

Royal Bank of Canada

# Climate Blueprint

## CEO Message

At Royal Bank of Canada (RBC), we're convinced of the merits of the sustainable path, and this is how we think we can get there. The RBC Climate Blueprint is designed to guide us, working with our clients and communities, to contribute to a healthier planet and more prosperous economy for the 21st century. Because we believe it's the smart choice.

Climate change is one of the most pressing issues of our age – and the financial system needs to be leading efforts to accelerate clean economic growth and the transition to the net-zero economy. Climate change is already a business reality for our clients, and many have embraced new ways of doing business and reframed climate action as an opportunity to improve and expand what they do.

We believe that capital can be a force for positive change, clearly demonstrated by our target of \$500 billion in sustainable financing by 2025. This goal supports investments in companies and projects that are widely recognized as contributing to the sustainable economy of the future.

This approach to sustainability is central to our business and to our stated Purpose, which is to help clients thrive and communities prosper. We know we can do this by taking the best of what we have today - of our human resources and natural resources – to build a better tomorrow. The choice belongs to all of us.



David McKay  
President & Chief Executive Officer, Royal Bank of Canada



# Our Strategy

Pillars	Commitments		
<p><b>1</b>  Support clients in the net-zero transition with our products, services and advice</p>	<p><b>\$500 billion in sustainable financing by 2025<sup>1</sup></b></p>	<p><b>Enhance our industry specific expertise and client solutions</b> to support clean innovation and climate resilience</p>	<p><b>Provide more investment options</b> for clients with climate-related objectives and more tools for investment teams to understand climate-related risks and opportunities</p>
<p><b>2</b>  Advance our capabilities in climate risk management and publish annual TCFD<sup>2</sup> disclosures</p>	<p><b>Net-zero emissions in our lending by 2050</b>, beginning with measuring and reporting our financed emissions for key sectors in our 2022 TCFD Report</p>	<p><b>Refine our enterprise climate risk appetite, set interim reduction targets and build out climate-related scenario analysis and stress testing capabilities</b></p>	<p><b>Partner with our peers, the scientific community, government and other players</b> to advance shared methodologies, accounting frameworks and disclosure best practices for financial institutions</p>
<p><b>3</b>  Reduce emissions from our own operations</p>	<p><b>Net-zero emissions in our global operations, annually</b></p>	<p><b>Reduce greenhouse gas emissions by 70% by 2025<sup>3</sup></b></p>	<p><b>Increase our sourcing of electricity from renewable and non-emitting sources to 100% by 2025</b></p>
<p><b>4</b>  Speak up for smart climate solutions</p>	<p><b>Inform public policy</b> that aims to address climate change and improve our resilience, while enhancing economic competitiveness</p>	<p><b>Convene stakeholders</b> to advance progress on socially inclusive transition pathways for Canada</p>	<p><b>Produce research and thought leadership</b> on clean innovation, climate-related risks and opportunities, and the implications of climate policy</p>
<p><b>5</b>  Invest in technology to address complex environmental challenges</p>	<p><b>Through RBC Tech for Nature, provide up to \$10 million in annual support to universities and charities</b> that are developing technology solutions to address climate change and related environmental issues<sup>4</sup></p>	<p><b>Leverage geo-spatial analytic capabilities</b> to advance our ability to identify and assess the impacts of climate change</p>	<p><b>Establish an enterprise climate data and analytics hub</b> to better understand climate-related risks and opportunities</p>

<sup>1</sup> For more information, review this [link](#) for our Sustainable Finance Commitment.

<sup>2</sup> The Financial Stability Board's Task Force on Climate-related Financial Disclosures.

<sup>3</sup> The target is inclusive of our global operations, Scope 1, 2 and 3 (business travel) emissions, and uses a baseline of 2018.

<sup>4</sup> For more information, review this [link](#) on RBC Tech for Nature.

## Transparency

RBC is committed to transparency and disclosure, and we have reported annually on our key environmental performance metrics and targets since 2003. Reporting on our progress and measuring the impact of the RBC Climate Blueprint will drive improvements in our approach and demonstrate accountability to our stakeholders. We recognize the importance of the work of the Financial Stability Board's (FSB's) Task Force on Climate-related Financial Disclosures (TCFD) to establish a framework for companies to develop voluntary, consistent, climate-related disclosure.

## Governance & Oversight

The RBC Board of Directors and its Committees oversee senior management who are responsible for execution of the management of environmental and social risks and opportunities, which include climate change. The Board provides oversight of our strategic approach to climate change and our E&S risks, which includes how we manage climate-related risks and opportunities. Corporate Citizenship is responsible for tracking progress and individual lines of business and functional units are responsible for delivering the activities outlined in the RBC Climate Blueprint. The RBC Foundation Board of Directors is responsible for oversight of donations. Additional governance and oversight mechanisms are in place at the Group Executive level to ensure the effective execution of priority action areas based on the responsible line of business or function.

## Our Partners

We work with leading organizations to accelerate clean economic growth together with our peers, industry sectors, governments and civil society. We are a supporter, signatory or member of the following organizations.

