

About RBC

Company profile

RBC, the master brand name of Royal Bank of Canada and its subsidiaries, is one of North America's leading diversified financial services firms. Collectively, personal and commercial banking, wealth management services, insurance, corporate and investment banking, and transaction processing services are provided worldwide.

RBC employs approximately 95,000 people who serve more than 17 million personal, business, public sector and institutional clients worldwide.

RBC's core values and culture of integrity have earned a global reputation for fiscal reliability and financial strength.

RBC's vision is "to be among the world's most trusted and successful financial institutions." It is supported by strong stewardship values. These values include putting clients first, integrity, collaboration, accountability and diversity and inclusion. Through this vision and careful stewardship, the firm fulfills its purpose: to help clients thrive and communities prosper.

Key facts

- Top 10 bank globally based on market capitalization¹, with operations in 29 countries.
- Multiple award winner from Celent in 2021 for leadership in digitally onboarding clients and transforming business payments, following "Celent Model Bank of the Year 2020" award.

- One of the world's leading diversified financial services companies, providing personal and commercial banking, wealth management services, insurance, corporate and investment banking, and transaction processing services on a global basis.

Royal Bank of Canada—consistently high credit ratings²

Moody's	Standard & Poor's	Fitch
Aa1 ³	AA ⁻³	AA ³
A1 ⁴	A ⁴	AA ⁻⁴
Stable ⁵	Stable ⁵	Stable ⁵

Royal Bank of Canada

Capital markets	Wealth management	Personal & commercial banking	Investor & Treasury Services	Insurance
<ul style="list-style-type: none">• Global markets• Corporate and investment banking	<ul style="list-style-type: none">• Canadian Wealth Management• U.S. Wealth Management• Wealth management international• Global Asset Management	<ul style="list-style-type: none">• Personal and business financial services• Cards and payment solutions• Caribbean banking• U.S. banking	<ul style="list-style-type: none">• RBC investor services• Global financial institutions• Treasury services	<ul style="list-style-type: none">• Canadian insurance• International and other insurance

RBC Wealth Management

This segment includes businesses that serve clients globally with a full suite of investment, trust and other wealth management solutions.

- Separately managed geographic wealth management businesses in the U.S., Canada, the United Kingdom and emerging markets operate under the brand name RBC Wealth Management. Together they have a combined total of more than US\$1 trillion in assets under administration and US\$728 billion in assets under management as of October 31, 2022, and approximately 4,800 financial professionals, private bankers and trust officers.

For more information, visit
www.rbcwealthmanagement.com.

- In the U.S., RBC Wealth Management operates as a division of RBC Capital Markets, LLC, with approximately 2,000 financial advisors operating in over 178 locations in 42 states. The U.S. business also includes RBC Clearing & Custody, a division of RBC Capital Markets, LLC. It is a leading provider of clearing, custody and execution services for investment and insurance industry independent financial professionals who serve retail and institutional clients.

For more information, visit
www.rbcclearingandcustody.com
(serving broker-dealer, institutional investor, insurance and registered investment advisor firms).

- RBC Global Asset Management is a North American-based asset manager with global scope and industry-leading management capabilities.

Personal & commercial banking

The Royal Bank of Canada comprises personal banking operations and certain retail investment businesses in Canada, the Caribbean and the U.S., as well as commercial and corporate banking operations in Canada and the Caribbean. Each business offers a broad suite of products and financial services. In the U.S., RBC's cross-border banking business serves the needs of Canadian clients as well as U.S. Wealth Management clients.

Capital Markets

Global banking businesses that provide wholesale products and services to corporate, public sector and institutional clients worldwide comprise the RBC Capital Markets segment. These businesses raise capital, access markets, mitigate risk and acquire or dispose of assets in over 100 countries.

Investor & Treasury Services

RBC Investor & Treasury Services is a specialist provider of asset servicing, custody, payments and treasury services for financial and other institutional investors worldwide. Active in many markets globally, this segment provides custodial, advisory, financing and other

services to safeguard clients' assets, maximize liquidity and manage risk in multiple jurisdictions. RBC Investor & Treasury Services is a leading voice in industry regulation and market best practices with over 100 years of history in providing investor and treasury services.

Insurance

Through its operating entities, RBC Insurance provides a full range of insurance services to more than 4 million individuals and businesses in North America and to select international markets. It is one of the largest Canadian bank-owned insurance group of companies, and among the fastest-growing insurance organizations in Canada. In the U.S., it offers a suite of life and non-life insurance products. Outside North America, it operates as a reinsurance business.

1. Bloomberg; October 31, 2022.

2. RBC Capital Markets, LLC, is a wholly owned subsidiary of, and separate legal entity from, Royal Bank of Canada. Royal Bank of Canada does not guarantee any debts or obligations of RBC Capital Markets, LLC. Credit ratings are not recommendations to purchase, sell or hold a financial position in as much as they do not comment on market price or suitability for a particular investor. Ratings are subject to revision or withdrawal at any time by a rating agency.

3. Ratings (as of November 29, 2022) for legacy senior long-term debt issued prior to September 23, 2018 and senior long-term debt issued on or after September 23, 2018, which is excluded from the Canadian Bank Recapitalization (Bail-in) regime.

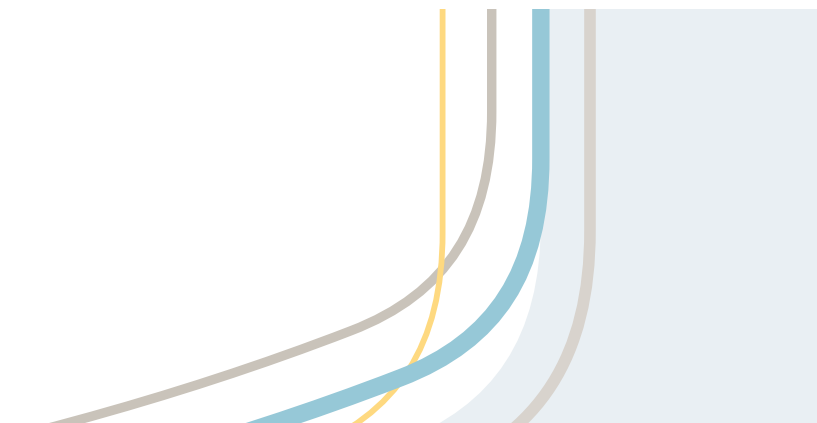
4. Ratings (as of November 29, 2022) for senior long-term debt issued on or after September 23, 2018 which is subject to conversion under the Bail-in regime.

5. Ratings outlook.

RBC Clearing & Custody, a division of RBC Capital Markets, LLC, Member NYSE/FINRA/SIPC, provides clearing and execution services and/or custody services for accounts managed by your financial professional. The referenced product or service is available through that relationship.

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Steps we take to protect your assets



In today's rapidly changing financial markets, you want to entrust your investments to a strong, trusted organization. Our firm has selected RBC Clearing & Custody, a division of RBC Capital Markets, LLC (RBC CM), to provide transactional support, record keeping and other services related to maintaining your accounts. RBC CM views the safety and security of the assets in your accounts as a priority equal in importance to the work our firm does to help you build, preserve, enjoy and share your wealth.

Key distinction between brokerages and banks

It is important to understand a fundamental difference between how assets are treated in a bank account versus that of a brokerage account.

Bank account

Banks are only required to have a fraction of all deposited money on hand to ensure they can meet minimum cash flow needs. Should a bank fail, and not have sufficient funds to fully reimburse its depositors, Federal Deposit Insurance Corporation (FDIC) protects depositors of member banks, up to certain limits.

Brokerage account

In the brokerage industry, on the other hand, your assets are held in custody by your brokerage firm. We act as a custodian of your assets—holding them on your behalf—so your assets should always be available to you. (Unless you are using margin, in which case you give us permission to temporarily loan securities to others. Please refer to your margin agreement for details.)

Thorough measures to protect your assets

The assets held in an account at RBC CM have four layers of protection:

1. The fiscal stewardship of RBC CM
2. Compliance with Securities and Exchange Commission (SEC) requirements
3. Securities Investor Protection Corporation (SIPC) insurance¹
4. An additional insurance policy purchased from Lloyd's of London²

First layer of protection: fiscal stewardship

RBC CM is known for careful, fiscally conscious decision making that benefits our clients and firm as a whole. RBC CM believes in taking a more conservative, diversified and longer-term approach to accomplishing its business goals. Plus, RBC CM is affiliated with a strong and dependable global leader in diversified financial services—Royal Bank of Canada.³

Second layer of protection: compliance with SEC requirements

Segregation of assets

Segregation simply means your assets are kept separate from firm assets, and thus are protected from potential losses of the firm. RBC CM complies with SEC rules governing the separation of client assets from firm assets. By segregating your non-margin securities from firm securities—and keeping careful records of margin securities held “in street name” in your margin account—your assets would be readily identifiable in the unlikely event of a firm liquidation.

Capital requirements

RBC CM also fully complies with SEC rules requiring all broker-dealer firms to maintain sufficient net capital to help confirm that you will get your cash and securities back, in the unlikely event that a firm should fail.

Investment and insurance products offered through RBC Wealth Management are not insured by the FDIC or any other federal government agency, are not deposits or other obligations of, or guaranteed by, a bank or any bank affiliate, and are subject to investment risks, including possible loss of the principal amount invested.

Third layer of protection: SIPC insurance

Since RBC CM is a member of SIPC—a nonprofit corporation funded by member securities broker-dealers—you are eligible for SIPC insurance protection.

In the rare event that RBC CM would become insolvent and by some unlikely sequence there were securities missing from your account, SIPC reserve funds would be available to satisfy your claims against the firm, up to \$500,000 per client, including up to \$250,000 in cash.

All client accounts which are similarly titled are combined for purposes of determining SIPC protection and each separate legal title would be entitled to the full SIPC protection, as long as SIPC does not determine that the accounts are titled that way in order to avoid the SIPC limit. For example, your individual account, your joint tenants account with a spouse and your custodial account for a minor child would each receive separate protection.

Shares of money market funds, although often thought of by investors as cash, are, in fact, securities. If you hold such securities in your account, these shares are protected in the same manner as any other covered security and are not included in the \$250,000 cash threshold.

As stated previously, SEC rules provide for property and possessions of a failed firm to be made available to protect you beyond SIPC's basic coverage. For more information about SIPC coverage, please see the SIPC website at www.sipc.org.

Fourth layer of protection: excess SIPC protection

Another way clients' assets are protected is through an insurance policy purchased by RBC CM from Lloyd's of London that provides coverage in excess of SIPC.

This additional policy covers up to \$99.5 million per SIPC-qualified account (of which \$900,000 may be cash), subject to a total maximum aggregate for RBC CM of \$400 million that would be distributed on a pro-rata basis across all losses by clients of RBC CM.

There has never been a claim paid by an excess SIPC carrier. This is due in part to the segregation rules and the existence of SIPC coverage, which are the first lines of defense in the event of a brokerage firm failure. Excess SIPC insurance is an additional layer of coverage in place for the statistically small chance that SIPC coverage would not be sufficient to settle claims.

Add it all up: layers and layers of protection

In the highly unlikely event you may need them, RBC CM provides four layers of protection for your assets, as previously mentioned:

1. The fiscal stewardship of RBC CM
2. Compliance with SEC requirements
3. SIPC insurance¹
4. Excess SIPC purchased from Lloyd's of London²

The table below illustrates layers three and four: the types of asset protection insurance available, the coverage you can expect to receive, and their total value together.

Asset protection insurance type	Securities and cash coverage
SIPC coverage	\$500,000 (maximum \$250,000 cash)
Excess SIPC coverage (from Lloyd's of London)	\$99,500,000 (maximum \$900,000 cash)
Total coverage	\$100,000,000 (maximum of \$1,150,000 cash)

RBC CM is committed to upholding every precaution necessary—and then some—to help protect your wealth.

¹ Neither SIPC protection, nor protection in excess of that provided by SIPC, covers a decline in the value of your assets due to market loss. Additional information is available upon request or at www.sipc.org.

² Subject to a maximum aggregate of \$400 million.

³ Top 10 bank globally based on market capitalization, with operations in 29 countries (as of January 31, 2023. Source: Bloomberg).

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