2015 Carbon Disclosure Project

RBC Response

Contents

Module: Introduction

Introduction

CC0.1 Introduction

Please give a general description and introduction to your organization.

We are one of Canada's largest banks and one of the largest banks in the world based on market capitalization.

We are one of North America's leading diversified financial services companies, and provide personal and commercial banking, wealth management, insurance, investor services and capital markets products and services on a global basis.

We employ approximately 78,000 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 39 other countries.

CC0.2 Reporting Year

Please state the start and end date of the year for which you are reporting data. The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first. We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year. Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Fri 01 Nov 2013 – Sat 01 Nov 2014
Thu 01 Nov 2012 – Fri 01 Nov 2013
Tue 01 Nov 2011 – Thu 01 Nov 2012

CC0.3 Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
Canada
United States of America
United Kingdom
Jersey
Guernsey

CC0.4 Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

CAD ($)

Module: Introduction

Further Information

For convenience, we have included references to six publicly available sources of information that we consider to be our keystone environmental reports and communication mechanisms. Four of these documents are available in pdf format and have been attached.

- RBC and the Environment website: http://www.rbc.com/environment/index.html
- green@rbc, our environmental newsletter: http://www.rbc.com/environment/green-rbc-newsltr.html
- RBC Environmental Blueprint (includes our Environmental Policy, priority environmental issues and objectives, and 42 environmental commitments): http://www.rbc.com/community-sustainability/_assets-custom/pdf/RBC-Environmental-Blueprint.pdf
- 2014 Corporate Responsibility Report
- 2014 Corporate Responsibility Review – brochure with highlights from 2014 performance
- 2014 Annual Report to Shareholders (environmental risk disclosure on page 84).

Module: Management [Investor]

Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your company?

Senior Manager/Officer

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility.

Our Group Executive and the Corporate Governance and Public Policy Committee (CGPPC) of the Board of Directors provide executive oversight of our environmental, including climate change, programs and performance. The Risk Committee of the Board of Directors also provides oversight to ensure that management has established policies, processes and procedures to manage environmental risks, including compliance with applicable laws and regulations.

Our Corporate Sustainability Group (CSG) is responsible for implementing the RBC Environmental Blueprint. The group develops enterprise-wide policies for the identification, assessment, control, monitoring and reporting of environmental matters, including climate change. In addition, CSG works with our businesses and functional areas to:

- Develop, maintain and communicate environmental policies, procedures and guidelines related to managing environmental risk and reducing our environmental footprint;
- Monitor relevant environmental laws, regulations and other requirements that affect both our business and our clients' activities;
- Advise on the management of environmental risks in specific business transactions;
- Track the performance, environmental benefits and cost effectiveness of key environmental programs;
- Engage with internal and external stakeholders on environmental issues that affect our clients, our businesses and the communities in which we operate;
- Develop new products and services to help clients shift to more environmentally sustainable personal and business models; and
- Assess the need for and champion new initiatives to meet our environmental objectives.

We published the RBC Environmental Blueprint ("the Blueprint") in 2007, which articulates our corporate environmental policy, priorities and objectives, and contains 44 medium- and long-term commitments relative to our operations, business activities, products and services, employees, compliance, reporting transparency and partnerships. In the Blueprint, climate change is identified as one of three priority environmental issues for RBC. In addition, 9 of the 44 commitments in the Blueprint are specific to addressing climate change.

The primary RBC position that has responsibility for managing climate change is the RBC Director of Corporate Sustainability.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

Module: Management [Investor]

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator	Comment
Environment/ Sustainability managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator	Management of environment-related issues, including climate change and energy, is a component of the performance goals of staff in RBC Corporate Sustainability, RBC Corporate Real Estate and RBC Technology and Operations. RBC's performance-based compensation program links employee performance to annual incentives.
Business unit managers	Monetary reward	Other: Climate change risk management regarding investments and insurance	Management of environment-related issues, including climate change and severe weather, is a component of the performance goals of RBC Insurance senior management, the Global Asset Management socially responsible investment manager and staff working at the Capital Markets carbon trading desk. RBC's performance-based compensation program links employee performance to annual incentives.
All employees	Monetary reward	Behaviour change-related indicator Other: Employee engagement	Through employee environmental engagement campaigns, employees have the opportunity to win monetary prizes for undertaking environmentally responsible actions in the workplace or in their personal lives.
Energy managers	Monetary reward	Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator	Management of energy is a component of the performance goals of staff in Corporate Real Estate. RBC's performance-based compensation program links employee performance to annual incentives.
Chief executive officer (CEO)	Monetary reward	Other: Sustainability reporting target	RBC's CEO has included in part of his mandate to continue to be named by top sustainability indices annually.
Executive officer	Monetary reward	Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator	A number of RBC senior executives have commitments and targets from the RBC Environmental Blueprint assigned to their mandates. Each year, the individual's performance is reviewed in comparison to their goals and mandate. A monetary reward is determined based on the successful completion of their goals.

Module: Management [Investor]

Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company-wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Annually	Board or individual/ sub-set of the Board or committee appointed by the Board	Global	3 to 6 years	The Corporate Sustainability Group (CSG) is responsible for the RBC Environmental Blueprint. The group sets enterprise-wide policies for the identification, assessment, control, monitoring and reporting of environmental matters. They report periodically to the RBC Group Executive and to a committee of the Board of Directors. In addition, CSG works with our businesses to: ■ Develop, maintain and communicate environmental policies, procedures and guidelines related to managing environmental risk and to reducing our environmental footprint ■ Monitor relevant environmental laws, regulations and other requirements that affect our business and our clients' activities ■ Track the performance, environmental benefits and cost effectiveness of key environmental programs ■ Engage with internal and external stakeholders on environmental issues that affect our clients, our businesses and the communities in which we operate ■ Assess the need for and champion new initiatives to meet our environmental objectives ■ Advise on the management of specific environmental risks in business transactions

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CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

In the RBC Environmental Blueprint, we identified climate change as one of three priority environmental issues for RBC. In addition, 9 of the 42 commitments in the Blueprint address climate change. We also have an Enterprise-wide Policy on Environmental and Social Risk Management that requires all units within RBC to consider and manage environmental and social risks in all organizational decisions.

FINANCING

RBC has a number of environmental and social policies that include climate change considerations:

- Our Policy on Environmental and Social Risk Management for Capital Markets includes an assessment of corporate clients using 10 environmental and social criteria, one being an assessment of the impacts of future environmental and climate change regulations.
- Our Policy on Social and Environmental Review in Project Finance aligns with RBC's decade-long commitment to the Equator Principles. The newest iteration of the EP (EP III) includes requirements to monitor and report on project financing that result in emissions over 100,000 tonnes/year of CO2.

OPERATIONS

The RBC Environmental Blueprint outlines enterprise-wide commitments for mitigation and adaptation of climate change impacts from our operations. RBC has committed to a 20% reduction in GHG emission intensity in our properties by 2018. RBC also has an enterprise-wide group focusing on management of business disruption risks, including disruptions from weather-related incidents. Risk assessments of all areas are conducted annually and further supported with contingency plans and periodic testing.

PROCUREMENT

Our Supplier Code of Conduct requires that all procurement engagements include screening for environmental and social considerations, which includes a review of our suppliers' environmental action plans to address GHG emissions and climate risk, where appropriate.

BUSINESS OPPORTUNITIES

Please see our response to 2.2a for business opportunities for financing/investing in activities related to climate change.

CC2.1c

How do you prioritize the risks and opportunities identified?

In 2013, RBC conducted a materiality analysis to identify the social, environmental and governance issues that were most important to our operations and stakeholders (for details see CR Reporting at RBC attached). For climate change, we identified the following:

MITIGATION

Our primary mitigation commitment is to reduce the intensity of our direct and indirect energy use in order to reduce our Scope 1 and Scope 2 greenhouse gas emissions. RBC has committed to a 20% reduction in GHG emission intensity in our properties by 2018 below our 2012 baseline. (Other initiatives are presented in the 2014 Corporate Responsibility Report, attached.)

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ADAPTATION

The most significant risk driven by the physical impacts of climate change is increased insurance risk, the risk of potential financial loss that may arise where the amount, timing or frequency of benefit payments under insurance contracts exceeds that expected. Risk management methods: Mitigating risks through both an increase in premiums and changes in our pricing, product/policy and underwriting structure.

Depending on the region in which the RBC office is located, we anticipate the physical effects of climate change may result in the following operational risks to RBC:

- Business interruptions in coastal regions where we operate (Caribbean, eastern Canada and the Channel Islands)
- Changes to heating and cooling costs
- Higher costs of insurance for our properties
- Disruption to our supply chain that may impact our ability to operate our business from time to time

RBC has an enterprise-wide group focusing on management of business disruption risks, including disruptions from weather-related incidents.

Please see our response to 2.2a for business opportunities for financing/investing in activities related to climate change.

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

The RBC Environmental Blueprint is approved by the CEO and all senior executives of RBC business and functional units. Under the Blueprint, one of our priority environmental objectives is to offer environmental products and services to our clients. RBC has identified a number of business opportunities for financing/investing in opportunities related to climate change, including:

ENERGY SAVER LOAN AND MORTGAGE PRODUCTS

RBC offers the RBC Energy Saver Loan and RBC Energy Saver Mortgage products in Canada, which help clients qualify for rebates on home energy audits and/or create a more energy-efficient home while saving on borrowing costs. For more details, visit http://www.rbcroyalbank.com/mortgages/energy-saver-mortgage.html.

SOLAR PANEL FINANCING

RBC Royal Bank in Canada offers homeowners and businesses advice on and solutions for solar panel financing, including vendor financing. For more details, visit http://www.rbcroyalbank.com/business/financing/solar-panel-financing.html.

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CLIMATE CHANGE BUSINESS ADVICE

Our Canadian Banking Green Strategy for commercial and small business clients identifies three areas of opportunity for financing: green buildings, small and medium renewable energy projects, and cleantech in knowledge-based industries. The Greening Your Business section of our Commercial Advice Centre offers valuable tools and resources to support businesses looking to shift to more sustainable business models. The Advice Centre has a number of articles and videos related to renewable energy, green buildings and managing carbon and energy. For more details, visit http://www.rbcroyalbank.com/commercial/advice/greening-your-business.

RESPONSIBLE INVESTING

RBC has seven socially responsible investing (SRI) mutual fund products through RBC Global Asset Management using SRI research and ESG screens developed by Sustainalytics. Climate change is a common screen used to evaluate companies and sectors included in the funds. Total assets under management for the combined SRI products are now almost $4 billion. RBC also offers high-net-worth and other clients personalized screens through its Wealth Management Groups in several markets. We also offer SRI fixed income products to clients through BlueBay Asset Management. Clients can choose investment options that focus specifically on carbon- and climate change-related opportunities or factors, including those related to adaptation. For more details, visit http://funds.rbcgam.com/investment-solutions/socially-responsible-investments.

CARBON TRADING

In 2014, we traded 243 million tonnes of carbon credits through the RBC Capital Markets Carbon Emissions Trading Group. Since the inception of the trading group in 2008, RBC has traded over 800 million tonnes of carbon credits. The majority of the trading volume centres around the European Union Emissions Trading Scheme (EU ETS), the largest compliance market in the world. We also trade in the California Cap-and-Trade Program, Regional Greenhouse Gas Initiatives (RGGI), Climate Action Reserve, and other offset and voluntary markets. For more details, visit https://www.rbccm.com/carbontrading.

CLEAN ENERGY ADVICE AND FINANCING

RBC Capital Markets has a long history of providing credit, debt and equity underwriting services and advisory services to both the renewable power generation and clean technology sectors. As of October 31, 2014, RBC had nearly $2.7 billion in loan and trading line exposures to companies whose predominant business is renewable energy. For more details, visit https://www.rbccm.com/energy.

INVESTMENTS IN GREEN AFFORDABLE HOUSING

Green buildings and communities help protect the environment. The RBC Tax Credit Equity Group regularly invests in LEED certified and other green affordable housing projects in the U.S. In 2014, RBC invested over US$658 million in 70 affordable housing projects in 27 U.S. states. For more details, visit https://www.rbccm.com/tceg.

CC2.2c

Does your company use an internal price of carbon?

No, and we currently don't anticipate doing so in the next 2 years.

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CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Adaptation resiliency	Support	We researched the physical impacts of climate change on our insurance business, which included drafting a white paper on the topic, developing an action plan to address the observed increases in water-related insurance claims and participating in numerous climate change adaptation working groups including the University of Waterloo Climate Change Adaptation Project and the Toronto Region Action Group for Extreme Weather Resilience (Weather Wise).	Gaining a better understanding of the physical impacts of climate change and measures needed to mitigate these risks
Energy efficiency	Support	Participated in and sponsored green building association events and meetings including the Canadian Green Building Council and Greening Greater Toronto.	Lobbying for superior building standards across Canada, including improved standards for building energy efficiency
Clean energy generation	Support	Provided comments to the Government of Ontario on the revised regulations related to the Ontario Green Energy Act.	Advocating for a more streamlined process for approving renewable power projects
Other: Sustainable communities	Support	RBC has worked with the Pembina Institute on a number of initiatives under the “Location Matters” series, which provides research on factors that influence home purchasing decisions and encouraging the shift to sustainable communities. Our 2014 collaboration "Location Matters: Factoring Location Costs into Home Buying Decisions" shows that less expensive homes located further from the workplace can actually cost more when transportation and commuting expenses are considered. The chief planner of the City of Toronto has been directly involved in profiling the results of this work and initiating related conversations on social media. The results of the study were developed into an interactive website on the RBC Home Equity Advice Centre: https://www.rbcadvicecentre.com/ pembina-location-matters/.	Advocating for more sustainable communities with access to public transportation
Energy efficiency	Support	We partnered again with B+H Architects and announced the winners of the third annual Evolve Sustainable Design Competition, which challenged post-secondary students to design a net-zero energy and water-wise community library. The judging panel included members of municipal government.	Advocating for more efficient building design standards

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CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to influence the position?
Toronto Board of Trade	Consistent	Dedicated public transit funding in the Greater Toronto Area to improve productivity and reduce emissions of air pollutants and GHGs caused by transportation	RBC is a proud sponsor and member of the Toronto Board of Trade.
The United Nations Environment Programme Finance Initiative (UNEP FI)	Consistent	Banks, investors and insurers can and should play a pivotal role in supporting societies to gradually move to low carbon and the need for climate change-resilient economies.	RBC has been a proud member of UNEP FI since 1992.
Conference Board of Canada	Consistent	Numerous position statements and reports on a wide range of sustainability-related issues including Canada's need for better preparedness to address the physical impacts of climate change, Canada's transition to clean energy and the need for improved federal regulations to mitigate GHG emissions in Canada.	RBC is a long-standing member of the Conference Board of Canada Business Council for Sustainability. By partnering with other companies, we are able to have a larger influence than we would by working independently.

CC2.3d

Do you publicly disclose a list of all the research organizations that you fund?

No

CC2.3e

Do you fund any research organizations to produce or disseminate public work on climate change?

Yes

CC2.3f

Please describe the work and how it aligns with your own strategy on climate change

GREEN BONDS CONFERENCE

In February 2015, RBC Capital Markets hosted its second annual Green Bond Conference in Toronto. This conference brought together over 80 participants to explore the growth of the green bond market globally and its future development in Canada. We developed a report that summarizes the themes and highlights of the conference from three unique viewpoints – issuer perspective, investor perspective and green bond market outlook: http://www.rbc.com/community-sustainability/environment/2015-Green_Bond_White_Paper.pdf.

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CARBON BUBBLE DAY OF LEARNING

In November 2014, RBC, Suncor and NEI Investments co-hosted a day of learning, titled "Unburnable Carbon and Stranded Carbon Assets," to explore the economics of the energy sector and better understand the full range of other environmental, social and economic factors that could result in stranded assets. The event brought together over 80 investment professionals, sustainability experts, industry analysts and environmental activists from Canada and abroad who share the desire to have an informed, balanced and thoughtful discussion on this important topic.

PHILANTROPHY

In 2014, RBC donated $6.3 million to environmental charities worldwide. Many of the organizations we support have projects to help address the many effects of climate change. This includes $2.7 million in RBC Blue Water Project Leadership and Community Action Grants to fund fresh water protection and preservation programs. Our total donations globally in 2014 were $64.9 million.

A few examples of charities we fund:

- Pembina Institute, http://www.pembina.org/
- Pollution Probe, http://www.pollutionprobe.org/
- Tides Canada, http://tidescanada.org/
- WWF Canada, http://www.wwf.ca/
- Toronto Atmospheric Fund, http://taf.ca/
- Nature Conservancy, http://www.nature.org/

We try to use our influence and resources to promote environmental sustainability within our organization and the communities where we operate.

CC2.3g

Please provide details of the other engagement activities that you undertake

We released the RBC-Pembina Home Location Preference Survey, the third instalment in a series from RBC and the Pembina Institute that presents research on the factors that influence home purchasing decisions and encourage the shift to liveable, vibrant and more sustainable communities.

RBC announced the winners of the third annual Evolve Sustainable Design Competition, challenging post-secondary students to design a net-zero energy and water-wise community library.

RBC launched an internal employee engagement campaign, RBC's One Million Acts of Good, where over 10,000 employees from 29 countries completed over one million acts of wellness, environmental protection and kindness, including numerous acts related to energy conservation/efficiency and reducing your carbon footprint.

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CC2.3h

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Established processes to ensure alignment with overall climate change strategies include:

- Established governance structure (see response to question 1.1a)
- Internal subject matter expertise (see details of the roles and responsibilities of the RBC Corporate Sustainability Group in question 1.1a)
- Established environmental policies that provide guidance (see response to question 2.1)
- Direct engagement: RBC directly participates in activities that influence climate change policy including meeting with federal, state, provincial and municipal government officials and agencies

CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

Yes

CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

RBC's Environmental Blueprint is a document that is reviewed and approved by the RBC Group Executive. The Environmental Blueprint identifies climate change as one of RBC's priority environmental issues. Please see the Blueprint attached and our publicly stated position related to climate change on pages 3 and 4.

RBC has also advocated for a price on carbon through the Canadian Council of Chief Executives.

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Targets and Initiatives

CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute and intensity targets

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
Abs1	Scope 3: Upstream transportation and distribution	60%	51%	2012	365	2018	Our target as presented in the RBC Environmental Blueprint is to reduce GHG emissions by 20% from our Canadian logistics and delivery network by 2018. Data presented represents approximately 60% of our Canadian deliveries. ■ 2012 baseline emissions: 365 tonnes of C02e ■ 2014 FY emissions: 177 tonnes C02e ■ Difference between baseline and 2014: 51% reduction

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
Int1	Scopes 1 + 2	88%	20.6%	Metric tonnes CO2e per square	2012	0.083	2018	Our target as presented in the RBC Environmental Blueprint is to reduce GHG emission intensity by 20% in our properties by 2018. Data presented represents 88% of our operations based on floor area. Since 2009, we have been able to measure and report our energy consumption for 100% of our properties located in Canada, the U.S. and the British Isles. We do not yet have complete energy and GHG data for our properties in the Caribbean and other international locations, which represent a small, but growing proportion of our total footprint.

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CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int1	Decrease	25	No change		We have observed a decrease in our absolute Scope 1 and 2 emissions from our properties in 2013 and 2014 (baseline year is 2012). Data is below. GHG emissions from energy use in our properties: ■ 2014: 119,386 tonnes CO2e ■ 2013: 126,531 tonnes CO2e ■ 2012: 159,491 tonnes CO2e. Based on the data above, we have assumed a minimum 25% change in absolute Scope 1 and 2 emissions at target completion.

CC3.1d

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Int1	33%	100%	RBC set this target using 2012 as the baseline year and 2018 as a target year (six-year period). RBC is currently two years into the six-year commitment period (33% complete) and has exceeded the target; as such, it is 100% complete. We are currently reviewing the potential for announcing a new GHG reduction target since our original target has been met.
Abs1	33%	100%	RBC set this target using 2012 as the baseline year and 2018 as a target year (six-year period). RBC is currently two years into the six-year commitment period (33% complete) and has exceeded the target; as such, it is 100% complete. We are currently reviewing the potential for announcing a new GHG reduction target since our original target has been met.

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

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CC3.2a

Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

ENERGY SAVER LOAN AND MORTGAGE PRODUCTS

RBC offers the RBC Energy Saver Loan and RBC Energy Saver Mortgage products in Canada, which help clients qualify for rebates on home energy audits and/or create a more energy-efficient home while saving on borrowing costs.

SOLAR PANEL FINANCING

RBC Royal Bank in Canada offers advice and solutions for solar panel financing for homeowners and businesses, including vendor financing. For more details, visit RBC Solar Panel Financing.

ENERGY EFFICIENCY LENDING PROGRAM

With energy and fuel costs unpredictably rising, energy retrofits are becoming a proven way to save energy and reduce costs and the environmental impacts. The RBC Energy Efficiency lending program helps businesses assess energy-saving opportunities, and lends them the funds to help realize those savings. Loans are structured to minimize the impact on existing cash flow by including the expected energy cost savings in the loan amortization schedule. In short, businesses get all the benefits of a greater energy-efficiency with minimal impact on cash flow.

CLIMATE CHANGE BUSINESS ADVICE

Canadian Banking Green Strategy for commercial and small business clients identifies three areas of opportunity for financing: green buildings, small and medium renewable energy projects and cleantech in knowledge-based industries. The Greening Your Business section of our Commercial Advice Centre offers valuable tools and resources to support businesses looking to shift to more sustainable business models.

PROTECTING HOMEOWNERS AGAINST THE PHYSICAL IMPACTS OF CLIMATE CHANGE

Many regions across North America are experiencing more violent and frequent storms, one of the many emerging realities of climate change. The Insurance Bureau of Canada reports that water damage is now the leading cause of property damage in Canada, costing insurers approximately $1.7 billion per year. To help protect homeowners from expensive repairs, RBC Insurance has identified some key areas where water damage can occur in the home and advice to prevent such damage: Ten Ways to Prevent Water Damage to Your Home advice webpage and our Water Damage Checklist.

RESPONSIBLE INVESTING

RBC has seven socially responsible investing (SRI) mutual fund products through RBC Global Asset Management using SRI research and ESG screens developed by Sustainalytics. Climate change is a common screen used to evaluate companies and sectors included in the funds. Total assets under management for the combined SRI products are $3.78 billion (Oct 31, 2014). RBC also offers high-net-worth and other clients personalized screens through Wealth Management Groups in several markets. We also offer SRI fixed income products to clients through BlueBay Asset Management. Clients can choose investment options that focus specifically on carbon- and climate change-related opportunities or factors, including those related to adaptation.

CARBON TRADING

In 2014, we traded 243 million tonnes of carbon credits through the RBC Capital Markets Carbon Emissions Trading Group. Since the inception of the trading group in 2008, RBC has traded over 800 million tonnes of carbon credits. The majority of the trading volume centres around the European Union Emissions Trading Scheme (EU ETS), the largest compliance market in

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the world. We also trade in the California Cap-and-Trade Program, Regional Greenhouse Gas Initiatives (RGGI), Climate Action Reserve, and other offset and voluntary markets.

CLEAN ENERGY ADVICE AND FINANCING

RBC Capital Markets has a long history of providing credit, debt and equity underwriting services, and advisory services to both the renewable power generation and clean technology sectors. As of October 31, 2014, RBC had $2.74 billion in loan and trading line exposures to companies whose predominant business is renewable energy.

INVESTMENTS IN GREEN AFFORDABLE HOUSING

Green buildings and communities help protect the environment. The RBC Tax Credit Equity Group regularly invests in LEED certified and other green affordable housing projects in the U.S. In 2014, we invested US$658 million in 70 affordable housing projects in 27 U.S. states through the RBC Capital Markets Tax Credit Equity Group.

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked*)
Under investigation		
To be implemented*	6	39,935
Implementation commenced*		
Implemented*	12	11,606
Not to be implemented		

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CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency – as specified in CC0.4)	Investment required (unit currency – as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Completed a five-year lighting retrofit program at over 1,000 Canadian branches, resulting in an average 9% reduction in branch electrical demand and total energy savings of approximately 10,000 MWh of electricity. Continued our office space optimization strategy, which has reduced our office space requirements by over 57,100 m2 since 2009, resulting in annual energy savings of more than 17,700 MWh. Installed rooftop solar panels on two of our branches in Ontario as part of our commitment to supporting the growth of renewable energy. Increased the amount of LEED certified office space we occupy by nearly 30% from our 2012 baseline. Occupied an additional 25,469 m2 of office space certified under the BOMA BESt and BREEAM green building standards. Implemented a green-leasing standard that includes performance standards for environmental criteria such as energy, water, waste and indoor air quality.	4,640	Scope 1 Scope 2	Voluntary	807,786	1,095,020	1-3 years	Ongoing	In 2014, energy efficiency programs in our properties saved an estimated $800,000 in energy costs per year against a $1.1 million investment.
Low carbon energy purchase	In 2014, we purchased over 18,300 MWh of EcoLogo-certified green electricity, which powered our entire ATM and retail branch digital display networks plus a number of external meetings and major sponsorship events such as the 2014 RBC Canadian Open.	3,113		Voluntary	0	380,000		Ongoing	There is no payback associated with purchasing renewable power; this investment is simply to demonstrate our support for the growth of renewable energy.

Module: Management [Investor]

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency – as specified in CC0.4)	Investment required (unit currency – as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Processes	GREEN IT: Achieved annual power usage effectiveness (PUE) values of 1.7 and 1.5 at two of our enterprise data centres. A third enterprise data centre was offline this year; we anticipate a PUE value for this facility will be reported in 2016. Increased the number of virtual servers to over 23,800, representing 63% of our total global servers. For every server virtualized, we estimate avoiding the need for 1,400 kWh of electricity annually.	3,665		Voluntary	3,332,000	1,700,000	4-10 years	Ongoing	Server virtualization saves an estimated $3.3 million in energy costs per year against a $17 million investment.
Trans-portation: Use	Green Logistics: In 2012, we launched Project One-Stop, aimed at reducing the number of deliveries to our Canadian properties by consolidating shipments and adjusting delivery frequencies. Since the project's launch in 2012, we have seen a 26% increase in the number of packages consolidated per delivery and a 51% reduction in GHG emissions associated with the transportation of goods.	188		Voluntary	300,000	1,197,034	4-10 years	Ongoing	Consolidating shipments and adjusting delivery frequencies saves an estimated $300,000 in delivery costs per year against a $1.2 million investment.

Module: Management [Investor]

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency – as specified in CC0.4)	Investment required (unit currency – as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Behavioral change	Earth Day Fair: Over 1,000 staff participated in our Toronto-based RBC Earth Day fair to celebrate Earth Day 2014 and also allow staff to understand how our business partners embrace sustainability and help RBC meet our Blueprint commitments. One Million Acts of Good: More than 10,200 employees from 29 countries participated in the second enterprise-wide RBC One Million Acts of Good campaign. Over three weeks, we tracked an outstanding 1.2 Million Acts of Good, including over one million Acts of Green. Acts of Green translated the staff's action into approximate GHG reductions, which allows them to understand how their actions can impact and contribute to climate change. Green@ rbc: We publish an external environmental e-newsletter called green@rbc every two months, which has over 13,000 subscribers and includes articles on climate change.			Voluntary				Ongoing	Difficult to quantify the savings for RBC portfolio-wide resulting from awareness and behavioural change initiatives.

Module: Management [Investor]

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	We have had a dedicated budget for energy efficiency projects in our properties since 2009. Business cases were established for a number of premises and included cost savings, consistency with the environmental strategy and publicly made commitments to reduce energy and GHG emissions, alignment with RBC business units that are promoting environmental benefits and positive reputational benefits.
Dedicated budget for other emissions reduction activities	We have had a dedicated budget for purchasing green power since 2005. Since then, we have purchased over 94,000 MWh of certified green power, equivalent to powering more than 7,830 Canadian homes. Business cases were established for a number of premises, which include consistency with the environmental strategy and publicly made commitments to reduce GHG emissions associated with energy use in our properties, support for the renewable energy sector and the greening of Canada's electricity grid, good marketing opportunities, and positive environmental and reputational benefits.
Employee engagement	Business cases were established for a number of premises, which include positive employee experience that helps to retain and attract top talent, cost savings, and positive environmental and reputational benefits.
Internal incentives/recognition programs	See our response to question 1.2a for more details on incentive and recognition programs.
Other	Annual presentations of progress on the RBC Environmental Blueprint to senior executives in the RBC Group Operating Committee chaired by the CFO. These presentations include updates on budget and resources related to environmental programs, including programs related to energy efficiency and greenhouse gas reductions.

Module: Management [Investor]

Communication

4.1

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Method	Status	Page/Section reference	Attach the document
In voluntary communications	Complete	Pages 33-39: "Environment" section	https://www.cdp.net/sites/2015/80/15980/Climate Change 2015/Shared Documents/Attachments/CC4.1/RBC-CRR-Report-2014-e.pdf
In voluntary communications	Complete	Page 3: "Our Planet" section	https://www.cdp.net/sites/2015/80/15980/Climate Change 2015/Shared Documents/Attachments/CC4.1/RBC-CRR-Review-e-2014.pdf
In voluntary communications	Complete	Pages 3-5	https://www.cdp.net/sites/2015/80/15980/Climate Change 2015/Shared Documents/Attachments/CC4.1/87264 BRO_EnvBlueprint_E.pdf

Further Information

Further to reports, RBC shares performance regarding GHG emissions through our green@rbc e-newsletter, which has over 23,000 subscribers: http://www.rbc.com/community-sustainability/environment/green-rbc-newsletter.html.

In partnership with our green power service provider, Bullfrog Power, we have published information about our GHG emissions performance for 2014: http://rbccanadianopen.com/news_details.aspx?ID=3040.

Also, please see the RBC Environment webpage for additional information on climate change and GHG emissions: http://www.rbc.com/community-sustainability/environment/.

Module: Risks and Opportunities [Investor]

Climate Change Risks

CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in physical climate parameters

Module: Risks and Opportunities [Investor]

CC5.1b

Please describe your inherent risks that are driven by change in physical climate parameters

Risk Driver	Change in precipitation extremes and droughts
Description	A risk driven by the physical impacts of climate change is increased insurance risk, or the risk of potential financial loss that may arise where the amount, timing and/or frequency of benefit payments under insurance contracts exceeds that expected. Increasingly extreme weather conditions, aging infrastructure plus the growing and diverse/complex needs of society are resulting in increases in the volume of insurance claims.
Potential impact	Other: Insurance claims
Timeframe	Up to 1 year
Direct/Indirect	Indirect (Client)
Likelihood	More likely than not
Magnitude of impact	Low to medium
Estimated financial implications	Catastrophic weather events in Canada are intensifying and increasing in frequency. There have been two 1-in-100 year events and six 1-in-50 year events in terms of rain intensity during the past 15 years. In 2008, Canada experienced two significant flooding events, four in 2009, eight in 2011 and 13 in 2012. The Insurance Bureau of Canada classified 2013 as a record year for catastrophic events, including flooding events in Alberta and Ontario and ice storms in eastern Canada, resulting in insured losses of $3.2 billion. Actual losses annually as a result of climate change are difficult to quantify, but trending catastrophic events have contributed to profitability challenges across the industry.
Management method	**ADJUSTMENTS TO PREMIUMS AND PRICING** RBC Insurance is mitigating risks through both an increase in premiums and changes in our pricing, product/policy, and underwriting structure. **RESEARCH AND COLLABORATION** As weather events become less predictable, the insurance sector is adapting its risk management models to account for more frequent and severe events that result in insurance claims. In 2012, we researched the physical impacts of climate change on our insurance business, which included drafting a white paper on the topic, developing an action plan to address the observed increases in water-related insurance claims and participating in numerous climate-change adaptation working groups including the University of Waterloo Climate Change Adaptation Project and the Toronto Region Action Group for Extreme Weather Resilience (Weather Wise). Our membership with the UNEP FI enables access studies conducted by the UN on climate change impacts and risks to banks, insurers and asset managers. RBC Insurance continues to work with industry associations like the Insurance Bureau of Canada and the Institute for Catastrophic Loss Reduction to find ways to work with government bodies and the communities to build more awareness around climate change and the impacts to homeowners, while developing recommended solutions to combat the impacts related to catastrophic weather losses. Please see “further information” for information on water damage client education programs. **WATER DAMAGE CLIENT EDUCATION** RBC Insurance published water damage educational materials including videos in the Insurance Advice Centre. The Advice Centre includes homeowner water damage prevention tips and examples of some causes of water damage that are covered under most standard home insurance plans. For more details, visit http://www.rbcinsurance.com/insuranceneeds/water-damage-insurance.html. Since this time, further client communications have been developed, which include a video explaining the evolution of home insurance as a result of climate change: http://www.rbcinsurance.com/insuranceneeds/changing-landscape-of-home-insurance.html. RBC has also generated media articles and press releases about the impacts of weather on homeowners and emergency preparedness, and has issued more online information on how to prevent and deal with damages related to weather. There has also been some investment made in clearly outlining policyholder deductibles, limits and coverage within client renewal packages related to severe weather to ensure clients are clear about coverage to assess potential gaps. Additionally, prior to renewal, attempts were made to contact clients by telephone to discuss policy coverage.
Cost of management	Costs associated with managing this risk consist primarily of human resources (salaries) and investments in information technology. There are dedicated employees for property insurance who are focused on reviewing rates province by province each year and reviewing property rating models. Additional resources are required for the implementation of the rate action that takes place six times a year, requiring the effort of multiple employees and the need for IT systems. We also revise policy wording, product coverage and limits, and underwriting rules to ensure we can continue to ensure the product is available and affordable. This type of work happens two to three times per year, with a number of employees at varying degrees focusing on these efforts. The estimated annual cost of all of the activities mentioned above is approximately $500,000 to $1.5 million. Please see “further information” for more details. Cost of Management: There will be further investment in the coming years in further pricing optimization leveraging predictive modeling related to weather-driven events and other tools to better track and apply insurance product refinements to ensure effective risk mitigation. There are reinsurance treaties that have been put in place over the last number of years to protect the portfolio against the severity of weather-related impacts.

Module: Risks and Opportunities [Investor]

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

The majority of RBC's business activities are focused in North America. Current climate change regulations in states and provinces within North America do not pose a significant risk to RBC. Our studies show that anticipated carbon regulations in Canada and the United States will not apply directly to banks. Regulations may have a small, indirect impact on RBC, but will not generate a substantive change in our business operations, revenue or expenditure. Below we have outlined how climate change regulations will affect RBC based on credit, market and operational risk.

CREDIT RISK
Some of our commercial and corporate clients may, at some point, be regulated under GHG mitigation rules in Canada, the U.S. and internationally. This may give rise to credit risk for RBC as clients face new regulatory, reputational, competitive, operational and market risks. Clients that do not identify and manage these risks appropriately may experience diminished financial performance and a possible deterioration in credit quality. However, RBC has a diversified portfolio and the majority of our clients will not be impacted by future climate change regulations. Approximately 77% of our outstanding loans are associated with personal banking, small business and commercial clients that will likely not be directly subjected to anticipated climate change regulations in Canada and the United States. The remaining 23% of our outstanding loans are associated with large and corporate clients. Our lending to carbon-intensive sectors represents approximately 5% of our outstanding loans. Many, but not all, of these clients will be directly subjected to climate change regulation.

The analysis conducted on climate change-related risks to our loan and investment portfolio showed that all of our largest clients would continue to be profitable even if carbon were priced at $100/tonne, and the impact on most companies would represent less than 5% loss of net income (profit).

MANAGING CREDIT RISK
Environmental Policies: See details in response to question 2.1a. Environmental Risk Ratings: Industry sectors are categorized by RBC according to the level of inherent environmental risk. Sectors classified as Environmental Risk Category 0 are low risk and consist mainly of professional services firms, while Environmental Risk Category III sectors include high impact sectors like mining, energy, pulp and paper, etc. We require enhanced environmental and social due diligence for clients operating in Environmental Risk Category II and III sectors (considered to be medium and high environmental risk sectors respectively), which includes an evaluation of climate change issues. Our enterprise credit risk management framework ensures that sectors, borrowers and transactions are carefully evaluated and credit risk assessed. This process is extensively described in our 2014 Annual Report (p. 54), which is attached to this question.

MARKET RISK
RBC is actively involved in carbon trading markets and, as in any commodity trading market, we will face market risk that can be exacerbated by thinly traded or illiquid markets (which will be a characteristic of carbon markets, especially in the early years). Market risk is also amplified by the risk that regulators will make unforeseen changes to the regulatory framework, causing large shifts in the market.

MANAGING MARKET RISK
Climate change may give rise to market risk in the form of commodity trading risk. The independent oversight of trading market risk management activities is the responsibility of Group Risk Management – Market and Trading Credit Risk, which includes major units in Toronto, London, New York and Sydney. The Market and Trading Credit Risk group establishes market risk policies and limits, develops quantitative techniques and analytical tools, vets trading models and systems, maintains the Value-at-Risk (VaR) and stress risk measurement systems, and provides enterprise risk reporting on trading activities.

Module: Risks and Opportunities [Investor]

OPERATIONAL RISK
The price of energy may rise if power producers are able to pass on costs associated with their obligation to meet carbon emission regulations in Canada, the United States and elsewhere. We anticipate that an increase in RBC's operating costs due to higher energy prices will be offset to some extent by savings that arise from our energy efficiency initiatives. Energy costs are also immaterial when compared to the total operating costs of RBC globally.

MANAGING OPERATIONAL RISK
Environmental Reporting: Since 2006, we have been reporting metrics associated with our environmental footprint. Our Corporate Responsibility Report (attached) helps us track our progress in reducing our demand on natural systems while managing our costs.

CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Other climate change risks that affect corporations are reputational and competitive. We have taken action to mitigate these risks, and our analysis indicates that these risks are negligible. More details are presented below.

REPUTATIONAL RISK
Financial institutions that do not adequately identify, manage and mitigate, where appropriate, their contribution to climate change face increasing censure from their stakeholders including investors, clients, employees and the general public. This may damage the firm's image in the community or public confidence, resulting in the loss of business. Also, when evaluating risk from a marketing and reporting perspective, there is a growing consumer suspicion of exaggerated or false claims regarding a company's environmental performance, known as "greenwash." Reputational risks apply to all regions where RBC operates.

ADDRESSING REPUTATIONAL RISK
Our robust environmental policy frameworks shield RBC from reputational issues related to climate change. The RBC Environmental Blueprint identifies climate change as one of our priority environmental issues and contains a number of publicly made commitments related to combating climate change. RBC also has both an enterprise-wide level Corporate Environmental Policy, first launched in 1991, and an internal suite of supporting policies directed at both our operational impacts and environmental credit risk management for lending and investment (see question 2.1a). These policies include climate change considerations. As our understanding of environmental issues and climate change has expanded over the years, and through stakeholder engagement, research and collaboration, we have revised our Corporate Environmental Policy periodically so that it continues to guide RBC's business and operational activities in a manner consistent with the evolving principles of sustainable development. We have also mitigated reputational risks through

- Awareness and training of our staff on environmental policies and climate change-related information
- Maintaining committees and centres of environmental and climate change expertise
- Research and thought leadership on environmental and climate change-related topics

For more details, please see the RBC Corporate Responsibility report attached.

Module: Risks and Opportunities [Investor]

COMPETITIVE RISK

This is the risk that a bank might be unable to build or maintain a sustainable competitive advantage over its peers in a new market where green products and services are important, where climate change physical impacts must be considered, and where carbon-market capabilities are required. Financial institutions are also increasingly expected to develop and adhere to lending and procurement policies that promote sustainable development, and are also expected to provide services that allow clients to reduce their impact on the environment and adapt to unavoidable environmental impacts, such as climate change. Competitive risks are greatest in North American markets where RBC has the vast majority of operations and competes with a variety of banks to offer clients green products and services.

ADDRESSING COMPETITIVE RISK

As outlined in the RBC Environmental Blueprint, we seek to offer an expanding array of products and services that provide long-term environmental benefits, are clearly distinguishable from comparable non-environmentally focused products, and empower clients with options to reduce their environmental footprint at little or no additional cost to the client. Please see our responses to CDP question 3.2a for a detailed summary of our environmental products and services.

Module: Risks and Opportunities [Investor]

Climate Change Opportunities

CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure.

In 2014, RBC reported revenue of $34.1 billion. Changes in climate regulation will not make a substantive change in our business operations, revenue or expenditure (see response to question 5.1g for more details).

The current direct opportunities we see include:

CARBON TRADING
In 2014, we traded nearly 243 million tonnes of carbon credits through the RBC Capital Markets Carbon Emissions Trading Group. Since the inception of the trading group in 2008, RBC has traded over 800 million tonnes of carbon credits. The majority of the trading volume centres around the European Union Emissions Trading Scheme (EU ETS), the largest compliance market in the world. We also trade in the California Cap-and-Trade Program, Regional Greenhouse Gas Initiatives (RGGI), Climate Action Reserve and other offset and voluntary markets. For details, visit http://www.rbccm.com/carbontrading/.

CLEAN ENERGY FINANCING AND ADVISORY SERVICES
RBC recognizes opportunities associated with the growth in clean energy, including renewable, alternative and clean technologies, as government agencies set policies and targets on the expansion of clean and renewable power generation. RBC Capital Markets has a long history of providing credit, debt and equity underwriting services and advisory services to both the renewable power generation and clean technology sectors. As of October 31 2014, RBC had nearly $2.7 billion in loan and trading line exposures to companies whose predominant business is renewable energy. For more details, visit https://www.rbccm.com/energy/.

CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure.

We see opportunities driven by physical climate parameters; however, these opportunities do not currently or in the near future have the potential to generate a substantive change in our business operations, revenue or expenditure.

Current opportunities we see include:

INFRASTRUCTURE FINANCING
Physical deterioration of infrastructure may be accelerated by climate change, particularly in Canada's north as the permafrost melts. This may result in large public-sector financing needs for upgraded roads, buildings and municipal infrastructure. Adaptation to climate change may also require significant capital expenditure for roads, docks, water treatment systems, sewers and other systems.

LOWER OPERATING COSTS
With a large proportion of our global operations situated in Canada, RBC may benefit from lower heating costs in colder parts of the country as Canadian winters become warmer in the changed climate. (This may however be offset by hotter summers and increased cooling costs.)

SUPPORTING WATER-RELATED CAUSES
Climate change is exacerbating water quality and availability issues all over the world. This unfortunate reality gives rise to community investment opportunities for large corporations to help address the problems. RBC is committed to making a lasting social impact through responsible giving and by building strong partnerships with the charitable sector. We donated $6.3 million

Module: Risks and Opportunities [Investor]

in 2014 to environmental charities globally; most of this was to water-related causes. Our signature environmental cause is the RBC Blue Water Project, our global commitment to help protect the world's fresh water resources.

Some of the environmental projects we support include features that have an effect on climate change mitigation and adaptation, including projects that:

- Protect or restore forested areas that act as carbon sinks
- Protect or restore coastal wetlands that regulate sea water intrusion into inland areas that could impact groundwater used for drinking
- Improve management of urban storm and rainwater
- Educate homeowners and businesses about the need to conserve water, especially in regions where climatologists predict communities must adapt to more frequent water shortages due to shifting meteorological patterns

For more, visit http://www.rbc.com/community-sustainability/environment/rbc-blue-water/about/index.html.

CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure.

We see opportunities driven by other climate-related developments; however, these opportunities do not currently or in the near future have the potential to generate a substantive change in our business operations, revenue or expenditure (see response to question 5.1i for more details).

The current opportunities we see include:

ENERGY SAVER LOAN AND MORTGAGE PRODUCTS
RBC offers the RBC Energy Saver Loan and RBC Energy Saver Mortgage products in Canada, which help clients qualify for rebates on home energy audits and create a more energy efficient home while saving on borrowing costs. For more details, visit http://www.rbcroyalbank.com/mortgages/energy-saver-mortgage.html.

SOLAR PANEL FINANCING
RBC Royal Bank in Canada offers advice on and solutions for solar panel financing for homeowners and businesses, including vendor financing. For more details, visit http://www.rbcroyalbank.com/business/financing/solar-panel-financing.html.

CLIMATE CHANGE BUSINESS ADVICE
The Canadian Banking Green Strategy for commercial and small business clients identifies three areas of opportunity for financing: green buildings, small and medium renewable energy projects, and cleantech in knowledge-based industries.

The Greening Your Business section of our Commercial Advice Centre offers valuable tools and resources to support businesses looking to shift to more sustainable business models. The Advice Centre has a number of articles and videos related to renewable energy, green buildings and managing carbon and energy. For more details, visit http://www.rbcroyalbank.com/commercial/advice/greening-your-business/.

RESPONSIBLE INVESTING
RBC has seven socially responsible investing (SRI) mutual fund products through RBC Global Asset Management using SRI research and ESG screens developed by Sustainalytics. Climate change is a common screen used to evaluate companies and sectors included in the funds. Total assets under management for the combined SRI products are now almost $4 billion. RBC also offers high-net-worth clients and other clients personalized screens through its SRI Wealth Management Group. Clients can choose investment options that focus specifically on carbon- and climate change-related opportunities or factors, including those related to adaptation. For more details, visit http://funds.rbcgam.com/investment-solutions/socially-responsible-investments/.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Tue 01 Nov 2011 – Thu 01 Nov 2012	32,046
Scope 2	Tue 01 Nov 2011 – Thu 01 Nov 2012	127,445

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
ISO 14064-1
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The GHG Indicator: UNEP Guidelines for Calculating Greenhouse Gas Emissions for Businesses and Non-Commercial Organisations

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Second Assessment Report (SAR – 100 year)
CH4	IPCC Second Assessment Report (SAR – 100 year)
N2O	IPCC Second Assessment Report (SAR – 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

Fuel/Material/Energy	Emission Factor	Unit	Reference
Natural gas	1.89	Other: kg C02e per m3	WRI. GHG Protocol tool for stationary combustion
Propane	1.62	kg CO2e per liter	WRI. GHG Protocol tool for stationary combustion
Other: Heating oil	2.69	kg CO2e per liter	WRI. GHG Protocol tool for stationary combustion
Electricity		Other: Metric tonnes of C02e per kWh	See spreadsheet attached for breakdown by country, province and state.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Emissions Data – (1 Nov 2011 – 1 Nov 2012)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Financial control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

32,046

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

127,445

CC8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
International properties	Emissions are relevant but have not yet been calculated	Emissions are relevant but have not yet been calculated	Since 2009, we have been able to measure and report on Scope 1 and 2 emissions for 100% of our properties located in Canada, the U.S. and the British Isles, which represented reporting from 89% of our global operations during this reporting year (measured by global floor area). Current gaps in Scope 1 and 2 data include energy reporting in the Caribbean and other international locations where there was a lack of reporting or where data was not available in a format that could support credible public reporting.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Source	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Extrapolation data management	Our energy footprint is based on three categories of data: 1) Metered: Properties where metered energy consumption is billed directly from a utility or landlord. 2) Prorated estimated: Major properties that do not have metered data, but where the landlord has provided consumption data for the entire building that is prorated to the area we occupy. 3) Proxy estimated: Energy consumption is calculated using averaged metered data for comparable buildings and applied based on the area RBC occupies. Inherently, there is less uncertainty in data that is metered versus the other two categories. In this particular reporting year, 48% of energy data was metered, 30% was prorated and 22% was proxy estimated.
Scope 2	More than 2% but less than or equal to 5%	More than 2% but less than or equal to 5%	Our energy footprint is based on three categories of data: 1) Metered: Properties where metered energy consumption is billed directly from a utility or landlord. 2) Prorated estimated: Major properties that do not have metered data, but where the landlord has provided consumption data for the entire building that is prorated to the area we occupy. 3) Proxy estimated: Energy consumption is calculated using averaged metered data for comparable buildings and applied based on the area RBC occupies. Inherently, there is less uncertainty in data that is metered versus the other two categories. In this particular reporting year, 48% of energy data was metered, 30% was prorated and 22% was proxy estimated.

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

No third-party verification or assurance

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

No third-party verification or assurance

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
No additional data verified	We are fully committed to providing complete and accurate data on our key performance indicators. Internally, we have incorporated many steps into our environmental data review. Our environmental data are subjected to "four lines of quality control" before being reported. The first line is CB Richard Ellis, our property management service provider, who produces an annual Building Energy Performance Indicator (BEPI) report that tracks our energy use for all properties in Canada and the U.S. (over 1,900 properties). RBC Corporate Real Estate then reviews the data by using a variance threshold and comparing data year over year. The RBC Corporate Sustainability Group then calculates the GHG emissions associated with our property energy consumption. RBC Internal Audit forms the final line of quality control by periodically conducting audits of procedures and reports that may involve selective testing of data for accuracy. The last audit conducted by RBC Internal Audit was in 2013. Senior executives also are required to sign off on data being reported. This data collection and calculation process involves subject matter experts with backgrounds in engineering, environmental sciences and/or energy management. We continue to evaluate the usefulness of having an external expert verify parts or all of our CR disclosure, and assess whether there is sufficient benefit to our stakeholders to justify the cost and resources required for this exercise.

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Emissions Data – (1 Nov 2012 – 1 Nov 2013)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Financial control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

35,905

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

90,626

CC8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
International properties	Emissions are relevant but have not yet been calculated	Emissions are relevant but have not yet been calculated	Since 2009, we have been able to measure and report on Scope 1 and 2 emissions for 100% of our properties located in Canada, the U.S. and the British Isles, which represented reporting from 94% of our global operations during this reporting year (measured by global floor area). Current gaps in Scope 1 and 2 data include energy reporting in the Caribbean and other international locations where there was a lack of reporting or where data was not available in a format that could support credible public reporting.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Extrapolation data management	Our energy footprint is based on three categories of data: 1) Metered: Properties where metered energy consumption is billed directly from a utility or landlord. 2) Prorated estimated: Major properties that do not have metered data, but where the landlord has provided consumption data for the entire building that is prorated to the area we occupy. 3) Proxy estimated: Energy consumption is calculated using averaged metered data for comparable buildings and applied based on the area RBC occupies. Inherently, there is less uncertainty in data that is metered versus the other two categories. In this particular reporting year, 41% of energy data was metered, 39% was prorated and 20% was proxy estimated.
Scope 2	More than 2% but less than or equal to 5%	Extrapolation data management	Our energy footprint is based on three categories of data: 1) Metered: Properties where metered energy consumption is billed directly from a utility or landlord. 2) Prorated estimated: Major properties that do not have metered data, but where the landlord has provided consumption data for the entire building that is prorated to the area we occupy. 3) Proxy estimated: Energy consumption is calculated using averaged metered data for comparable buildings and applied based on the area RBC occupies. Inherently, there is less uncertainty in data that is metered versus the other two categories. In this particular reporting year, 41% of energy data was metered, 39% was prorated and 20% was proxy estimated.

CC8.6

Please indicate the verification/assurance status that applies to your Scope 1 emissions

No third-party verification or assurance

CC8.7

Please indicate the verification/assurance status that applies to your Scope 2 emissions

No third-party verification or assurance

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
No additional data verified	We are fully committed to providing complete and accurate data on our key performance indicators. Internally, we have incorporated many steps into our environmental data review. Our environmental data are subjected to "four lines of quality control" before being reported. The first line is CB Richard Ellis, our property management service provider, who produces an annual Building Energy Performance Indicator (BEPI) report that tracks our energy use for all properties in Canada and the U.S. (over 1,900 properties). RBC Corporate Real Estate then reviews the data by using a variance threshold and comparing data year over year. The RBC Corporate Sustainability Group then calculates the GHG emissions associated with our property energy consumption. RBC Internal Audit forms the final line of quality control by periodically conducting audits of procedures and reports that may involve selective testing of data for accuracy. The last audit conducted by RBC Internal Audit was in 2013. Senior executives also are required to sign off on data being reported. This data collection and calculation process involves subject matter experts with backgrounds in engineering, environmental sciences and/or energy management. We continue to evaluate the usefulness of having an external expert verify parts or all of our CR disclosure, and assess whether there is sufficient benefit to our stakeholders to justify the cost and resources required for this exercise.

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Emissions Data – (1 Nov 2013 – 1 Nov 2014)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Financial control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

35,127

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

84,259

CC8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
International properties	Emissions are relevant but have not yet been calculated	Emissions are relevant but have not yet been calculated	Since 2009, we have been able to measure and report on Scope 1 and 2 emissions for 100% of our properties located in Canada, the U.S. and the British Isles, which represented reporting from 94% of our global operations during this reporting year (measured by global floor area). Current gaps in Scope 1 and 2 data include energy reporting in the Caribbean and other international locations where there was a lack of reporting or where data was not available in a format that could support credible public reporting.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Extrapolation data management	Our energy footprint is based on three categories of data: 1) Metered: Properties where metered energy consumption is billed directly from a utility or landlord. 2) Prorated estimated: Major properties that do not have metered data, but where the landlord has provided consumption data for the entire building that is prorated to the area we occupy. 3) Proxy estimated: Energy consumption is calculated using averaged metered data for comparable buildings and applied based on the area RBC occupies. Inherently, there is less uncertainty in data that is metered versus the other two categories. In this particular reporting year, 41% of energy data was metered, 39% was prorated and 20% was proxy estimated.
Scope 2	More than 2% but less than or equal to 5%	Extrapolation data management	Our energy footprint is based on three categories of data: 1) Metered: Properties where metered energy consumption is billed directly from a utility or landlord. 2) Prorated estimated: Major properties that do not have metered data, but where the landlord has provided consumption data for the entire building that is prorated to the area we occupy. 3) Proxy estimated: Energy consumption is calculated using averaged metered data for comparable buildings and applied based on the area RBC occupies. Inherently, there is less uncertainty in data that is metered versus the other two categories. In this particular reporting year, 41% of energy data was metered, 39% was prorated and 20% was proxy estimated.

CC8.6

Please indicate the verification/assurance status that applies to your Scope 1 emissions

No third-party verification or assurance

CC8.7

Please indicate the verification/assurance status that applies to your Scope 2 emissions

No third-party verification or assurance

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
No additional data verified	We are fully committed to providing complete and accurate data on our key performance indicators. Internally, we have incorporated many steps into our environmental data review. Our environmental data are subjected to "four lines of quality control" before being reported. The first line is CB Richard Ellis, our property management service provider, who produces an annual Building Energy Performance Indicator (BEPI) report that tracks our energy use for all properties in Canada and the U.S. (over 1,900 properties). RBC Corporate Real Estate then reviews the data by using a variance threshold and comparing data year over year. The RBC Corporate Sustainability Group then calculates the GHG emissions associated with our property energy consumption. RBC Internal Audit forms the final line of quality control by periodically conducting audits of procedures and reports that may involve selective testing of data for accuracy. The last audit conducted by RBC Internal Audit was in 2013. Senior executives also are required to sign off on data being reported. This data collection and calculation process involves subject matter experts with backgrounds in engineering, environmental sciences and/or energy management. We continue to evaluate the usefulness of having an external expert verify parts or all of our CR disclosure, and assess whether there is sufficient benefit to our stakeholders to justify the cost and resources required for this exercise.

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Scope 1 Emissions Breakdown – (1 Nov 2011 – 1 Nov 2012)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Canada	27,030
United States of America	4,520
United Kingdom	351
Jersey	69
Guernsey	76

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By facility

By activity

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
Branches	14,537		
Major properties	16,460		
Data centres and processing centres	1,049		

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Property heating	32,046

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Further Information

Major properties are categorized as facilities with an area greater than 25,000 ft2 (larger than 2,320 m2) and branches are categorized as RBC-owned or -leased properties with an area of less than 25,000 ft2 (less than 2,320 m2). In 2012, data centres and processing centres consisted of 12 properties across Canada, the U.S. and the British Isles containing operational processes and equipment that have high electricity demands. Please see our 2012 Corporate Responsibility Report attached with GHG and energy reporting on pages 84-86.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Scope 1 Emissions Breakdown – (1 Nov 2012 – 1 Nov 2013)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Canada	32,207
United States of America	2,999
United Kingdom	547
Jersey	73
Guernsey	78

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By facility

By activity

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
Branches	16,400		
Major properties	18,935		
Data centres and processing centres	570		

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Property heating	35,905

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Further Information

Major properties are categorized as facilities with an area greater than 25,000 ft2 (greater than 2,320 m2), and branches are categorized as RBC-owned or -leased properties with an area of less than 25,000 ft2 (less than 2,320 m2). In 2013, data centres and processing centres consisted of 13 properties across Canada, the U.S. and the British Isles containing operational processes and equipment that have high electricity demands. Please see our 2013 RBC Environmental Report attached with GHG and energy reporting on pages 4, 5 and 15.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Scope 1 Emissions Breakdown – (1 Nov 2013 – 1 Nov 2014)

CC9.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC9.1a

Please complete the table below

Country/Region	Scope 1 metric tonnes CO2e
Canada	32,913
United States of America	2,142
United Kingdom	48
Jersey	14
Guernsey	10

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By facility

By activity

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
Branches	17,154		
Major properties	17,640		
Data centres and processing centres	333		

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Property heating	35,127

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Further Information

Major properties are categorized as facilities with an area greater than 25,000 ft2 (greater than 2,320 m2), and branches are categorized as RBC-owned or -leased properties with an area of less than 25,000 ft2 (less than 2,320 m2). In 2014, data centres and processing centres consisted of 13 properties across Canada, the U.S. and the British Isles containing operational processes and equipment that have high electricity demands. Please see our 2014 Corporate Responsibility Report attached with GHG and energy reporting on page 34.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Scope 2 Emissions Breakdown – (1 Nov 2011 – 1 Nov 2012)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)
Canada	79,523	37,1681	13,941
United States of America	46,456	93,606	0
United Kingdom	1,036	10,440	0
Jersey	205	2,560	0
Guernsey	225	979	0

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By facility

By activity

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions (metric tonnes CO2e)
Branches	73,398
Major properties	38,716
Data centres	15,331

10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)
Purchased electricity use	127,445

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Further Information

Major properties are categorized as facilities with an area greater than 25,000 ft2 (larger than 2,320 m2), and branches are categorized as RBC-owned or -leased properties with an area of less than 25,000 ft2 (less than 2,320 m2). In 2012, data centres and processing centres consisted of 12 properties across Canada, the U.S. and the British Isles containing operational processes and equipment that have high electricity demands. Please see our 2012 Corporate Responsibility Report attached with GHG and energy reporting on pages 84-86.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Scope 2 Emissions Breakdown – (1 Nov 2012 – 1 Nov 2013)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling (MWh)
Canada	69,399	389,285	18,673
United States of America	19,282	42,565	
United Kingdom	1,524	12,976	
Jersey	204	2,550	
Guernsey	217	944	

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By facility

By activity

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions (metric tonnes CO2e)
Branches	51,915
Major properties	29,091
Data centres and processing centres	9,619

CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)
Purchased electricity use	90,626

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Further Information

Major properties are categorized as facilities with an area greater than 25,000 ft2 (larger than 2,320 m2), and branches are categorized as RBC-owned or -leased properties with an area of less than 25,000 ft2 (less than 2,320 m2). In 2013, data centres and processing centres consisted of 13 properties across Canada, the U.S. and the British Isles containing operational processes and equipment that have high electricity demands. Please see our 2013 RBC Environmental Report attached with GHG and energy reporting on pages 4, 5 and 15.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Scope 2 Emissions Breakdown – (1 Nov 2013 – 1 Nov 2014)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)
Canada	62,786	377,770	18,044
United States of America	18,810	37,968	
United Kingdom	1,764	14,725	
Jersey	523	2,324	
Guernsey	377	934	

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By facility

By activity

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions (metric tonnes CO2e)
Branches	50,252
Major properties	25,130
Data centres and processing centres	8,877

CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)
Purchased electricity use	80,259

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Further Information

Major properties are categorized as facilities with an area greater than 25,000 ft2 (larger than 2,320 m2), and branches are categorized as RBC-owned or -leased properties with an area of less than 25,000 ft2 (less than 2,320 m2). In 2014, data centres and processing centres consisted of 13 properties across Canada, the U.S. and the British Isles containing operational processes and equipment that have high electricity demands. Please see our 2014 Corporate Responsibility Report attached with GHG and energy reporting on page 34.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	
Electricity	43,3720
Heat	190,380
Steam	
Cooling	

CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Energy type	MWh
Natural gas	185,236
Propane	375
Other: Heating oil	4,769

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comments
Supplier specific, backed by instruments	18,044	In 2014, RBC purchased over 18,000 MWh of EcoLogo-certified green electricity that powered our entire ATM and retail branch digital display networks plus a number of external meetings and major sponsored events such as the 2014 RBC Canadian Open.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Emissions Performance

CC12.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	3.7	Decrease	Please see question 3.3b for a summary of our emissions reduction activities in 2014.
Divestment			None
Acquisitions			
Mergers			
Change in output			
Change in methodology	10	Decrease	Greening the electricity grid has helped many companies reduce their GHG emissions from electricity use. We analyzed the impact that greening the grid had on RBC's North American portfolio by applying 2014 emission factors to 2013 electricity consumption data to determine the percentage difference. By simply applying the new emission factors, we were able to demonstrate an estimated 10% GHG reduction in our North American property portfolio.
Change in boundary			
Change in physical operating conditions	7.7	Increase	According to Environment Canada, the winter of 2014 was the coldest winter in 18 years and the third coldest in 35 years. Snowfall records were set in several cities across the country, and we had an unusually cold spring in eastern Canada. Due to the cold temperatures across Canada, our consumption of heating fuels increased.
Unidentified			
Other			

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.0000035	Metric tonnes CO2e	Unit total revenue	15.1	Decrease	Our Scope 1 and 2 emissions decreased by 6% in 2014 compared to 2013 for reasons noted in table 12.1a, while total revenue increased by 11%.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
1.62	Metric tonnes CO2e	FTE employee	4.7	Decrease	Our Scope 1 and 2 emissions decreased by 6% in 2014 compared to 2013 for reasons noted in table 12.1a, while total FTE count decreased by 1%.

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.066	Metric tonnes CO2e	Square meter	4.7	Decrease	Our Scope 1 and 2 emissions decreased by 6% in 2014 compared to 2013 for reasons noted in table 12.1a, while total floor area decreased by 5%. The denominator used for this calculation is floor area that has credible energy reporting, which represents 88% of our global operations.

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years.

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

Yes

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit purchase	Other: Mix of projects that qualify as CERs	We purchase CERs through the RBC Emissions Trading Desk. RBC completes an OTC sale of spot CERs and sends an International Emissions Trading Association (IETA) ""Single Trade Agreement" contract for the trade. The CERs are sourced from a mix of projects that are subjected to a rigorous validation, certification, registration and insurance process designed to ensure real, measurable and verifiable emission reductions that are recognized by the United Nations.	Other: Certified emission reduction (CER) units	510		Yes	Voluntary offsetting

Further Information

RBC is not regulated under any emissions trading schemes but actively participates in carbon markets as a trader and adviser. In 2014, we traded approximately 243 million tonnes of carbon credits through our Capital Markets Carbon Emissions Trading Group. Since the inception of the trading group in 2008, RBC has traded over 800 million tonnes. The majority of the trading volume centres around the European Union Emissions Trading Scheme (EU ETS), the largest compliance market in the world. We also trade in the California Cap-and-Trade Program, Regional Greenhouse Gas Initiatives, Climate Action Reserve and other offset and voluntary markets. For more information, please see the RBC Capital Markets Emissions Trading website: https://www.rbccm.com/carbontrading/.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, not yet calculated				In 2014, RBC purchased $6.8 billion of goods and services from over 39,000 international, national, regional and local suppliers. We practice responsible and sustainable sourcing and effective supply chain management. We have a principles-based Supplier Code of Conduct (attached) to ensure the behaviour of our suppliers aligns with RBC standards, with an externally verified process to monitor supplier acknowledgement of the Code. There are no current plans to track and report on the carbon footprint of our supply chain, except for a few suppliers we work closely with on GHG reduction initiatives (e.g. Project One-Stop in question 3.3b).
Capital goods	Not relevant, explanation provided				Not applicable to our operations – we do not manufacture goods.
Fuel- and energy-related activities (not included in Scope 1 or 2)	Not relevant, explanation provided				Not applicable to our operations.
Upstream transportation and distribution	Not relevant, calculated	177	Emissions associated with deliveries to our property network in Canada are calculated by a third-party logistics service provider using direct measurements of package weights and delivery distances. Calculations following best practice guidance from both the ISO 14064 series for GHG Accounting and the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.	60.00%	In 2012, we launched Project One-Stop, aimed at reducing the number of deliveries to our Canadian properties by consolidating shipments and adjusting delivery frequencies. Since its project launch in 2012, we have seen a 26% increase in the number of packages consolidated per delivery and a 51.4% reduction in GHG emissions associated with the transportation of goods.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Waste generated in operations	Not relevant, explanation provided				There are no current plans to track and report on the carbon footprint associated with waste generated. We have purposely focused on waste reduction efforts as outlined in the RBC Environmental Blueprint: ■ Send zero electronic waste to landfill globally by 2018 ■ Ensure all major offices have waste diversion programs ■ Ensure all major construction and renovation projects have waste diversion plans for carpet, furniture and demolition waste We report annually on our progress in achieving these commitments. To view our progress on waste and recycling, see page 36 of the 2014 Corporate Responsibility Report attached.
Business travel	Relevant, calculated	27970	We track four categories of business travel: air travel, rail travel, business travel in rental vehicles and business travel in personal vehicles. Data coverage for air travel includes all staff in Canada, the U.S. and the British Isles, which represent about 85% of all RBC staff globally.	85.00%	Travel data is based on data collection and record-keeping practices employed by our third-party travel service providers, RBC travel desks and expense-claim systems.
Employee commuting	Relevant, not yet calculated				RBC employs approximately 78,000 full- and part-time employees through offices in Canada, the U.S. and 39 other countries. We occasionally survey our employees on commuting habits but do not calculate the carbon footprint of employee commuting. We have provided online carpooling tools to employees in some of our larger commuting centres. For example, we have an employee carpool program called "Smart Commute" available to over 6,000 employees at our Meadowvale office in Mississauga, Ontario. The program has over 350 employees registered and 56 registered carpools utilizing the designated carpool parking spots. In 2014 alone, RBC Meadowvale registered carpools reduced emissions by 190,282 kg, which is up 32,921 kg from the previous year.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Upstream leased assets	Relevant, calculated		Included in Scope 1 and 2 emission calculations. See answers to questions 9 and 10 for further details.		We include leased properties in our calculation of Scope 1 and 2 emissions as we have the ability to put into action carbon reductions in these properties through green-leasing strategies, electrical and mechanical design standards and landlord-tenant engagement campaigns.
Downstream transportation and distribution	Relevant, not yet calculated				Deliveries of client statements and marketing materials are our largest source of downstream transportation emissions. In the RBC Environmental Blueprint, we have committed to reducing the amount of paper we use by expanding our electronic services and paperless banking options for clients and employees, thus reducing the need to transport these materials. Since 2006, we have converted more than 13 million accounts in Canada to electronic statements, resulting in cumulative paper savings of more than 3,000 metric tonnes. Continued success of e-Courier, a program that allows branches in Canada to electronically submit documents to central processing offices, also reduces the need for paper and the associated environmental impacts of transportation. In 2014, employees submitted an estimated 88 million pages of documents through e-Courier, avoiding the need for 400 tonnes of copy paper and the associated environmental impacts of transportation.
Processing of sold products	Not relevant, explanation provided				Banking is a service-oriented industry with little to no exchange of physical goods.
Use of sold products	Not relevant, explanation provided				Banking is a service-oriented industry with little to no exchange of physical goods.
End-of-life treatment of sold products	Not relevant, explanation provided				Banking is a service-oriented industry with little to no exchange of physical goods.
Downstream leased assets	Not relevant, explanation provided				Not applicable to our operations.
Franchises	Not relevant, explanation provided				Not applicable to our operations.

Module: GHG Emissions Accounting, Energy and Fuel Use and Trading [Investor]

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Investments	Not evaluated				RBC's investment and lending policies include requirements to review environmental and social issues, including climate change; however, we do not calculate the carbon emissions associated with our investments. For more on RBC's lending and investment policies, please see http://www.rbc.com/community-sustainability/environment/responsible-financing.html
Other (upstream)					
Other (downstream)					

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

No third-party verification or assurance

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Business travel	Other: Multiple	5	Increase	Total emissions related to business travel increased by 5% in 2014 compared to the previous year. Our U.S. Capital Markets and Wealth Management operations have experienced solid growth over the last few years, resulting in an increase in U.S. based travel.

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CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

RBC's supplier management policy includes requirements in the procurement process to review environmental and social issues that can impact our business, our suppliers' businesses and communities. The review process ensures that we gather the appropriate environmental and social information regarding suppliers' operations and the products and services they offer to make informed procurement decisions. This includes reviewing product lifecycle analysis and third-party certification standards related to energy efficiency (i.e. EPEAT and Energy Star) and GHG emissions. Energy and carbon considerations are embedded in the majority of leasing and procurement activities that focus on real estate and IT.

We also have a principles-based Supplier Code of Conduct (attached) to ensure the behaviour of our suppliers aligns with RBC standards, with an externally verified process to monitor supplier acknowledgement of the Code.

For engagement with customers, see response to question CC 2.2a.

For engagement with other partners, see response to question CC 2.3.

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend	Comments
155	8%	In 2014, $540 million of RBC purchases were screened against environmental and social criteria. In the same year, RBC purchased $6.8 billion of goods and services globally. Note that many of our contracts with suppliers are multi-year, so 8% does not accurately reflect the percentage of suppliers we engage and/or the percentage subjected to environmental and social due diligence. Please see RBC Responsible Procurement for more details: http://www.rbc.com/community-sustainability/environment/responsible-procurement.html.

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CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Identifying GHG sources to prioritize for reduction actions	RBC's supplier management policy includes requirements in the procurement process to review environmental and social issues that can impact our business, our suppliers' businesses and communities. For certain material procurement engagements, we require category-specific environmental screening in an effort to identify and reward environmental leaders. This may include a review of environmental benefits and lifecycle impacts of a product by evaluating the product's environmental impacts associated with the extraction of raw materials, manufacturing process, packaging, transportation, product longevity and end-of-life disposal.
Stimulating innovation of new products	Our procurement process for real estate includes strategies to lease or build office space certified to green building standards, including the predominate North American green building standard LEED. Nearly a quarter of our global office space (4.1 million square feet) is LEED certified and we're committed to increasing that number. The RBC Centre was certified as one of the largest LEED Gold for New Construction and LEED Gold for Commercial Interiors in Canada at the time. RBC's headquarters in Toronto, Royal Bank Plaza, was the first bank tower complex to achieve LEED Gold for Existing Building certification in Canada. Riverbank House, RBC's office on the Thames in London, UK has achieved an "Excellent" rating under the BREEAM green building rating system. For more details on our green buildings, please visit http://www.rbc.com/community-sustainability/rbc-in-action/LEED-green-real-estate.html. Our procurement process for IT includes reviewing product lifecycle analysis and third-party certification standards related to energy efficiency (i.e. EPEAT and Energy Star), helping to some degree to drive energy efficiency innovation through our purchasing decisions.

Further Information

Please find our detailed reporting on 2014 GHG emissions and energy footprint on page 34 of the 2014 Corporate Responsibility Report.

Module: Sign Off

Sign Off

CC15 Sign Off

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Sandra Odendahl	Director, Corporate Sustainability & Social Finance	Environment/Sustainability manager


RBC