank or its affiliates. The shares and liabilities that will be subject to conversion, as well as the terms and conditions of conversion, will be prescribed by regulations to be made at a future date. The legislation also provides that OSFI will require such designated D-SIBs to maintain a minimum capacity to absorb losses, also known as total loss-absorbing capital ("**TLAC**").

While the specific parameters around conversion and loss-absorbency are not yet known, these changes are not expected to have a material impact on the Issuer's cost of long-term unsecured funding.

Total Loss-Absorbing Capacity

On November 9, 2015, the Financial Stability Board ("**FSB**") finalized minimum common international standards related to TLAC of global systemically important banks ("**G-SIBs**"). The standards are intended to address the sufficiency of G-SIBs' capital to absorb losses in a resolution situation in a manner that minimizes impact on financial stability and ensures continuity of critical and long-term debt functions. Under the final standards, G-SIBs would be expected to meet a 16% Risk-Weighted Asset ("**RWA**") requirement by 2019, increasing to 18% by 2022. In addition, G-SIBs would be expected by 2019 to maintain a TLAC leverage ratio exposure of 6% of the Basel III leverage ratio denominator, increasing to 6.75% by 2022. The Issuer would become subject to these enhanced requirements if it is designated as a G-SIB by the FSB in the future. To date, neither the Issuer nor any other Canadian bank has been designated as a G-SIB. It is also uncertain how these standards will be integrated into the Canadian bail-in regime described above.

On December 15, 2016, the Fed issued final rules implementing TLAC, long-term debt, and "clean holding company" requirements for U.S. G-SIBs and the IHCs of non-U.S. G-SIBs. While the Issuer is not covered at this time by the rule, its U.S. IHC will become subject to these U.S. requirements should the Issuer be designated as a G-SIB in the future.

*Global Over-the-Counter (“**OTC**”) Derivatives Reform*

OTC derivatives reform continues on a global basis, with G20 governments transforming the capital regimes, regulatory frameworks and infrastructures in which market participants operate. On September 1, 2016, the Issuer began to exchange margin on bilateral OTC derivatives in accordance with U.S. regulatory guidelines and expects to become subject to Canadian rules on March 1, 2017. The Issuer will also be subject to EU and other jurisdictions’ margin rules once deadlines are finalized. Global margin rules represent a fundamental change in how non-centrally cleared OTC derivatives are traded and require specific documents to be in place with all in-scope counterparties.

To avoid duplicative regulatory requirements and to mitigate banks’ regulatory costs, the Commodity Futures Trading Commission (“**CFTC**”) has issued substituted compliance relief to the Issuer and other Canadian banks who are registered as non-U.S. swap dealers. Such relief allows the Issuer to comply with Canadian rules in areas deemed comparable by the CFTC. The Issuer, along with other Canadian banks, continues to engage with the CFTC to ensure ongoing availability of no-action relief and substituted compliance determinations in connection with these U.S. rules. In Canada, OSFI has issued similar substituted compliance relief to the Issuer and other Canadian banks in reference to the U.S. Fed and CFTC regulatory margin rules.

OTC derivatives reform in the EU is implemented through the European Market Infrastructure Regulation (“**EMIR**”) and the review of Markets in Financial Instruments Directive and accompanying Regulation (together, “**MiFID II/MiFIR**”). EU regulations will introduce requirements that certain products be traded on a new trading venue category, subject to a determination of sufficient liquidity by the European Securities and Markets Authority (“**ESMA**”), for certain OTC derivatives that ESMA has deemed to be subject to the clearing obligation under EMIR. The EU also announced it would delay implementation of MiFID II/MiFIR until January 2018.

Uniform Fiduciary Standards

On April 6, 2016, the U.S. Department of Labor issued a final rule establishing a uniform fiduciary standard for providers of investment advice and related services in connection with U.S. retirement plans and holders of individual retirement accounts, effective April 10, 2017. As reported previously, the rule will impose new requirements and costs on the Issuer’s U.S. Wealth Management brokers and investment advisors who currently provide individualized investment advice according to a “suitability” standard rather than a fiduciary interest standard.

On April 28, 2016, the Canadian Securities Administrators proposed their own version of a regulatory “best interest standard” intended to replace the current requirement for registered advisors, dealers and representatives to deal “fairly, honestly, and in good faith” with their clients. Similar standards have been proposed or finalized in other jurisdictions, including the U.K. and Australia.

While these impacts are not expected to materially affect the Issuer’s overall results, the U.S. rules could significantly impact the Issuer’s U.S. Wealth Management business. The Issuer is considering ways to minimize these impacts, including through changes to its current business structure and product offerings.

Regulatory Capital and Related Requirements

The Issuer continues to monitor and prepare for developments related to regulatory capital. The Basel Committee on Banking Supervision ("**BCBS**") has issued a number of proposed revisions and new measures on a consultative basis that would reform the manner in which banks calculate, measure, and report regulatory capital and related risks, including with respect to the use of banks' own internal risk models. The impact of these proposals on the Isuer will depend on the final standards adopted by the BCBS and how these standards are implemented by the Issuer's regulators. The BCBS expects these proposals to have a relatively modest impact on capital and leverage for most banks upon finalization.

U.K. and European regulatory reform

In March 2016, certain of the Issuer's entities became subject to the U.K. Senior Managers Regime, which places a statutory duty on certain employees to take reasonable steps to prevent regulatory breaches in their areas of responsibility. A certification regime also applied to employees performing 'significant harm' roles. New conduct rules will also apply to in-scope employees from March 2017.

The Market Abuse Regulation became effective July 2016 and brought changes to the civil regime for market abuse in the EU, establishing rules relating to investment recommendations, market soundings, insider lists, and monitoring of suspicious transactions and orders.

Various articles within the Securities Financing Transactions Regulation took effect in 2016, including conditions around the re-use of collateral provided in the form of securities by EU counterparties.

The Packaged Retail and Insurance-based Investment Products ("**PRIIPs**") Regulation, effective December 2016, requires prescribed disclosure documents to be provided to retail investors before they purchase PRIIPs. The Issuer will be responsible for creating and updating these documents for products which are manufactured by the Issuer, and for providing the relevant documents to clients who purchase PRIIPs from the Issuer, whether manufactured by the Issuer or by third parties.

MiFID II/MiFIR becomes effective January 2018 and will have a significant technological and procedural impact for certain businesses of the Issuer operating in the EU. The reforms will introduce changes to pre- and post-trade transparency, market structure, trade and transaction reporting, algorithmic trading, and conduct of business.

Following the result of the June 2016 referendum, the U.K. is planning to exit the EU. A formal notice of the U.K. Government's intention to withdraw from the EU must be provided to European Council, triggering a two-year negotiation period during which the terms of the U.K.'s exit will be determined. Until those negotiations are concluded or the negotiation period expires, the U.K. will remain an EU Member State, subject to all EU legislation.

11. Competitive Risk

The competition for clients among financial services companies in the markets in which the Issuer operates is intense. Client loyalty and retention can be influenced by a number of factors, including new technology used or services offered by the Issuer's competitors, relative service levels, relative prices, product and service attributes, the Issuer's reputation, actions taken by the Issuer's competitors, and adherence with competition and anti-trust laws. Other companies, such as insurance companies and non-financial companies, are increasingly offering services traditionally provided by banks. For example, the Issuer's payments business is facing intense competition from emerging non-traditional competitors. This competition could also reduce the Issuer's net interest income, fee revenue and adversely affect the Issuer's results.

12. Systemic Risk

Systemic risk is the risk that the financial system as a whole, or a major part of it – either in an individual country, a region, or globally – is put in real and immediate danger of collapse or serious damage with the likelihood of material damage to the real economy, and that this will result in financial, reputation or other risks for the Issuer. Systemic risk is considered to be the least controllable risk facing the Issuer.

13. Business and economic conditions

The Issuer's earnings are significantly affected by the general business and economic conditions in the geographic regions in which it operates. These conditions include consumer saving and spending habits as well as consumer borrowing and repayment patterns, business investment, government spending, exchange rates, sovereign debt risks, the level of activity and volatility of the capital markets, strength of the economy and inflation. For example, an extended economic downturn may result in high unemployment and lower family income, corporate earnings, business investment and consumer spending, and could adversely affect the demand for the Issuer's loan and other products and result in higher provisions for credit losses. Given the importance of the Issuer's Canadian operations, an economic downturn in Canada or in the U.S. impacting Canada would largely affect the Issuer's personal and business lending activities in its Canadian banking businesses, including mortgages and credit cards, and could significantly impact the Issuer's results of operations.

The Issuer's earnings are also sensitive to changes in interest rates. A continuing low interest rate environment in Canada, the U.S. and globally would result in net interest income being unfavourably impacted by spread compression largely in Personal & Commercial Banking and Wealth Management. While an increase in interest rates would benefit the Issuer's businesses that are currently impacted by spread compression, a significant increase in interest rates could also adversely impact household balance sheets. This could result in credit deterioration which might negatively impact the Issuer's financial results, particularly in some of the Issuer's personal and commercial banking and Wealth Management businesses.

Deterioration in global capital markets could result in volatility that would impact results in Capital Markets while in Wealth Management, weaker market conditions would lead to lower average fee-based client assets and transaction volumes. In addition, worsening financial and credit market conditions may adversely affect the Issuer's ability to access capital markets on favourable terms and could negatively affect the Issuer's liquidity, resulting in increased funding costs and lower transaction volumes in Capital Markets and Investor & Treasury Services.

14. Government fiscal, monetary and other policies

The Issuer's businesses and earnings are affected by the fiscal, monetary or other policies that are adopted by the Bank of Canada and various other Canadian regulatory authorities, the Federal Reserve System in the U.S. and other U.S. government authorities, as well as those adopted by international regulatory authorities and agencies in jurisdictions in which the Issuer operates. Such policies can also adversely affect the Issuer's clients and counterparties in Canada, the U.S. and internationally, which may increase the risk of default by such clients and counterparties.

15. Tax risk and transparency

Tax risk refers to the risk of loss related to unexpected tax liabilities. The tax laws and systems that are applicable to the Issuer are complex and wide ranging. As a result, the Issuer ensures that any decisions or actions related to tax always reflect its assessment of the long-term costs and risks involved, including their impact on the Issuer's relationship with clients, shareholders, and regulators, and its reputation.

The Issuer's tax strategy is designed to ensure transparency and support its business strategy, and is aligned with the Issuer's corporate vision and values. The Issuer seeks to maximize shareholder value by ensuring that its businesses are structured in a tax-efficient manner while considering reputational risk by being in compliance with all laws and regulations. The Issuer's framework seeks to ensure that it:

- Acts with integrity and in a straightforward, open and honest manner in all tax matters;
- Ensures tax strategy is aligned with the Issuer's business strategy supporting only bona fide transactions with a business purpose and economic substance;
- Ensures the Issuer's full compliance and full disclosure to tax authorities of its statutory obligations; and
- Endeavours to work with the tax authorities to build positive long-term relationships and where disputes occur, address them constructively.

With respect to assessing the needs of its clients, the Issuer considers a number of factors including the purposes of the transaction. The Issuer seeks to ensure that it only supports bona fide client transactions with a business purpose and economic substance. Should the Issuer become aware of client transactions that are aimed at evading their tax obligations, the Issuer will not proceed with the transaction.

Given that the Issuer operates globally, complex tax legislation and accounting principles has resulted in differing legal interpretations between the respective tax authorities the Issuer deals with and the Issuer and the Issuer is at risk of tax authorities disagreeing with prior positions the

Issuer has taken for tax purposes.When this occurs, the Issuer is committed to an open and transparent dialogue with the tax authorities to ensure a quick assessment and prompt resolution of the issues where possible. Failure to adequately manage tax risk and resolve issues with tax authorities in a satisfactory manner could adversely impact the Issuer’s results, potentially to a material extent in a particular period, and/or significantly impact the Issuer’s reputation.

16. Environmental risk

Environmental risk is the risk of loss to financial, operational or reputational value resulting from the impact of environmental issues. It arises from the business activities and operations of both the Issuer and its clients. Environmental issues that lead to environmental risk are broad and may include: air emissions, wastewater discharge, waste management, site contamination, environmental regulation, climate change and community and social impacts.

Property insurance businesses can be affected due to changing climate patterns and an increase in the number and cost of claims associated with severe storms and other natural disasters. On July 1, 2016, the Issuer completed the sale of RBC General Insurance Company to Aviva Canada Inc., which involved the sale of the Issuer’s home and auto insurance manufacturing business. RBC Insurance had already exited the Property Reinsurance market in 2006. As a result of these transactions, RBC Insurance does not have any exposure to losses related to property and auto insurance.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this document and as at the date of this document have been approved by or filed with the FCA are hereby incorporated in, and form part of, this Registration Document:

(a) the entire Annual Information Form dated November 29, 2016 (the "**2016 AIF**"), including, without limitation, the following sections:

(i) "Description of the Business – General Summary" beginning on page 3;

(ii) "Competition" on page 3; and

(iii) "Appendix A - Principal Subsidiaries" on page 27; and

(b) the following sections of the Bank's 2016 Annual Report (the "**2016 Annual Report**") for the year ended October 31, 2016:

(i) the audited consolidated financial statements, which comprise the consolidated balance sheets as at October 31, 2016 and October 31, 2015, and the consolidated statements of income, statements of comprehensive income, statements of changes in equity, and statements of cash flows for each of the years in the three-year period ended October 31, 2016, prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS**"), together with the Reports of Independent Registered Public Accounting Firms thereon on pages 116 through 205 (the "**2016 Audited Consolidated Financial Statements**");

(ii) the entire Management's Discussion and Analysis for the year ended October 31, 2016 (the "**2016 MD&A**"), including, without limitation, a description of risk factors related to the Bank and its business, and the steps taken to manage such risks, under the heading "Risk management" on pages 46 to 87 and "Overview of other risks" on pages 87 to 89 and information about trends, commitments, events and uncertainties for the Bank and each business segment known to the Bank's management which is provided under the heading "Economic, market and regulatory review and outlook – data as at November 29, 2016" on page 11, "Outlook and priorities" on pages 23, 27-28, 32, 35 and 37 together with the caution provided under the heading "Caution regarding forward-looking statements" on page 8,

the remainder of the 2016 Annual Report is either not relevant for investors or covered elsewhere in this document and is not incorporated by reference;

provided that any statement contained in a document, all or the relative portion of which is incorporated by reference, shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein or in any supplement hereto filed under Article 16 of the Prospectus Directive or section 87G of FSMA, as the case may be, including any document incorporated therein by reference, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Information, documents or statements expressed to be incorporated by reference into, or that form part of one or more of, the documents noted above form part of this document but do not form part of the Registration Document of the Issuer approved by the United Kingdom Listing Authority for purposes of the Prospectus Directive.

Copies of this Registration Document and the documents incorporated by reference herein and any supplement hereto approved by the United Kingdom Listing Authority can be (1) viewed on the website of the Regulatory News Service operated by the London Stock Exchange at *http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html* under the name of the Issuer and the headline "Publication of Prospectus" and (2) obtained on written request and without charge from the Issuer at 200 Bay Street, 4th Floor, North Tower, Toronto, Ontario, Canada M5J 2W7, Attention: Vice President & Head, Investor Relations and from the office of The Bank of New York Mellon, London Branch, One Canada Square, London E14 5AL, England, Attention: Manager, EMEA Corporate & Sovereign Department and at the specified offices of any other paying agent (together with The Bank of New York Mellow, London Branch, the "**Paying Agents**") appointed in connection with the issuance of securities with respect to which the Registration Document forms part of the Prospectus prepared by the Issuer or relating to such securities.

Except for the key performance indicators included in the Bank's 2016 MD&A (whose basis of preparation is specified therein), the financial information of the Bank incorporated by reference or otherwise contained in this document has been prepared in accordance with IFRS.

DESCRIPTION OF ROYAL BANK OF CANADA

The information appearing below is supplemented by the more detailed information contained in the documents incorporated by reference in this Registration Document. See paragraphs (a) and (b) of the section entitled "Documents Incorporated by Reference".

History and Development of the Issuer

Royal Bank of Canada (the "**Bank**") is a Schedule I bank under the *Bank Act* (Canada) (the "**Bank Act**"), which constitutes its charter. The Bank was created as Merchants Bank in 1864 and was incorporated under the "Act to Incorporate the Merchants' Bank of Halifax" assented to June 22, 1869. The Bank changed its name to The Royal Bank of Canada in 1901 and to Royal Bank of Canada in 1990.

The Bank's corporate headquarters are located at Royal Bank Plaza, 200 Bay Street, Toronto, Ontario, Canada M5J 2J5 and the telephone contact number is +1 (416) 974-5151. Its head office is located at 1 Place-Ville Marie, Montreal, Quebec, Canada.

RBC Group and its Principal Activities and Markets

The Bank's business and powers are set out in Part VIII of the Bank Act. In particular, section 409 provides that, subject to the Bank Act, the Bank shall not engage in or carry on business other than the business of banking and such business as generally appertains thereto.

The RBC Group is Canada's largest bank and one of the largest banks in the world, based on market capitalization. The Bank is the ultimate parent and main operating company in the RBC Group. The RBC Group is one of North America's leading diversified financial services companies, and provides personal and commercial banking, wealth management services, insurance, investor services and capital markets products and services on a global basis. The RBC Group has over 80,000 full- and part-time employees who serve more than 16 million personal, business, public sector and institutional clients through offices in Canada, the U.S. and 36 other countries. As at October 31, 2016, the RBC Group has total assets of approximately C$1,180.3 billion and total equity attributable to shareholders of approximately C$71.0 billion.

The RBC Group's reporting segments are Personal & Commercial Banking, Wealth Management, Insurance, Investor & Treasury Services, Capital Markets and Corporate Support. Additional information about the RBC Group's business and each segment (including segment results) can be found under "Overview and outlook" beginning on page 9 and under "Business segment results" beginning on page 19 of the Issuer's 2016 Annual Report, which pages are incorporated by reference herein.

The Bank's common shares are listed on the Toronto Stock Exchange in Canada, New York Stock Exchange in the U.S. and the SIX Swiss Exchange in Switzerland. The trading symbol is "RY". Its preferred shares are listed on the Toronto Stock Exchange.

Except as indicated in Notes 20 and 21 of the 2016 Audited Consolidated Financial Statements, there are no convertible bonds or options on the Bank's common or preferred shares outstanding which have been issued by the Bank or by group companies of the Bank.

Except for the number of Treasury Shares as at October 31, 2016 specified in the Bank's 2016 Audited Consolidated Financial Statements incorporated herein by reference, neither the Bank nor any third party on its behalf owns any of its issued common or preferred shares.

Competition

The principal markets in which the Bank competes as at October 31, 2016 are described in the 2016 MD&A incorporated by reference herein.

Organizational Structure

The Bank's principal subsidiaries as at October 31, 2016 are listed in "Appendix A" of the Issuer's 2016 AIF, which is incorporated by reference herein.

ISSUER RATINGS

Each of the Bank's solicited debt and preferred share ratings as at the date of this Registration Document are listed below:

Rating Agency	Long-term Senior Debt	Bank Subordinated Debt[1]	Short-term Debt	Preferred Shares[2]	Outlook
Moody's USA	Aa3	A3	P-1	Baa2	Negative
S&P USA	AA-	A	A-1+	BBB+	Negative
Fitch	AA	AA-	F1+	-	Negative
DBRS	AA	AA (low)	R-1 (high)	Pfd-2 (high)	Negative

See pages 28 and 29 of the 2016 AIF incorporated by reference into this Registration Document for a definition of the categories of each of the credit ratings referred to above.

Credit ratings including stability or provisional ratings (collectively, "**Ratings**") are not recommendations to purchase, sell or hold a security or financial obligation inasmuch as they do not comment on market price or suitability for a particular investor. Ratings may not reflect the potential impact of all risks on the value of securities or financial obligation. In addition, real or anticipated changes in the rating assigned to a security or financial obligation will generally affect the market value of that security or financial obligation. Ratings are subject to revision or withdrawal at any time by the rating organization.

[1] The Issuer's Basel III-compliant subordinated notes issued after January 1, 2014 have different ratings from these ratings. They are rated "A-" by S&P USA, "Baa1" by Moody's USA and "A (low)" by DBRS.

[2] The Issuer's Basel III-compliant preferred shares issued after January 1, 2014 received different credit ratings from the ratings shown in the above table. They are rated "Pfd-2" by DBRS; "P-2" by S&P USA using the S&P Canadian scale for preferred shares and "BBB" using S&P USA's global scale for preferred shares.

PRESENTATION OF FINANCIAL RESULTS

With the exception of the figures for return on common equity, the information in the tables appearing under "*Financial Summary*" below was derived from consolidated financial statements of the Issuer prepared in accordance with IFRS.

FINANCIAL SUMMARY

With the exception of the figures for return on common equity, information in the tables below for the years ended October 31, 2016 and 2015 have been extracted from the Issuer's 2016 Audited Consolidated Financial Statements, all of which have been prepared in accordance with IFRS and are incorporated by reference in this Registration Document. The amounts under return on common equity have been extracted from the Issuer's 2016 MD&A.

An audit comprises audit tests and procedures deemed necessary for the purpose of expressing an opinion on financial statements taken as a whole. An audit opinion has not been expressed on individual balances of accounts or summaries of selected transactions in the table below.

Selected Consolidated Balance Sheet Information

	As at October 31, 2016	As at October 31, 2015
	(in millions of Canadian dollars)	
Loans, net of allowance for loan losses	521,604	472,223
Total assets	1,180,258	1,074,208
Deposits	757,589	697,227
Other liabilities	340,314	304,845
Subordinated debentures	9,762	7,362
Trust capital securities	0	0
Preferred share liabilities	0	0
Non-controlling interest in subsidiaries	595	1,798
Equity attributable to shareholders	71,017	62,146

Condensed Consolidated Statement of Income Information

	Year ended October 31, 2016	Year ended October 31, 2015
	(in millions of Canadian dollars, except per share amounts and percentage amounts)	
Net interest income	16,531	14,771
Non-interest income	21,874	20,550
Total revenue	38,405	35,321
Provision for credit losses	1,546	1,097
Insurance policyholder benefits, claims and acquisition expense	3,424	2,963
Non-interest expense	20,136	18,638
Net income from continuing operations	10,458	10,026
Net loss from discontinued operations	0	0
Net Income	10,458	10,026
Earnings per share		
– basic	$6.80	$6.75
– diluted	$6.78	$6.73
Return on common equity[1]	16.3%	18.6%

[1] Return on common equity does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section of the Bank's 2016 MD&A.

DIRECTORS

The Directors of the Bank, each of whose address is the executive offices of the Bank, Royal Bank Plaza, 200 Bay Street, South Tower, Toronto, Ontario, Canada M5J 2J5, their function in the Bank and their other principal activities (if any) outside the Bank of significance to the Bank, are as follows:

Name	**Function**	**Other Principal Activities outside the Bank**
W. Geoffrey Beattie Toronto, Ontario	Director	Chief Executive Officer, Generation Capital.
Andrew A. Chisholm Toronto, Ontario	Director	Corporate Director
Jacynthe Côté Montreal, Québec	Director	Corporate Director
Toos N. Daruvala New York, New York	Director	CO- CEO, McKinsey Investment Office
David F. Denison Toronto, Ontario	Director	Corporate Director
Richard L. George Calgary, Alberta	Director	Partner, Novo Investment Group
Alice D. Laberge Vancouver, British Columbia	Director	Corporate Director
Michael H. McCain Toronto, Ontario	Director	President and Chief Executive Officer, Maple Leaf Foods Inc.
David I. McKay Toronto, Ontario	President and Chief Executive Officer and Director	Not applicable
Dr. Heather Munroe-Blum Montreal, Québec	Director	Professor of Medicine and Principal Emerita, McGill University
Thomas A. Renyi New Harbor, Maine	Director	Corporate Director
Edward Sonshine Toronto, Ontario	Director	Chief Executive Officer, RioCan Real Estate Investment Trust

Kathleen P. Taylor Toronto, Ontario	Chair of the Board and Director	Corporate Director
Bridget A. van Kralingen New York, New York	Director	Senior Vice-President, IBM Industry Platforms, International Business Machines Corporation
Thierry Vandal Mamaroneck, New York	Director	President, Axium Infrastructure US Inc.

There are no conflicts of interests between any duties owed to the Bank by the Directors and the private interests and/or other duties owed by these individuals. If a Director were to have a material interest in a matter being considered by the Board or any of its Committees, such Director would not participate in any discussions relating to, or any vote on, such matter.

MAJOR SHAREHOLDERS

To the extent known to the Bank, the Bank is not directly or indirectly owned or controlled by any person.

Subject to certain exceptions contained in the Bank Act, no person may be a major shareholder of a bank having equity of $12 billion or more (which includes the Bank). A person is a major shareholder if: (a) the aggregate of the shares of any class of voting shares of the Bank beneficially owned by that person, by entities controlled by that person and by any person associated or acting jointly or in concert with that person is more than 20 per cent of that class of voting shares, or (b) the aggregate of shares of any class of non-voting shares of the Bank beneficially owned by that person, by entities controlled by that person and by any person associated or acting jointly or in concert with that person is more than 30 per cent of that class of non-voting shares.

Additionally, no person may have a significant interest in any class of shares of a bank (including the Bank) unless the person first receives the approval of the Minister of Finance. For purposes of the Bank Act, a person has a significant interest in a class of shares of a bank where the aggregate of any shares of the class beneficially owned by that person, by entities controlled by that person and by any person associated or acting jointly or in concert with that person exceeds 10 per cent of all of the outstanding shares of that class of shares of such bank.

MATERIAL CONTRACTS

The Bank has not entered into any contracts outside the ordinary course of the Bank's business which could materially affect the Bank's obligations in respect of any Notes to be issued by the Bank.

GENERAL INFORMATION

1. The Registration Document was authorised by (i) resolutions of the Board of Directors of the Issuer passed on February 29, 2012 amending and restating prior resolutions of the Board of the Issuer in respect of the Programme and Administrative Resolutions of the Board of Directors of the Issuer adopted on October 14, 2004 and most recently amended at a meeting held on October 20, 2016 effective November 1, 2016, and (ii) a resolution of the Board of Directors authorizing the issuance of subordinated indebtedness dated October 16, 2015, as amended on January 29, 2016 or any subsequent resolution replacing such resolution as is specified in the relevant Final Terms. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the Registration Document.

2. Other than the matter disclosed in Note 24 and litigation matters disclosed in Note 27 (with the exception of the subsection entitled "Other matters") to the 2016 Audited Consolidated Financial Statements set out on pages 190, 194 and 195 of the Bank's 2016 Audited Consolidated Financial Statements and incorporated by reference herein, there are no, nor have there been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had during the twelve months prior to the date of this document, individually or in the aggregate, a significant effect on the financial position or profitability of the Issuer or of the Issuer and its subsidiaries taken as a whole.

3. Since October 31, 2016, the last day of the financial period in respect of which the most recent audited consolidated financial statements of the Issuer have been prepared, there has been no significant change in the financial position of the Issuer and its subsidiaries taken as a whole. Since October 31, 2016, the date of its last published audited consolidated financial statements, there has been no material adverse change in the prospects of the Bank and its subsidiaries taken as a whole.

4. For financial years ending on or prior to October 31, 2015, the independent auditors of the Issuer were Deloitte LLP ("**Deloitte**") who are Chartered Professional Accountants, and Licensed Public Accountants and are subject to oversight by the Canadian Public Accountability Board ("**CPAB**") and Public Company Accounting Oversight Board (United States). Deloitte is also registered in the Register of Third Country Auditors maintained by the Professional Oversight Board in the United Kingdom, the Irish Auditing and Accounting Supervisory Authority in Ireland and the Supervisory Board of Public Accounting in Sweden, all in accordance with the European Commission Decision of January 19, 2011 (Decision 2011/30/EU). Deloitte was independent of the Bank within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario and had no material interest in the Bank as at December 1, 2015. The address for Deloitte is set out on the last page hereof.

5. For the financial year beginning after October 31, 2015, the independent auditors of the Issuer are PricewaterhouseCoopers LLP ("**PwC**") who are Chartered Professional Accountants, and Licensed Public Accountants and are subject to oversight by the CPAB and Public Company Accounting Oversight Board (United States). PwC is also registered in the Register of Third Country Auditors maintained by the

Professional Oversight Board in the United Kingdom, the Irish Auditing and Accounting Supervisory Authority in Ireland and the Supervisory Board of Public Accounting in Sweden, all in accordance with the European Commission Decision of January 19, 2011 (Decision 2011/30/EU). PwC is independent of the Bank within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario and has no material interest in the Bank. The address for PwC is set out on the last page hereof.

6. The 2016 Audited Consolidated Financial Statements, prepared in accordance with IFRS, were audited in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States) by PwC. PwC expressed an unmodified opinion on the audited consolidated financial statements for the year ended October 31, 2016 in their report dated November 29, 2016 and Deloitte expressed an unmodified opinion on the audited consolidated financial statements for the year ended October 31, 2015.

7. For so long as the Issuer may issue securities with respect to which this Registration Document forms part of a Prospectus prepared by the Bank relating to such securities, copies of the following documents may be inspected during normal business hours at the specified office of the Paying Agents and obtained from the executive and head offices of the Issuer, namely:

   (i) the *Bank Act* (Canada) (being the charter of the Issuer) and by-laws of the Issuer;

   (ii) the Annual Report of the Issuer for the two most recently completed fiscal years, which includes comparative audited annual consolidated financial statements of the Issuer and the auditor's reports thereon;

   (iii) the most recent quarterly report including the unaudited interim condensed consolidated financial statements; and

   (iv) a copy of the Registration Document together with any supplement to the Registration Document.

   In addition, copies of this Registration Document will be available for inspection on the website of the Regulatory News Service operated by the London Stock Exchange at *http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html* or the National Storage Mechanism at http://www.morningstar.co.uk/uk/NSM. Copies of the Bank's periodic financial reports may also be available for viewing under the name of the Issuer on SEDAR at www.sedar.com. Please note that websites and urls referred to herein do not form part of the Registration Document.

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to the Bank

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INDEPENDENT AUDITOR

to the Bank

For Financial Years beginning after October 31, 2015

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