



## ROYAL BANK OF CANADA

(a Canadian chartered bank)

### **4<sup>TH</sup> Supplementary Notes Base Prospectus dated April 15, 2020**

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

Pages i to 175 (inclusive) of the Notes Base Prospectus dated July 5, 2019, as supplemented by the 1<sup>st</sup> Supplementary Prospectus dated September 2, 2019, by the 2<sup>nd</sup> Supplementary Prospectus dated December 23, 2019 and by the 3<sup>rd</sup> Supplementary Prospectus dated February 28, 2020 (the “**Notes Base Prospectus**”) of Royal Bank of Canada (“**RBC**” or the “**Issuer**”) comprise a base prospectus (the “**Base Prospectus**”) for the purposes of Article 5.4 of Directive 2003/71/EC (as amended, the “**Prospectus Directive**”) in respect of notes (“**PD Notes**” or “**Notes**”) to be offered to the public in the European Economic Area and the United Kingdom (the “**UK**”) 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) and admitted to trading on the Regulated Market of the London Stock Exchange plc (the “**London Stock Exchange**”). Pages 176 to 259 (inclusive) of the Notes Base Prospectus, as supplemented by the 1<sup>st</sup> Supplementary Offering Circular dated September 2, 2019, the 2<sup>nd</sup> Supplementary Offering Circular dated December 23, 2019 and the 3<sup>rd</sup> Supplementary Offering Circular dated February 28, 2020 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 Financial Conduct Authority and does not constitute a base prospectus for purposes of the Prospectus Directive.

### **SUPPLEMENTARY PROSPECTUS**

Pages 1 to 4 inclusive of this supplement (the “**4<sup>th</sup> Supplementary Prospectus**”) constitute a supplementary prospectus for the purposes of the Prospectus Directive and for the purposes of Section 87G of the *Financial Services and Markets Act 2000*, as that provision stood immediately prior to July 21, 2019 (the “**FSMA**”) prepared in connection with the programme for the issuance of securities established by RBC (the “**Programme**”). The information on page 5 of this supplement constitutes a supplementary offering circular and does not form part of this 4<sup>th</sup> Supplementary Prospectus.

Terms defined in the Base Prospectus have the same meaning when used in this 4<sup>th</sup> Supplementary Prospectus. The 4<sup>th</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 4<sup>th</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 4<sup>th</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 4<sup>th</sup> Supplementary Prospectus is to (a) to update the Issuer's ratings disclosure in light of the recent ratings and outlook changes by Fitch Ratings, Inc. ("**Fitch**"), (b) to include a new risk factor relating to the coronavirus ("**COVID-19**") under the risk factors in the Base Prospectus and (c) update Element B.17 of the Programme Summary to reflect the same by virtue of this 4<sup>th</sup> Supplementary Prospectus.

To the extent that there is any inconsistency between (a) any statement in this 4<sup>th</sup> Supplementary Prospectus or any statement incorporated by reference into the Base Prospectus by this 4<sup>th</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 4<sup>th</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 Notes Base Prospectus.

Copies of this 4<sup>th</sup> Supplementary Prospectus, the Base Prospectus and the documents incorporated by reference in either of these can be (i) 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 (ii) obtained on written request and without charge from (a) the Issuer at 20<sup>th</sup> Floor, 200 Bay Street, Toronto, Ontario, Canada M5J 2J5, Attention: Investor Relations, and (b) the office of the Issuing and Paying Agent, The Bank of New York Mellon, London Branch, One Canada Square, London E14 5AL, United Kingdom, Attention: Manager, EMEA Corporate & Sovereign. Certain of the documents incorporated by reference in the Base Prospectus may be viewed by accessing the Issuer's disclosure documents through the Internet (a) at the Canadian System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com) (an internet based securities regulatory filing system), and (b) at the United States Securities and Exchange Commission's website at <http://www.sec.gov>. These websites are not incorporated in, and do not form part of, the Base Prospectus.

## **ISSUER RATINGS**

On April 3, 2020, Fitch revised the Issuer's rating outlook to negative from stable. In addition, Fitch upgraded the Issuer's rating on legacy senior long term debt by one notch to AA+, affirmed the Issuer's debt rating on senior long term debt as AA and short-term senior debt as F1+ but downgraded the Issuer's subordinated debt (including NVCC subordinated debt) by one notch to A+. As a result, the ratings table on page 20 of the Issuer's Registration Document dated June 24, 2019 shall be deemed to be amended accordingly to reflect these changes.

Fitch is not established in the European Union. However, ratings issued by Fitch are endorsed by Fitch Ratings Limited, which is established in the United Kingdom and registered under Regulation (EC) No 1060/2009, as amended.

## **COVID-19 RISK FACTOR**

Under the section "RISK FACTORS" on pages 26 to 58 of the Base Prospectus, the following new risk factor shall be added as the second paragraph under "1. Factors which are material for the purpose of assessing risks associated with the Issuer" on page 27 of the Base Prospectus.

*"COVID-19 has materially impacted and is expected to continue to materially impact, and other epidemics or pandemics may impact, the global economy and/or financial markets. COVID-19 has adversely affected the Issuer and could result in losses on or adversely affect, potentially materially, the Notes, and/or your ability to resell your Notes*

On March 11, 2020, the World Health Organization declared the outbreak of a strain of novel coronavirus disease, COVID-19, a global pandemic. The spread of COVID-19 has had disruptive effects in countries in which the Issuer operates and the global economy more widely, as well as contributing to increased volatility and declines in financial markets. Governments and regulatory bodies in affected areas have imposed a number of measures designed to contain the outbreak, including widespread business closures, travel restrictions, quarantines, and cancellations of gatherings and events. Governments, monetary authorities and regulators have also taken actions to support the economy and financial system, including taking fiscal and monetary measures to increase liquidity and support incomes, and regulatory actions in respect of financial institutions. We are closely monitoring the potential effects and impact of the COVID-19 pandemic, which is an evolving, rapidly changing situation. Uncertainty remains as to the full impacts of COVID-19 on the global economy, financial markets, and the Issuer, including the Issuer's financial results and condition, regulatory capital and liquidity ratios and ability to meet regulatory and other requirements, which will depend on future developments that are highly uncertain and cannot be predicted. These future developments include the scope, severity and duration of the pandemic, actions and measures taken by governmental, monetary and regulatory authorities and other third parties in response to the pandemic and the impact and effectiveness of those actions and measures. If the COVID-19 pandemic is prolonged, or further diseases emerge that give rise to similar effects, the adverse impact on the economy could deepen and result in further volatility and declines in financial markets.

A substantial amount of the Issuer's business involves making loans or otherwise committing resources to borrowers, including individuals, companies in various industries and governments. The COVID-19 pandemic's impact on such borrowers, including borrowers of mortgage loans could impact their ability to repay their loans and could have a material adverse effect on the value of the mortgage loans and on the Issuer's financial results, financial condition and/or liquidity. In addition, the value of the assets underlying mortgage loans may be materially adversely affected as a result of market developments from the COVID-19 pandemic and uncertainty regarding its outcome. To support clients, the Issuer has set up various hardship programs to help personal and small business banking clients manage through challenges such as pay disruption due to COVID-19; childcare disruption due to school closures; or those facing illness from COVID-19.

The COVID-19 pandemic may also result in disruption to the Issuer's ability to conduct its business and to provide services to its customers, including as a result of the challenges of remote working and increased unavailability of the Issuer's staff, as well as disruptions to key suppliers of goods and services to the Issuer, and these factors may adversely impact the business operations of the Issuer, the quality and continuity of service to customers and the reputation of the Issuer. As a result, the business, financial results and condition, and reputation of the Issuer could be adversely impacted for a substantial period of time.

To the extent that the COVID-19 pandemic, or any future epidemics or pandemics, causes material adverse impacts to the Issuer, the global economy, and/or financial markets, it could result in losses on the Notes, as well as market volatility and adverse effects on liquidity in the market for the Notes, any of which may affect your ability to resell the Notes. See also discussion on risks associated with economic, financial and political events under various Risk Factors in the Registration Statement."

## UPDATES TO THE SUMMARY TO THE PROGRAMME

The Summary to the Programme included in the Base Prospectus is made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A to E (A.1 – E.7).

Following the ratings and outlook changes of Fitch, Element B.17 of the Summary to the Programme is updated as set out below:

B.17	Credit Ratings Assigned to the Issuer or its Debt Securities at the Request of or in Cooperation with the Issuer:	<p>The credit ratings assigned to the Issuer are:</p> <p>(i) Aa2 (legacy senior long-term debt)<sup>1</sup>, A2 (senior long-term debt)<sup>2</sup>, P-1 (short-term senior debt), Baa1 (subordinated debt), Baa1 (NVCC subordinated debt)<sup>3</sup>, Baa3 (preferred shares and NVCC preferred shares)<sup>3</sup>, each with a stable outlook, by Moody’s Investors Services, Inc. (“<b>Moody’s USA</b>”),</p> <p>(ii) AA- (legacy senior long-term debt)<sup>1</sup>, A (senior long-term debt)<sup>2</sup>, A-1+ (short-term senior debt), A (subordinated debt), A- (NVCC subordinated debt)<sup>3</sup>, BBB+ (preferred shares) and BBB (NVCC preferred shares)<sup>3</sup>, each with a stable outlook, by Standard &amp; Poor’s Financial Services LLC (“<b>S&amp;P USA</b>”);</p> <p>(iii) AA+ (legacy senior long-term debt)<sup>1</sup>, AA (senior long-term debt)<sup>2</sup>, F1+ (short-term senior debt), A+ (subordinated debt) and AA- (NVCC subordinated debt)<sup>3</sup>, each with a negative outlook, by Fitch Ratings, Inc. (“<b>Fitch USA</b>”); and</p> <p>(iv) AA (high) (legacy senior long-term debt)<sup>1</sup>, AA (low) (senior long-term debt)<sup>2</sup>, R-1 (high) (short-term senior debt), A (high) (subordinated debt), A (low) (NVCC subordinated debt)<sup>3</sup>, Pfd-2 (high) (preferred shares) and Pfd-2 (NVCC preferred shares)<sup>3</sup>, each with a positive outlook, by DBRS Limited (“<b>DBRS</b>”).</p> <p>The Senior Notes issuable under the Programme have been generally rated Aa2 (legacy long-term senior debt)<sup>1</sup>, A2 (long-term senior debt)<sup>2</sup> and P-1 (short-term debt) by Moody’s Canada Inc. (“<b>Moody’s Canada</b>”) and AA- (legacy long-term senior debt)<sup>1</sup>, A (long-term senior debt)<sup>2</sup> and A-1+ (short-term debt) by S&amp;P Global Ratings, acting through S&amp;P Global Ratings Canada, a business unit of S&amp;P Global Canada Corp. (“<b>S&amp;P Canada</b>”).</p> <p><small>1 Includes (a) senior long-term debt issued prior to September 23, 2018; and (b) senior long-term debt issued on or after September 23, 2018 which is excluded from the Canadian Bank Recapitalization (“<b>Bail-in</b>”) regime.</small></p> <p><small>2 Includes senior long-term debt issued on or after September 23, 2018 which is subject to conversion under the Bail-in regime.</small></p> <p><small>3 Non-Viability contingent capital or NVCC.</small></p>
		<p><i>Issue specific summary</i></p> <p>[The Senior Notes to be issued [have been/are expected to be] rated [•] by [•]]</p> <p>[The Senior Notes to be issued have not been specifically rated.]</p>

## SUPPLEMENTARY OFFERING CIRCULAR

Page 5 of this Supplement (the “4<sup>th</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 4<sup>th</sup> Supplementary Offering Circular. The 4<sup>th</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 4<sup>TH</sup> SUPPLEMENTARY OFFERING CIRCULAR TO THE OFFERING CIRCULAR HAVE BEEN REVIEWED OR APPROVED BY THE FINANCIAL CONDUCT AUTHORITY AND THE OFFERING CIRCULAR DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSE OF THE PROSPECTUS DIRECTIVE.**

RBC accepts responsibility for the information in this 4<sup>th</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 4<sup>th</sup> Supplementary Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

This 4<sup>th</sup> Supplementary Offering Circular is supplemental to, and should be read in conjunction with, the Offering Circular. This 4<sup>th</sup> Supplementary Offering Circular is to be read in conjunction with the following sections of the 4<sup>th</sup> Supplementary Prospectus (as amended herein):

- (i) Issuer Ratings, and
- (ii) COVID-19 Risk Factor,

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 “4<sup>th</sup> **Supplementary Prospectus**” shall be deemed to be to the “4<sup>th</sup> **Supplementary Offering Circular**” and, references to “**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 4<sup>th</sup> Supplementary Offering Circular or any statement incorporated by reference into the Offering Circular by this 4<sup>th</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 4<sup>th</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.