



RBC Response

2017 Carbon Disclosure Project



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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 have over 80,000 full- and part-time employees who serve more than 16 million personal, business, public sector and institutional clients through offices in Canada, the U.S. and 35 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

Sun 01 Nov.. 2015 - Mon 31 Oct. 2016

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

Introduction

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 (\$)

CC0.6 Modules

As part of the request for information on behalf of investors, companies in the electric utility sector, companies in the automobile and auto component manufacturing sector, companies in the oil and gas sector, companies in the information and communications technology sector (ICT) and companies in the food, beverage and tobacco sector (FBT) should complete supplementary questions in addition to the core questionnaire.

If you are in these sector groupings, the corresponding sector modules will not appear among the options of question CC0.6 but will automatically appear in the ORS navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below in CC0.6.

Further Information

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

- RBC Environmental Blueprint (includes our Environmental Policy, priority environmental issues & objectives, and 42 environmental commitments)
- RBC Corporate Citizenship Report: Environment chapter begins on page 63 (environmental risk can also be found on pages 11 & 21) rbc.com/community-sustainability/_assets-custom/pdf/RBC-CCR-Report-2016-e.pdf
- 2016 Annual Report to Shareholders (environmental risk disclosure on page 88,89)
- RBC and the Environment website: rbc.com/community-sustainability/environment/
- green@rbc, our environmental newsletter: rbc.com/community-sustainability/environment/green-rbc-newsletter.html

Attachments

- [cdp.net/sites/2017/80/15980/Climate Change 2017/Shared](http://cdp.net/sites/2017/80/15980/Climate%20Change%202017/Shared)
 - Documents/Attachments/ClimateChange2017/CC0.Introduction/RBC_english_AR16_ENG.pdf
 - [cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC0.Introduction/RBC-Environmental-Blueprint.pdf](http://cdp.net/sites/2017/80/15980/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC0.Introduction/RBC-Environmental-Blueprint.pdf)
 - [cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC0.Introduction/97173 CCR_PDF_E_3March_FINAL.pdf](http://cdp.net/sites/2017/80/15980/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC0.Introduction/97173%20CCR_PDF_E_3March_FINAL.pdf)
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Governance

Governance

CC1.1

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

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a

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

Our Board of Directors provides oversight to RBC's Citizenship strategy, which includes environmental programs and performance, including environmental risk and our approach to climate change.

The Risk Committee of the Board of Directors provides oversight to ensure that management has established policies, processes and procedures to manage environmental risks, including compliance with applicable laws and regulations.

RBC's Group Operating Committee (GOC) has representatives from each area of the enterprise and provides a forum that integrates governance with the oversight of day to day functional, operating, and technology activities across RBC including the Chief Financial Officer, Chief Human Resources Officer, and the Group Chief Risk Officer. Broadly speaking, the goal of the GOC is to ensure the day-to-day functional, operating and technology activities across RBC are in step with the needs of our clients, driving cost management and optimizing shared services and resources. One of the critical features of the GOC is that it allows for cross-organizational consultation.

Once a year, an update on the implementation of the RBC Environmental Blueprint is presented to the GOC. The content presented includes a progress update on our Blueprint commitments including quantitative targets, budget and plans for the upcoming year. The GOC is responsible to Group Executive to ensure that the day to day business operations of the organization fit within the strategic direction and priorities, and enterprise risk and compliance framework established, at a point in time and over a 3 – 5 year time horizon.

Our Corporate Environmental Affairs Group (CEA) is responsible for implementing the RBC Environmental Blueprint. The group develops enterprise-wide policy for the identification, assessment, control, monitoring and reporting of environmental matters, including climate change.

CC1.2

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

Yes

Governance

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 Other: Behaviour change related indicator	Based on employee mandate, monetary performance incentives are influenced by these indicators. Management of environment-related issues, including climate change and energy, is a component of the performance goals of staff in RBC Corporate Environmental Affairs, 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 in investments and insurance	Management of environment-related issues, including environmental risk, climate change and severe weather, is a component of the performance goals for senior management in Environmental and Social Risk, RBC Insurance, 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	Other: Employee engagement	Through employee environmental engagement campaigns, employees have the opportunity to win monetary prizes for demonstrating increased awareness and action on energy reduction and waste management in the workplace or in their personal lives.
Energy managers	Monetary reward	Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases	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. Corporate Real Estate is also responsible for the oversight of our property management company which manages all facility managers.
Chief executive officer (CEO)	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Other: Sustainability rating agency/reporting target	RBC's CEO has included in part of his mandate to continue to be named by top sustainability indices annually. In order to achieve this outcome, RBC is required to successfully manage environmental risk, explore opportunities and successfully perform against our environmental targets and commitments.
Executive officer	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Other: Behaviour change related indicator	Meeting relevant targets for their Business Unit or function. 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.

Governance

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator	Comment
Facility managers	Monetary reward	Energy reduction project Energy reduction target Efficiency project Efficiency target	<p>Meeting energy reduction targets. RBC's property management company (Jones Lang Lasalle) has an "energy champions" program for all Facility Managers of RBC properties.</p> <ol style="list-style-type: none"> Each energy champion is assigned accountability for the energy consumption in their assigned properties A scorecard is developed to track the number and value of no/low cost energy conservation ideas and implementations The champions compete to identify the most and best ideas and enter them into JLL's energy management system, with the results forming part of their annual Individual Performance Reviews Results of the energy savings projects are incorporated into JLL's energy reporting processes to augment and normalize baseline and performance against target reporting.
Risk managers	Monetary reward	Other: Risk - investments, financing	Managing climate change related issues within RBC's risk appetite.
Other: Developing environmental ambassadors/leaders	Recognition (non-monetary)	Behavior change related indicator Other: Leadership, engagement and inspiration	<p>RBC's new global Green Champion Program recognizes environmental champions throughout the year with recognition and awards (sometimes monetary). Annually, RBC opens nominations for the Regional Green Champion of the Year award whereby one employee in each RBC region is awarded with a prize and recognition for being an environmental leader and influencing change locally.</p>

Strategy

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	Other committee	Global	1 to 3 years	We provide an annual update on our ability to meet strategic objectives related to climate change, as defined within our corporate environmental strategy. This update is provided to RBC's Group Operating Committee Executive, chaired by our CFO. On a tri-annual basis, we review and, when required, update our internal risks management policies related to environmental and social risk management, which includes consideration of climate change impacts. These policies are reviewed and approved by a committee of senior managers/officers.

CC2.1b

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

We consider the direct and indirect impact of climate change. The direct impacts that we consider relate to: the physical effects of climate change on our operations; the reputation impacts of changing consumer expectations; and potential impacts from current and future regulatory changes. The indirect impacts that we consider relate to our clients' exposure to climate change regulations. These risks are monitored by internal groups at varying frequencies, based on internal policies and procedures, and as needed. Monitoring takes place through ongoing transaction reviews, implementation of procedures, regular policy review, our business continuity management program, and ongoing evaluation and reporting of our corporate environmental strategy.

At an asset level, climate change impacts are managed as part of the Enterprise Risk team, in Group Risk Management. Environmental and social risks, including climate change, are identified as potential drivers of other risk types (e.g., credit, market, operational, regulatory, strategic, reputational, insurance, systemic). RBC has a suite of E&S risk management policies, which include policies that are enterprise-wide, business-specific, product and/or service specific, sector and/or issue specific, and that address our business activities. Our E&S risk management policies apply a risk-based approach whereby enhanced due diligence and escalation procedures apply to high risk sectors, clients and business activities. For example, for clients in sectors categorized as medium and high environmental risk, this includes evaluation of whether clients have assessed and quantified the regulatory impacts of climate change. For example, for project financing this includes identification of projects with GHG emissions (combined Scope 1 and Scope 2) that are expected to be greater than 100,000 tonnes of CO₂ equivalent annually, and a required alternatives analysis that considers less GHG intensive alternatives for these projects.

Strategy

CC2.1c

How do you prioritize the risks and opportunities identified?

At a corporate level, research and information on the direct and indirect impacts of climate change is assessed to determine materiality and if or when necessary, to identify opportunities to manage and/or mitigate these impacts. When assessing the actual or potential impacts of climate regulation on clients, we consider what actions the client has taken to manage and/or mitigate these impacts, and recommend approaches, where necessary. On a case-by-case basis, if a transaction is deemed to pose a potential risk (e.g., due to climate change impacts), it may be escalated to a senior oversight committee for review and decision. On an annual basis, RBC's Group Operating Committee Executive, chaired by our CFO, reviews the implementation of our corporate environmental strategy to determine our effectiveness and ability to meet targets. Since 2007, we have identified climate change as one of our three priority environmental issues within this strategy.

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

- i) As Canada's largest bank, we see an opportunity to ensure that we use our influence for good. RBC's purpose is "helping clients thrive and communities prosper". "Supporting the development of a clean economy" is one of four areas of focus. RBC identified five pillars that represent our business strategy: Sustainable Growth; Exceptional Client Experience; Best Talent; Simplify Agile and Innovate; Community and Social Impact (all with direct and indirect links to climate change). The clearest link is the influence climate change has on Sustainable Growth. With more than 16 million personal, business, public sector and institutional clients globally comes material climate change related risks and opportunities to be managed. The internal process for collecting and reporting information to influence the strategy is driven by: Corporate Environmental Affairs (enterprise climate strategy), Group Risk Management (climate risk), Office of the CEO (climate thought leadership & research), Corporate Real Estate (carbon and energy reduction programs), and the Clean Economy Working Group (climate business opportunities). All groups identify risk and opportunity to inform business strategies.
- ii) We invest where we see the greatest potential for Sustainable Growth, focusing on markets and client segments where we can be a leader. We're a Canadian leader in carbon emissions trading, green bond underwriting and financing clean energy projects. RBC is the only Canadian FI with a nation-wide Cleantech Advisory Team with >\$100 million in cleantech banking business and nearly 40 clients in Ontario.
- iii) Policy & regulatory changes: As regulations change (SDGs, Paris Agreement, Pan Canadian Framework) we see a more clear policy landscape around which to plan our business strategy, focusing on carbon pricing, cap & trade programs, clean energy investments, infrastructure and innovation.

Financial opportunity: The World Bank estimates that US\$90 trillion is needed to build a low-carbon world by 2035. Investment assets committed to responsible investing exceeds US\$65 trillion. Green bond issuance grew from US\$11 billion in 2013 to US\$81 billion in 2016.

Physical risks through increased severe weather: The annual cost of natural disasters has increased five-fold since the 1980s. In Canada, federal disaster relief spending rose from an average of \$100 million a year in the 1990s to an average of over \$600 million a year in the 2010s.

Strategy

Rising cost of energy: In 2016, RBC's total estimated energy spend in Canada was \$62.5 million. Our total utility commodity prices increased by 8% from last year-driven by electricity which increased by 11% from 2015. We expect an upward trend in costs due to market and regulatory factors, especially in Ontario, which is 56% of our Canadian sf, 60% of our utility consumption.

Changing consumer preferences: RBC research identified a growing appetite for impact investing, especially among young investors and women. Client preferences are changing in terms of how we do business and the types of products and services we offer.

Reputation risk: There is an expectation from stakeholders that FIs be at the front of the transition to a clean economy and lead by example.

- iv) **Banking & financial services:** We have a responsibility to support the growth of low carbon businesses and make it easy for clients to do low carbon banking. Beyond the examples highlighted in section ii), we offer a range of SRI funds, a RBC Fossil Fuel Free Global Equity Fund; solar panel financing for businesses and we have offered Energy Saver loan and mortgage products since '08.

Changing how we work: We're responsible for managing the energy and carbon impacts of our operations. We reduced operational GHG emissions by 48% since 2009. We're one of the largest purchasers of renewable energy, and one of the largest leasers of certified green office space in Canada.

We proactively review and update our E&S risk management policies to address evolving issues related to climate change. We report publicly on our progress and provide climate related disclosures that reflect internationally recognized best practices and standards.

Influence & partnerships to support a clean economy: We publicly support pricing carbon, combined with flexible regulations and public investment -see vii for examples. RBC became a founding member of Smart Prosperity and joined the Carbon Pricing Leadership Coalition.

- v) **Banking and financial services to support a clean economy** are important to our long-term strategy. We recognize the opportunities associated with being the "go-to-bank" for clean energy, cleantech, energy efficiency, green bonds, low-carbon investing, carbon trading, and infrastructure. We recognize the need to continue to investigate and assess climate change risks and develop appropriate climate-related financial disclosures. We committed to a UNEP FI led project to pilot the implementation of the Financial Stability Board's (FSB) recommendations on climate-related financial disclosures -see ix for more.

- vi) **Enhanced risk management:** Better mitigate credit, operational and reputation risk related to climate.

Revenue opportunities: Be the "go-to-bank" for clean energy, cleantech, energy efficiency, green bonds, low-carbon investing, carbon trading.

Reputation: Be the "go-to-bank" for thought leadership and research on how financial markets can contribute to SDGs, Paris Agreement and national and sub-national climate targets.

Employee attraction & retention: Leadership in corporate citizenship and action on climate is recognized as a motivator for employee satisfaction.

- vii) **Influence:** Publicly advocate for carbon pricing, action on climate and support for clean innovation at the most senior levels of the organization. In 2016, our CEO delivered a speech at the Edmonton Chamber of Commerce on carbon, climate and clean innovation followed by a supporting op-ed in the Globe and Mail.

Research: In 2016, RBC Economics published research calling for action on carbon pricing that was submitted to the federal government during their consultation process for developing a carbon pricing system in Canada.

Convening: RBC hosted a financial sector roundtable with Federal Minister of Environment and Climate Change, Catherine McKenna. RBC Capital Markets also hosted its 3rd annual Green Bond Conference.

Strategy

viii) The Paris agreement influenced federal regulation - the Pan Canadian Framework on Clean Growth and Climate Change. The RBC Clean Economy Working Group analyzed the new policy landscape and identified opportunities for our business units and clients. The Paris Agreement impacts both our short and long term strategies - see iv & v.

ix) We do not use scenario analysis. RBC committed to a UNEP FI led project to pilot the FSB's recommendations on climate-related financial disclosures. During the pilot, nearly 12 banks will develop scenarios, models, indicators and methods for conducting climate-related financial disclosures.

CC2.2c

Does your company use an internal price of carbon?

No, but we anticipate doing so in the next 2 years.

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
Energy efficiency	Support	Participated 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 Ontario Climate Action Plan, specifically on the establishment of cap and trade program and associated carbon market.	The Ontario Climate Action Plan to fight climate change, reduce greenhouse gas pollution and transition to a low-carbon economy.
Energy efficiency	Support	Partnered with B+H Architects and announced the winners of the fourth annual Evolve Sustainable Design Competition, in challenging post-secondary students to design a net-zero energy and water-wise mixed-use wood mid-rise construction. The judging panel included members of municipal government.	Advocating for more efficient building design standards

Strategy

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Other: Clean Technology	Support	Consultation with the federal government on clean tech - through the First Minister's meeting, Vancouver declaration. Four consultation streams were announced, and RBC is participating in the Working Group on Clean Technology, Innovation and Jobs. (mitigation, adaptation, cleantech, price of carbon).	The Working Group on Clean Technology, Innovation and Jobs will provide a report with options on how to stimulate economic growth, create jobs, and drive innovation across all sectors to transition to a low-carbon economy, leveraging regional strengths. This working group will consider a range of policy tools to bring new and emerging technology and innovations to market, sustain a competitive economy, reduce GHG emissions, encourage growth and investment, and increase exports of clean technologies, services and expertise. Their work will be overseen by Ministers of Innovation and Economic Development, who will receive their report.
Carbon tax	Support	RBC has supported a price on carbon for the past decade. Below please find a quote from RBC's CEO. "Climate change is one of the most pressing issues of our time, and one that has galvanized humans to act. While we've seen important political progress, if we have any hopes of lasting change to the way we produce and consume energy, business has to be at the forefront. At RBC, we've publicly supported the principle of carbon pricing for more than a decade. We're pushing every part of our business to do more. We've expanded our financing of clean tech, energy efficiency and renewable energy businesses, and are excited to be part of the developing green bond and carbon trading markets. Last year we established a greenhouse gas reduction target for our global operations and we're now one of the largest purchasers of renewable energy, and one of the largest leasers of certified green office space in Canada. What does a bank see in a lower-carbon future? We see an essential path to prosperity for our clients and their communities, knowing that a sustainable planet goes hand in hand with a more efficient, productive and ultimately profitable economy for everyone." David McKay, President and Chief Executive Officer, Royal Bank of Canada.	Supporting a price on carbon to help reduce GHG emissions. The Office of the CEO has publicly supported a price on carbon: theglobeandmail.com/report-on-business/industry-news/energy-and-resources/royal-bank-of-Canada-backs-adoption-of-carbon-price/article30564155/ "In our view at RBC, carbon should be priced at a level to create long-term behavioural change and to ensure polluters pay, as we all move toward low-carbon targets," John Stackhouse, a senior vice-president at RBC.
Climate finance	Support	In July, RBC convened a financial sector roundtable with Minister of Environment and Climate Change, Catherine McKenna.	Provided consultation to the federal and Ontario governments on numerous topics related to carbon, climate, clean innovation and green banks.
Mandatory carbon reporting	Support	RBC committed to a UNEP FI led project to pilot the FSB's recommendations on climate-related financial disclosures. During the pilot, nearly 12 banks will develop scenarios, models, indicators and methods for conducting climate-related financial disclosures.	Improved climate-related financial disclosure.

CC2.3b

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

Yes

Strategy

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?
The United Nations Environment Programme Finance Initiative (UNEP FI)	Consistent	Position that 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. We have been co-chairs of the North American Task Force. In this role we helped determine what type of research was conducted. There are 3 advisory groups within UNEP FI. All of which focus on carbon within their subject area (insurance, investing and traditional banking). UNEP FI has a strong position statement on carbon and the roles of banks in achieving the low carbon economy. "Financial Services Sector recognize that economic development needs to be compatible with human welfare and a healthy environment. To ignore this is to risk increasing social, environmental and financial costs. We further recognize that sustainable development is the collective responsibility of governments, businesses and individuals. We are committed to working collectively toward common sustainability goals."
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 that working independently. We recently joined their research initiative (we are on the advisory council). The research initiative aims to better understand the link between the economy and the potential impact of carbon on our economy. The group acts as a collaborative force to create strong partnerships and programs to support organizations' roles in transitioning to a low carbon economy.
Chartered Professional Accountants (CPA) Canada	Consistent	RBC and RBC GAM participate in a working group to assess current state of climate risk disclosure in Canada with CPA Canada.	RBC and RBC GAM participate in a larger working group with CPA Canada. Together, the working group gains a better understanding of risk disclosure, providing clear criteria for evaluation to enhance the applicability and usefulness of the analysis. Accordingly, we have influenced the position by providing advice on the measurement criteria for evaluation to ensure a useful analysis is performed that can help further enhance climate change risk disclosures in Canada.
Smart Prosperity	Consistent	Founding member of Smart Prosperity, a cross-sectoral initiative focused on accelerating Canada's transition to a stronger, cleaner economy.	RBC CEO Dave McKay's speech on carbon, clean innovation and infrastructure development. Letter to First Ministers from major business and civil society leaders More than 100 CEOs and civil society leaders have now urged the Prime Minister and Premiers to take bold action on clean growth and climate change
Carbon Pricing Leadership Coalition	Consistent	The Coalition officially launched at COP21 in Paris, with the goal to expand the use of effective carbon pricing policies that can maintain competitiveness, create jobs, encourage innovation, and deliver meaningful emissions reductions.	RBC CEO Dave McKay's speech on carbon, clean innovation and infrastructure development

Strategy

CC2.3d

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

Yes

CC2.3e

Please provide details of the other engagement activities that you undertake

Hosted a Renewable Energy Week in April 2017 where we green powered all of our Canadian operations for an entire week.

Invested \$7.8 million in environmental charities globally. This includes \$3.3 million in new RBC Blue Water Project grants for fresh water protection and preservation programs. We try to use our influence and resources to promote environmental sustainability within our organization and the communities where we operate.

RBC announced the winners of the fourth annual Evolve Sustainable Design Competition which challenged post-secondary students to design a net-zero energy and water-wise mixed-use mid-rise building out of wood.

Launched an internal RBC Green Champions program to increase employee awareness of and involvement in environmental programming at the bank. Developed a network that has representation from all RBC regions, business units and functions.

Conducted research and analysis on carbon pricing: rbc.com/economics/economic-reports/pdf/other-reports/Carbon%20Pricing%20in%20Canada.pdf.

Provided consultation to the federal and Ontario governments on numerous topics related to carbon, climate, clean innovation and green banks.

In April 2017, RBC Capital Markets hosted its 4th annual Green Bond Conference in Toronto rbccm.com/en/insights/story.page?dcr=templatedata/article/insights/data/2017/04/green_is_the_new_black_views_from_4th_annual

CC2.3f

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 including:

- Established governance structure (see response in question 1.1a);
- Internal subject matter expertise (see details of the roles and responsibilities of the RBC Corporate Environmental Affairs Group in question 1.1a);
- Established environmental policies that provide guidance (see responses in 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

Targets and Initiatives

Targets and Initiatives

CC3.1

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

- Absolute target
- Intensity target

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	Is this a science-based target?	Comment
Abs1	Scope 3: Upstream transportation & distribution	60%	20%	2012	365	2018	No, as there is currently no established science-based targets methodology in this sector	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. We have successfully achieved our 20% reduction target and far exceeded it by reducing our GHG emissions by 50% from our baseline year of 2012. We will be reassessing targets in our next iteration of the Environmental Blueprint. Calculations: 2012 baseline emissions: 365 tonnes CO2e, FY 2016 emissions: 182 tonnes CO2e. Difference between baseline and 2016: 50%

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	Is this a science-based target?	Comment
Int1	Scope 1+2 (location-based)	89%	20%	Metric tonnes CO2e per square meter*	2012	.083	2018	No, as there is currently no established science-based targets methodology in this sector	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 89% of our global 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 have achieved this target and reduced our emissions by 28.4% from the baseline year of 2012. We will be reassessing our target in our next iteration of the Environmental Blueprint.

Targets and Initiatives

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, 2014, 2015 & 2016 (baseline year is 2012). Data is below: GHG emissions from energy use in our properties: 2016: 108,279 tonnes CO2e 2015: 109,925 tonnes CO2e 2014: 119,386 tonnes CO2e 2013: 126,531 tonnes CO2e 2012: 159,491 tonnes CO2e Based on the data above we are assuming at minimum a 32% change in absolute Scope 1 and 2 emissions at target completion. We have already far exceeded our target of a 20% reduction by 2018.

CC3.1e

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

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Abs1	67%	100%	RBC set this target using 2012 as the baseline year and 2018 as a target year (6 year period). RBC is currently 3 years into the 6 year commitment period (50% complete) and has exceeded the target, as such, it is 100% complete. We are currently reviewing the potential of announcing a new GHG reduction target since our original target has been met.
Int1	67%	100%	RBC set this target using 2012 as the baseline year and 2018 as a target year (6 year period). RBC is currently 3 years into the 6 year commitment period (50% complete) and has exceeded the target, as such, it is 100% complete. We are currently reviewing the potential of announcing a new GHG reduction target since our original target has been met.

CC3.2

Do you classify any of your existing goods and/or services as low carbon products or do they enable a third party to avoid GHG emissions?

Yes

Targets and Initiatives

CC3.2a

Please provide details of your products and/or services that you classify as low carbon products or that enable a third party to avoid GHG emissions

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Group of products	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.	Low carbon product	Other: None	0.1%	Less than or equal to 10%	RBC Energy Saver Loan: rbccroyalbank.com/personal-loans/energy-saver-loan.html?topnavclick=true RBC Energy Saver Mortgage: rbccroyalbank.com/mortgages/energysaver-mortgage.html
Product	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.	Avoided emissions	Other: None	0.1%	Less than or equal to 10%	RBC Solar Panel Financing: rbccroyalbank.com/business/financing/solar-panel-financing.html
Product	Energy Efficiency Lending Program With energy and fuel costs rising and unpredictably, energy retrofits are becoming a proven way to save energy and reduce costs and 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.	Avoided emissions	Other: None	0.1%	Less than or equal to 10%	
Company-wide	Climate Change Business Advice Canadian Banking Green Strategy for commercial and small business clients that 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.	Avoided emissions	Other: None	0.1%	Less than or equal to 10%	

Targets and Initiatives

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Company-wide	Climate Change Business Advice Canadian Banking Green Strategy for commercial and small business clients that 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.	Avoided emissions	Other: None	0.1%	Less than or equal to 10%	Greening Your Business: rbcroyalbank.com/commercial/advice/greening-yourbusiness/
Group of products	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 Catastrophic weather events in Canada are intensifying and increasing in frequency. From 1983 to 2008, the Property & Casualty insurance sector had claims in the \$200–500 million range. However from 2009 onward, claims have consistently exceeded \$1 billion. According to Catastrophe Indices and Quantification, insured damage for 2016 topped \$4.9 billion - smashing the previous annual record of \$3.2 billion set in 2013. Fort McMurray wild fire alone resulted in approximately \$3.7 billion in insured damage. More than twice the amount of the previous costliest natural disaster on record. 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. In 2015, RBC insurance created a video addressing the potential impact from climate change on homes.	Avoided emissions	Other: None	0.1%	Less than or equal to 10%	Protecting Homeowners Against the Physical Impacts of Climate Change: rbcinsurance.com/homeinsurance/climate-change.html

Targets and Initiatives

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Group of products	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 Jantzi-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 \$4.7 billion (Oct. 31, 2016). 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. Fossil Fuel Free Global Equity Fund: RBC offers a fossil fuel free global equity fund for institutional investors in the U.S. – a similar product is under consideration in Canada. We are exploring various options for clients who are interested in measuring the carbon intensity of their investments.	Avoided emissions	Other: None	0.1%	Less than or equal to 10%	Responsible Investing: phn.com/Default.aspx?tabid=94
Group of products	Carbon Emission Trading In 2016, we traded 96 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 1 billion 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.	Avoided emissions	Other: None	0.1%	Less than or equal to 10%	RBC Carbon Emission Trading: rbccm.com/carbontrading/cid-247100.html
Group of products	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, 2016, RBC had \$3.3 billion in loan and trading line exposures to companies whose predominant business is renewable energy.	Avoided emissions	Other: None	0.1%	Less than or equal to 10%	
Company-wide	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 2016, invested US\$805 million in affordable housing projects in the U.S. States through the RBC Capital Markets Tax Credit Equity Group.	Avoided emissions	Other: None	0.1%	Less than or equal to 10%	RBC Tax Equity Group: rbccm.com/tceg/

Targets and Initiatives

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 CO ₂ e savings in metric tonnes CO ₂ e (only for rows marked *)
Under investigation		
To be implemented*	2	2,264
Implementation commenced*		
Implemented*	14	7,906
Not to be implemented		

Targets and Initiatives

CC3.3b

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

Activity type	Description of activity	Estimated annual CO ₂ e savings (metric tonnes CO ₂ e)	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	<p>Reduced absolute GHG emissions and GHG emissions intensity per full-time employee by 26.5% and 27.3% from our 2012 baseline, respectively. HVAC Controllers Program: Won an Energy into Action Innovation Award and were recognized for industry leadership in energy conservation for an environmental program that was rolled out in the retail network to increase the energy efficiency of our heating and cooling systems. This program was rolled out in 639 retail locations across Canada, and resulted in gas savings of approximately 26%. Lighting Retrofits: Continued to retrofit lighting with energy efficient LED technologies in our major properties. In 2016, seven major offices have had their base-building lighting upgraded to LED, in some cases with advanced control systems also implemented. The total annual savings from these locations will be over 100,000 kWh. Eliminated the use of leaf blowers in the retail network in an effort to reduce the impact of our exterior maintenance activities. Manual methods are now in effect. Green Building Certifications: Increased the amount of LEED certified office space we occupy by over 250% from our 2012 baseline, representing 66% of our major properties (globally). Received LEED certification for two major office buildings: LEED Gold (EBOM) for 180 Wellington and LEED Gold (CI) for RBC WaterPark Place. After one year of occupancy, 180 Wellington saw a 36% energy reduction due to the renovation upgrades. As well, after one year of occupancy, RBC WaterPark Place has achieved an Energy Star rating of 100 (the highest possible score). On average, our green certified locations (primarily LEED certified) use 20% less energy than average office buildings.</p>	4,338	Scope 1 Scope 2 (location-based)	Voluntary	1,439,574	0	<1 year	Ongoing	2016 was a low spend year for environmental footprint programs mainly because of the transition to new property management service providers and focus on essential projects during the transition years.

Targets and Initiatives

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
Low carbon energy purchase	In 2016, we purchased 20,000 MWh of EcoLogo-certified green electricity to power our entire ATM and retail branch digital display networks, as well as a number of external meetings and major sponsored events such as the 2016 RBC Canadian Open golf tournament.	3,200		Voluntary	0	373,660		Ongoing	There is no payback associated with purchasing renewable power; this investment is simply to demonstrate our support for the growth of renewable energy.
Energy efficiency: Processes	Green IT: Achieved power use effectiveness (PUE) values of 1.85 and 1.61 at our Canadian enterprise data centres.			Voluntary			4-10 years	Ongoing	
Transportation: 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 50% reduction in GHG emissions associated with the transportation of goods, and a 10% increase in the number of packages consolidated per delivery.	184		Voluntary	175,000	1,187,769	4-10 years	Ongoing	In 2016, consolidating shipments and adjusting delivery frequencies saved an estimated \$175,000 in delivery costs per year against a \$1.2 million investment.

Targets and Initiatives

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	<p>Environmental campaigns throughout the year: Green Champions Program: An internal program aimed to develop an environmental culture at the local level. The program is voluntary and colleagues act as environmental ambassadors for corporate environmental initiatives. In 2016 we focused on local waste management education. Green Champions act as local centres of expertise to provide Corporate Environmental Affairs with important local knowledge related to environmental initiatives. The program currently has 260 registered champions representing all RBC regions, functions and lines of business. Green Champion Badge: We launched an employee engagement badge whereby all RBC colleagues are invited to complete four environmental missions in order to achieve the badge. The four missions are based on: becoming a green champion/ ambassador, being a volunteer for the environment, learning about RBC’s energy footprint, passing a quiz and engaging their local network. Thousands of RBCers have begun achieving the badge. Earth Hour Pledge: +5,000 employees participated in our Earth Hour pledge to participate. Renewable Power Week: RBC hosted a renewable power week where we green powered all of our Canadian operations (branched, major offices and data centres for an entire week). Earth Day Fair: We hosted an Earth Day Fair in April to celebrate Earth Day. All GTR employee were invited to interact with +30 RBC Vendors to better understand the way that our partners are helping RBC achieve our environmental programming. More than 1000 employees participated in the fair and interacted with vendors. green@rbc: we publish an external environmental e-newsletter called green@rbc every two months, which has over 20,000 subscribers and includes themed issues including climate change, water etc. In 2016 every issue touched on climate change and RBC’s performance and/ or perspective on important events such as carbon pricing.</p>		Scope 1 Scope 2 (location-based) Scope 3	Voluntary				Ongoing	It is difficult to quantify the savings for RBC portfolio-wide resulting from awareness and behavioural change initiatives.

Targets and Initiatives

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	Video conferencing implementation across our portfolio continues. This initiative reduces the need to travel. In 2016, we increased our meeting room telepresence endpoints by 42 to a total of 457.		Scope 3	Voluntary			<1 year	Ongoing	It is difficult to quantify this type of carbon savings; however, we reduced the need for employee travel by using remote collaboration tools for more than 1.7 million hours of meetings.

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 case established on a number of premises including cost savings, consistency with environmental strategy and publicly made commitments to reducing 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 114,000 MWh of certified green power, equivalent to powering more than 9,500 Canadian homes. Business case established on a number of premises including consistency with 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	RBC Corporate Environmental Affairs has a budget to manage the Green Champion Program to improve RBC's energy efficiency and manage our overall environmental footprint. RBC has more than 250 registered green champions who represent each RBC region, function and line of business. Business case established on a number of premises including positive employee experience that helps to retain and attract top talent, cost savings, and positive environmental and reputational benefits.
Internal incentives/recognition programs	Internal incentives and employee recognition are used to reward performance in emission reduction activities including executives, energy managers and developing leaders. See 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.

Further Information

See the RBC 2016 Corporate Citizenship Report attached for more details on footprint reduction programs on pages 64-76 In reference to table 3.2a: It is becoming increasingly difficult to track "carbon" costs and revenue because environmental and energy criteria is being embedded into transformational enterprise initiatives as well as business-as-usual project spending. This is a good thing. We are seeing less direct project spend on environment and more integration of environmental principles into larger projects.

Attachments

[cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/97173_CCR_PDF_E_3March_FINAL.pdf](http://cdp.net/sites/2017/80/15980/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/97173_CCR_PDF_E_3March_FINAL.pdf)

Communication

Communication

CC4.1

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	Comment
In voluntary communications	Complete	page 64-77	cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/CC4.1/97173 CCR_PDF_E_3March_FINAL.pdf	The RBC Corporate Citizenship Report is the primary location for our organization's environmental performance reporting. Environment chapter begins on page 64. Energy and GHG reporting: pages 67,-69
In voluntary communications	Complete	page 3-5	cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/CC4.1/RBC-Environmental-Blueprint (1).pdf	The RBC Environmental Blueprint from page 3-5 presents information on RBC's response to climate change.
In voluntary communications	Complete	Footprint Section		RBC & The Environment Website: Footprint section. Annually we update our key environmental footprint data onto our website. rbc.com/community-sustainability/environment/environmental-footprint-reduction.html
In voluntary communications	Complete	green@rbc: every 2016 and 2017 issue		rbc.com/community-sustainability/environment/green-rbc-newsletter.html RBC Corporate Environmental Affairs' bi-monthly e-newsletter with over 25,000 subscribers. Key stories that related to our organization's response to CC and GHG emissions performance in 2016: - RBC's support for carbon pricing through Smart Prosperity - Perfect energy score for RBC's WaterPark Place property - Advocacy for a price on carbon through the Carbon Pricing Leadership Coalition - Public announcement of our CDP response for 2016 - RBC's public support for carbon pricing at the North American Climate Policy Forum - The launch of our 2015 Corporate Responsibility report including environmental performance against targets. - Outcomes from COP21 - RBC's performance against environmental targets including energy and GHG emissions.
In voluntary communications	Complete	All: Greening the Open		rbccanadianopen.com/news_details.aspx?ID=3088 In partnership with our green power service provider, Bullfrog Power, we have published information about our GHG emissions performance for 2016
In voluntary communications	Complete	All: RBC Environmental Blueprint Report Card	cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/CC4.1/95755 CRR_EBP_Env_Blueprint_Reportcard_0616_FINAL ENGLISH.pdf	Each year we create an Environmental Progress report card and post it on our public website. The report covers performance against all of our environmental targets and commitments as stated in the Blueprint. rbc.com/community-sustainability/environment/
In voluntary communications	Complete	Page 88: Regulatory Reporting on Environmental Risk in our Annual Report	cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/CC4.1/RBC_english_AR16_ENG.pdf	Please see page 88 for regulatory reporting on Environmental Risk in our Annual Report.
In voluntary communications	Complete	Pages 3-5 Section 3: Community Development	cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/CC4.1/RBC-PAS-e-2016.pdf	Regulatory reporting in our Public Accountability Statement regarding charitable donations we have made to environmental organizations specifically aimed at reducing climate change related risks/ impacts on pages 3-5 rbc.com/community-sustainability/_assets-custom/pdf/RBC-PAS-e-2016.pdf
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	Pages 88-89: 2016 RBC Annual Report	cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/CC4.1/RBCar_2016_e.pdf	

Climate Change Risks

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 regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Time frame	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
International agreements	United Nations Paris Climate Agreement (2016)	Other: Increased regulation for clients	3 to 6 years	Indirect (Client)	Likely	Unknown	Unknown	Investigate and assess climate change risks related to the physical effects of changing climate, transitioning to a low-carbon economy, regulatory requirements, and appropriate future climate-related financial disclosures.	It is not possible to quantify a direct cost relationship with a international agreement, as this is part of a much larger regulatory management framework with RBC.
Cap and trade schemes	Pan Canadian Framework on Clean Growth and Climate Change (2016), Ontario's Climate Change Mitigation and Low-carbon Economy Act (2016), Alberta's Climate Change Leadership Plan (2016), British Columbia Carbon Tax Act (2008)	Other: Increased regulation for clients	3 to 6 years	Indirect (Client)	Likely	Unknown	Unknown	Investigate and assess climate change risks related to the physical effects of changing climate, transitioning to a low-carbon economy, regulatory requirements, and appropriate future climate-related financial disclosures.	It is not possible to quantify a direct cost relationship with a national and provincial regulations, as this is part of a much larger regulatory management framework with RBC.
Voluntary agreements	Recommendations from the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD).	Other: Additional disclosure requirements	1 to 3 years	Direct	Very likely	Unknown	Unknown	Investigate and assess climate change risks related to the physical effects of changing climate, transitioning to a low-carbon economy, regulatory requirements, and appropriate future climate-related financial disclosures.	It is not possible to quantify a direct cost relationship, as this is part of a much larger external reporting process at RBC.

Climate Change Risks

CC5.1b

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

Risk driver	Description	Potential impact	Time frame	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	A risk driven by the physical impacts of climate change is increased insurance risk. RBC's historical exposure to climate change related physical risks is mostly indirect through the risks we accept from our insurance clients. Weather related natural disasters such as storms, floods, wildfires and extreme temperatures directly affect our clients' assets (property, vehicles). Our direct financial exposure to this risk has been significantly reduced. On July 1, 2016, we completed the sale of RBC General Insurance Company to Aviva Canada Inc., which involved the sale of our home and auto insurance business. As a result of these transactions, RBC Insurance does not have any exposure to losses related to property insurance. Other: Insurance claims.	Other: Insurance claims	Up to 1 year	Indirect (Client)	Likely	Low	Catastrophic weather events in Canada are intensifying and increasing in frequency. From 1983 to 2008, the Property & Casualty insurance sector experienced claims typically in the \$200 – 500 million range. However, from 2009 onward, claims have consistently exceeded \$1 billion. 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 of insured losses over \$3.5 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.	On July 1, 2016, we completed the sale of RBC General Insurance Company to Aviva Canada Inc., which involved the sale of our home and auto insurance business. RBC Insurance had already exited the Property Reinsurance market in 2006. As a result of these transactions, RBC Insurance does not have any exposure to losses related to property insurance.	No costs as these are managed by Aviva Canada Inc.
Other physical climate drivers	Increased intensity and frequency of severe weather and natural disasters	Other: Business Continuity	Up to 1 year	Direct	More likely than not	Low-medium	The annual cost of natural disasters has increased five-fold since the 1980s. In Canada, federal disaster relief spending rose from an average of \$100 million a year in the 1990s to an average of over \$600 million a year in the 2010s.	We use a Business Continuity Management program to ensure that our business is prepared to deal with any disruption of operations or service to clients, regardless of initial cause (e.g. weather event, loss of premises). We conduct risk assessments of all areas annually, and contingency planning and periodic testing of our resilience capabilities. With the increased use of telecom and web-based channels our clients have access to their financial products independent of the need to travel to physical branch locations. We conduct regular crisis simulations to test our readiness and ensure a timely and coordinated response to emergency situations, including departmental disruptions; building, city-wide or regional disruptions; or external events such as pandemics or natural disasters. Our Enterprise Crisis Management Team (CMT), which comprises senior executives across the organization, is responsible for ensuring continued service to clients during a crisis or major service interruption. The CMT is supported by a global network of regional, business-line and local incident management teams. These teams are on call around the clock to address situations that may pose material risk to our employees, our reputation or our ability to serve clients. Addressing emergency risk situations also forms part of the set of responsive measures established within our Reputation Risk Framework, one of our risk-specific frameworks supporting RBC's Enterprise Risk Management Framework.	Business continuity management is built into our business as usual costs and not treated as a separate cost of management.

Climate Change Risks

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Uncertain and evolving expectations regarding the role of financial institutions in managing and mitigating the climate change impacts of clients.	Other: Various impacts may emerge (e.g., increased due diligence, increased participation in research and policy, etc.)	1 to 3 years	Indirect (Client)	About as likely as not	Unknown	Unknown	We're supporting a clean growth economy through what we do best: banking and financial services. We're seeing growth in business activity related to clean tech, energy efficiency and renewable energy and we're pleased to be a Canadian leader in green bond underwriting and carbon trading markets. We're leading by example by changing the way we work. We recognize our responsibility to the communities in which we live and work to understand the carbon impacts of our operations, and to responsibly manage common resources, such as energy. We are encouraging our suppliers and employees to seek better and more efficient ways of working by using less energy and emitting less carbon. We are proactively reviewing and updating our environmental and social risk management policies to address regulatory changes as well as emerging and evolving issues related to climate change. We continue to report publicly on our progress and provide climate related disclosures that reflect internationally recognized best practices and standards. We've played an active role in influencing the Canadian conversation. We continue to publicly support a coherent approach to pricing carbon, combined with complementary approaches like flexible regulations and public investment. We're partnering with the best, brightest and boldest minds that we can find, for example RBC is a member of Smart Prosperity and the Carbon Pricing Leadership Coalition.	It is not possible to quantify a direct cost relationship with these activities.

Climate Change Opportunities

Climate Change Opportunities

CC6.1

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

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation.

Opportunity driver	Description	Potential impact	Time frame	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
International agreements	<p>United Nations Paris Climate Agreement (2016), The Pan Canadian Framework on Clean Growth and Climate Change. The Paris agreement has influenced federal regulation, including the Pan Canadian Framework on Clean Growth and Climate Change. Banking and financial services to support a clean economy are important to our long-term strategy. We recognize the opportunities associated with being the “go-to-bank” for clean energy, cleantech, energy efficiency, green bonds, renewable energy financing, low-carbon investing, carbon trading, and infrastructure. Banking & financial services: We have a responsibility to support the growth of low carbon businesses and make it easy for clients to do low carbon banking. We’re a Canadian leader in carbon emissions trading, green bond underwriting and financing clean energy projects. RBC is the only Canadian FI with a nationwide cleantech Advisory Team with >\$100 million in cleantech banking business and nearly 40 clients in Ontario. We offer a range of SRI funds, a RBC Fossil Fuel Free Global Equity Fund; solar panel financing for businesses and we have offered Energy Saver loan and mortgage products since 2008. The opportunity is in expanding our current banking and financial services as well as developing new products that support the transition to a clean economy. It is also about re-engineering how finance and investments work so we can direct capital flows where needed.</p>	New products/ business services	1 to 3 years	Direct	Likely	Low-medium	<p>A clearer path to a low carbon future is emerging and the finance and investment requirements are staggering. The World Bank estimates US\$90 trillion needed to build the new low-carbon world by 2035. Investment assets committed to responsible investing now exceeds US\$65 trillion. Green bonds issuance has grown from US\$11 billion in 2013 to US\$81 billion in 2016.</p>	<p>The RBC Clean Economy Working Group continues to analyze the new policy landscape and identified opportunities for our business units and clients. Individual business units also dive deeper into understanding the inherent opportunities that are driven by changes in regulation.</p>	<p>Unknown. Costs of management are integrated into business-as-usual efforts to continuously explore market opportunities.</p>

Climate Change Opportunities

Opportunity driver	Description	Potential impact	Time frame	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Voluntary agreements	Green Building Certifications. Voluntary agreements related to energy efficiency allow RBC to demonstrate our leadership in the area of operational footprint. In order to reduce our operational footprint and cost, we are dedicated to operating out of green certified buildings. Primarily LEED Gold or above in North America, and BOMABest internationally.	Reduced operational costs	3 to 6 years	Direct	Very likely	Low	Since 2012, RBC has more than tripled the amount of LEED certified space that we occupy bringing our total to 613,553 m2 of certified office space. We received LEED certification at two major office buildings: LEED Gold (EBOM) for 180 Wellington and LEED Gold (CI) for RBC WaterPark Place. After one year of occupancy, 180 Wellington saw a 36% energy reduction due to the renovation upgrades. As well, after one year of occupancy, RBC WaterPark Place has achieved an Energy Star rating of 100 the highest possible score). On average, our green certified locations use 20% less energy than average office buildings.	RBC is dedicated to leasing LEED Certified office space. We voluntarily implemented that any new Major Office space that we move into will be at least LEED Gold certified. At the end of 2016, 66% of our major properties globally were minimum LEED Gold Certified. Adopting this voluntary standard allows us to be more informed about the performance of our real estate properties that we occupy which then allows us to develop energy efficiency projects resulting in lower GHG emissions. We also voluntarily have our energy and GHG emissions audited by a third party on an annual basis.	In 2016, RBC's total estimated energy spend in Canada was \$62.5 million. Our total utility commodity prices increased by 8% from last year-driven by electricity which increased by 11% from 2015. We expect an upward trend in costs due to market and regulatory factors, especially in Ontario, which is 56% of our Canadian sf, 60% of our utility consumption.
Cap and trade schemes	We see an opportunity to increase the demand of our carbon trading desk through growing emission trading markets as a result of new programs resulting from the Pan Canadian Framework. For example, the Ontario Cap and Trade Program. RBC Capital Markets is the only Canadian FI that has an established Carbon Trading Desk. Since 2008, RBC's Carbon Emissions Trading Group has traded over 1 billion tonnes of carbon credits – more than any other financial institution in Canada. We trade a variety of carbon products including spot investments, forwards, futures, options and swaps. In addition, we offer bespoke emissions solutions, from structuring transactions to hedging strategies. As a leading trading partner, we offer opportunities to transact in: -The EU-ETS (European Union Emissions Trading System) -California/Quebec Cap-and-Trade -Ontario Cap-and-Trade -RGGI (Region Greenhouse Gas Initiative) -Various voluntary markets	Increased demand for existing products/ services	1 to 3 years	Direct	Virtually certain	Low-medium	New regulations could drive growth in current markets or the creation of new markets which is viewed by RBC as a financial opportunity by increasing the demand for a service that we currently offer.	We are currently the only Canadian FI in the carbon trading market. We are watching the markets and expecting growth as new regulations are put in place, such as the recent Ontario Cap and Trade Program.	Unknown. Costs of management are integrated into business-as-usual efforts related to commodity trading.

Climate Change Opportunities

Opportunity driver	Description	Potential impact	Time frame	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Emission reporting obligations	Emission reporting obligations such as the Financial Stability Board Task Force will provide RBC with the opportunity to better identify and manage our environmental risks through disclosure. RBC committed to a UNEP FI led project to pilot the FSB's recommendations on climate-related financial disclosures. During the pilot, nearly 12 banks will develop scenarios, models, indicators and methods for conducting climate-related financial disclosures.	Other: Increased Risk Management and Disclosure	1 to 3 years	Direct	More likely than not	Low	Unknown	A combined responsibility of RBC External Reporting, Group Risk Management and Corporate Environmental Affairs, who work closely together on climate-related financial disclosures.	Unknown. This is integrated into business-as-usual efforts regarding financial disclosures.

CC6.1b

Please describe your inherent opportunities that are driven by changes in physical climate parameters.

Opportunity driver	Description	Potential impact	Time frame	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in temperature extremes	Changing temperature extremes have a direct impact on RBC's energy consumption and GHG emissions through an increased need for heating and cooling of our branches, major offices and data centres. We see an opportunity due to changing temperatures to drive change in our buildings through retrofitting existing buildings and ensuring our new buildings are energy efficient.	Reduced operational costs	1 to 3 years	Direct	Likely	Low	On average, our green certified locations use 20% less energy than average office buildings. In 2016, RBC's total estimated energy spend in Canada was \$62.5 million. Our total utility commodity prices increased by 8% from last year driven by electricity which increased by 11% from 2015.	RBC manages energy and GHG emissions using our EMS which was developed in line with the ISO 14000 standard. The EMS is managed by our facility management service provider (JLL), while RBC reviews findings, recommendations, provides approvals and is ultimately responsible. The EMS applies to all real estate operations within Canada and the U.S. owned by RBC, and infrastructure where RBC is in care and control. It provides operational control procedures for the environmental aspects of real estate. PEERS is JLL's proprietary online tool. It analyzes trends and prioritizes improvement based on the impact and value. It continuously tracks energy cost, consumption, occupancy and GHG data. Energy invoices are directly uploaded. The system reduces human error, has variance thresholds for verification, has an audit trail and is transparent. JLL uses the PEERS system to track and analyze RBC's raw energy, water and waste data. Data is exported from PEERS and imported into RBC's CORPORATE ENVIRONMENTAL DATA MGMT SYSTEM managed by Corporate Environmental Affairs (CEA). Environmental data is provided to CEA by third-party suppliers, vendors and service providers. The environmental database is maintained by CEA.	We expect an upward trend in costs due to market and regulatory factors, especially in Ontario, which is 56% of our Canadian sf, 60% of our utility consumption. The opportunity to retrofit our current buildings and move into greener buildings will help us to reduce our operating cost.

Climate Change Opportunities

CC6.1c

Please describe your inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Time frame	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behavior	RBC research identified a growing appetite for impact investing, especially among young investors and women. Client preferences are changing in terms of how we do business and the types of products and services we offer to create value for the bank. Offering new products and services will attract new clients and employees who are environmentally and socially conscious. For example, in 2016, RBC developed the Fossil Fuel Free Global Equity Fund in response to an emerging market among our High Net Worth and Institutional Investors. Research Article here: rbc.com/community-sustainability/_assets-custom/pdf/2016-Appetite%20for%20Impact_Handout.pdf	New products/ business services	Up to 1 year	Direct	Likely	Low-medium	New products and services presents an opportunity to increase our profit. In 2016: - RBC's total exposure to renewable energy companies was \$3.3 billion -The value of green bonds underwritten by RBC was \$2.3 billion - RBC acted as an underwriter for \$2.3 billion equivalent in green bonds in various currencies in 2016 (representing approximately 3% of the total global green bond issuances, which includes 60% of the issuances in Canada in 2016). and more than \$7.4 billion since 2014. - The RBC Tax Credit Equity Group is a direct tax equity investor in renewable energy projects and has closed on US\$199 million in solar developments and \$59 million in a wind project since October 2015. - \$4.7 billion in SRI assets under management by RBC companies.	Ongoing market research from our Marketing Insights team. Consumer trends analysis through RBCs Economics group. Individual business unit market research.	Unknown. Costs of management are integrated into business-as-usual efforts to continuous explore market opportunities.

Climate Change Opportunities

Opportunity driver	Description	Potential impact	Time frame	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	<p>There is an expectation from stakeholders that FIs be at the front of the transition to a clean economy and lead by example. We see an opportunity to ensure that we maintain a positive reputation in terms of environmental management for our current and potential clients, employees and investors. RBC has a robust approach to environmental management that is built into our overall strategy, lines of business and functional units. Our reputation has a direct impact on our client and employee retention/ satisfaction, attraction of new clients and employees which in turn positively impacts our business. Beyond maintaining our reputation, we see an opportunity to distinguish ourselves as a leader in the transition to a clean economy. As a large organization with +80,000 employees, we see an opportunity to use our influence and publicly advocate for carbon pricing and action on climate to better support clean innovation at the most senior levels of the organization. For example, in September 2016, our CEO Dave McKay delivered a 20 minute speech at the Edmonton Chamber of Commerce on carbon, climate and clean innovation followed by a supporting op-ed in the Globe and Mail in October. We want to be the “go-to-bank” for thought leadership and research on how financial markets can contribute to Sustainable Development Goals, Paris Agreement and national and sub-national climate targets.</p>	Increased stock price (market valuation)	Up to 1 year	Direct	Likely	Medium	Managing our reputation affects our share value and our \$1.18 trillion in assets.	<p>We’re supporting a clean growth economy through what we do best: banking and financial services. We’re seeing growth in business activity related to clean tech, energy efficiency and renewable energy and we’re pleased to be a Canadian leader in green bond underwriting and carbon trading markets. We’re leading by example by changing the way we work. We recognize our responsibility to the communities in which we live and work to understand the carbon impacts of our operations, and to responsibly manage common resources, such as energy. We are encouraging our suppliers and employees to seek better and more efficient ways of working by using less energy and emitting less carbon. We are proactively reviewing and updating our environmental and social risk management policies to address regulatory changes as well as emerging and evolving issues related to climate change. We continue to report publicly on our progress and provide climate related disclosures that reflect internationally recognized best practices and standards. We’ve played an active role in influencing the Canadian conversation. We continue to publicly support a coherent approach to pricing carbon, combined with complementary approaches like flexible regulations and public investment. We’re partnering with the best, brightest and boldest minds that we can find, for example RBC is a member of Smart Prosperity and the Carbon Pricing Leadership Coalition.</p>	Unknown. Costs of management are integrated into business-as-usual efforts to manage reputational risk.

Emissions Methodology

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 CO ₂ e)
Scope 1	Tues. 01 Nov. 2011 - Wed 31 Oct. 2012	32,046
Scope 2 (location-based)	Tues. 01 Nov. 2011 - Wed 31 Oct. 2012	127,445
Scope 2 (market-based)	Tues. 01 Nov. 2011 - Wed 31 Oct. 2012	124,167

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 Organizations

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

n/a - did not select "other" in CC7.2

CC7.3

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

Gas	Reference
CO ₂	IPCC Second Assessment Report (SAR – 100 year)
CH ₄	IPCC Second Assessment Report (SAR – 100 year)
N ₂ O	IPCC Second Assessment Report (SAR – 100 year)

Emissions Methodology

CC7.4

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

Fuel/Material/Energy	Emission Factor	Unit	Reference
Natural gas	1.89	Other: kg CO2e per m3	Canada National Inventory Report: Part 2 Annex 6 Emission Factors
Propane	1.62	kg CO2e per liter	Canada National Inventory Report: Part 2 Annex 6 Emission Factors
Other: Heating oil	2.69	kg CO2e per liter	Canada National Inventory Report: Part 2 Annex 6 Emission Factors
Electricity		Other: metric tonnes of CO2e per kWh	See spreadsheet attached for breakdown by country, province and state

Further Information

Attachments

[cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/GHG Conversion Factors 2016.xls](https://www.cdp.net/sites/2017/80/15980/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/GHG%20Conversion%20Factors%202016.xls)

Emissions Data (1 Nov. 2015 - 31 Oct. 2016)

Emissions Data – (1 Nov 2015 - 31 Oct 2016)

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

23,230

CC8.3

Please describe your approach to reporting Scope 2 emissions

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
We are reporting a Scope 2, location-based figure	We are reporting a Scope 2, market-based figure	Methodology for market based per the GHG Protocol Scope 2 Guidance: an amendment to the Corporate Standard. RBC purchased 2,833 tonnes CO ₂ e of renewable energy in FY 2016. We are unable to obtain supplier specific emissions factors from our electricity service suppliers.

CC8.3a

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

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
85,049	82,216	RBC Purchased 2,833 tonnes CO ₂ e of renewable energy in FY 2016. We are unable to obtain emission factors from our major electricity suppliers at this time.

CC8.4

Are there 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

Emissions Data (1 Nov. 2015 - 31 Oct. 2016)

included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded
International Properties	Emissions are relevant but not yet calculated	Emissions are relevant but not yet calculated	Emissions are relevant but not yet 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.

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, 41% of energy data was metered, 39% was prorated, and 20% was proxy estimated.
Scope 2 (location-based)	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.

Emissions Data (1 Nov. 2015 - 31 Oct. 2016)

Scope 2 (market-based)	More than 2% but less than or equal to 5%	Extrapolation Data Management Other: no supplier specific emission factors available	2,833 tonnes CO ₂ e avoided through purchasing renewable energy in FY 2016. We are unable to obtain supplier specific emissions factors from all of our electricity suppliers. One of our major contracts we hold is in the province of Ontario where we have over 40% of our operations and both enterprise data centres. The Ontario grid has a low carbon intensity. Our supplier is primarily nuclear power, as such, it is likely less carbon intensive than the Ontario grid average. Therefore, our reporting is conservative (over stated). Our energy 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.
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CC8.6

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

Third party verification or assurance process in place.

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance	cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/CC8.6a/97173 CCR_PDF_E_3March_FINAL.pdf	76	ISAE 3,410	100

CC8.7

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place.

Emissions Data (1 Nov. 2015 - 31 Oct. 2016)

CC8.7a

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance	cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/CC8.7a/97173 CCR_PDF_E_3March_FINAL.pdf	76	ISAE 3,410	100

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 Jones Lang Laselle, our property management service provider, who produces an annual Building Energy Performance Indicator (BEP) 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 Environmental Affairs 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. 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

cc8.7a: another relevant standard is ISAE3000 in addition to ISAE3410

Scope 1 Emissions Breakdown (1 Nov 2015 - 31 Oct 2016)

Scope 1 Emissions Breakdown (1 Nov 2015 - 31 Oct 2016)

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	21,563
United States of America	751
United Kingdom	868
Jersey	21
Guernsey	25

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	16,657		
Major Properties	6,214		
Data Centres	358		

CC9.2d

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

Activity	Scope 1 emissions (metric tonnes CO2e)
Property heating	23,229

Scope 1 Emissions Breakdown (1 Nov 2015 - 31 Oct 2016)

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.

Further Information

[cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC9.Scope1EmissionsBreakdown\(1Nov2015-31Oct2016\)/97173 CCR_PDF_E_3March_FINAL.pdf](https://www.cdp.net/sites/2017/80/15980/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC9.Scope1EmissionsBreakdown(1Nov2015-31Oct2016)/97173%20CCR_PDF_E_3March_FINAL.pdf)

Scope 2 Emissions Breakdown (1 Nov 2015 - 31 Oct 2016)

Scope 2 Emissions Breakdown (1 Nov 2015 - 31 Oct 2016)

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, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Canada	50,604	47,771	385,484	20,000
United States of America	27,903	27,903	69,850	0
United Kingdom	6,044	6,044	13,451	0
Jersey	293	293	2,348	0
Guernsey	205	205	798	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, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)
Branch	45,208	42,375
Major Properties	23,379	23,379
Data Centres and Processing Centres	16,462	16,462

CC10.2c

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

Activity	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)
Purchased electricity and district steam use	85,049	82,216

Scope 2 Emissions Breakdown (1 Nov 2015 - 31 Oct 2016)

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). Please see our 2016 Corporate Citizenship Report attached with energy reporting on page 67 and 68.

Attachments

[cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC10.Scope2EmissionsBreakdown\(1Nov2015-31Oct2016\)/97173 CCR_PDF_E_3March_FINAL.pdf](https://cdp.net/sites/2017/80/15980/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC10.Scope2EmissionsBreakdown(1Nov2015-31Oct2016)/97173%20CCR_PDF_E_3March_FINAL.pdf)

Energy

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 heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	Energy purchased and consumed (MWh)
Heat	121,517
Steam	50,279
Cooling	

CC11.3

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

121,517

CC11.3a

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

Fuels	MWh
Natural gas	117,893
Propane	417
Other: Heating oil	3,207

CC11.4

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

Basis for applying a low carbon emission factor	Basis for applying a low carbon emission factor	Comments
Contract with suppliers or utilities, supported by energy attribute certificates	20,000	In 2016, RBC purchased 20,000 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 2016 RBC Canadian Open. Bullfrog Power, Canada's 100% green energy provider, offers homes and businesses clean, renewable energy solutions. Bullfrog Power offers a 100% clean, renewable electricity choice to everyone in Canada. All of Bullfrog Power's electricity comes from renewable facilities certified as low-impact under Environment Canada's EcoLogo certification program, and do not emit any CO ₂ , NO _x , SO _x or produce nuclear waste in their generation of electricity.

Energy

CC11.5

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comments
421,647	421,647	34	34	0	Total electricity consumed: 421,647 MWh Total district steam consumed: 50,279 MWh Total renewable electricity generated: 34 MWh Total renewable electricity consumed by RBC: 20,000 MWh RBC has two branches in Ontario that have rooftop solar panels. We have partnered with AMP Solar and are producing solar power. Please find our 2016 Performance Report attached in the Further information section below.

Further Information

Attachments

[cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC11.Energy/RBC FY16 Performance Report \(002\).pdf](https://cdp.net/sites/2017/80/15980/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC11.Energy/RBC%20FY16%20Performance%20Report%20(002).pdf)

Emissions Performance

Emissions Performance

CC12.1

How do your gross global 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	Please explain and include calculation
Emissions reduction activities	4	Decrease	4 percent of the decrease in emissions was due to reduction initiatives across our operations. Some of these projects include: HVAC Controllers Program, lighting retrofits, and moving into greener buildings (LEED Certified), and employee engagement. Calculation: $(4,338 / 108,279) * 100 = 4\%$
Divestment		No change	
Acquisitions		No change	
Mergers		No change	
Change in output		No change	
Change in methodology	6	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 2015 emission factors. We analyzed that greening the grid in Canada reduced our Scope 2 emissions by 13%. Overall, we saw a 7% difference in our Scope 2 emissions from greening the grid. Our overall scope 1 and scope 2 emissions combined saw a 6% decrease from a greener electricity grid in Canada. Calculations: Scope 2 emissions overall: Scope 2 emissions with 2016 emission factors = 85,049 tonnes CO ₂ e Scope 2 emissions with 2015 emission factors = 91,543 tonnes CO ₂ e $(85,049 - 91,543) / 91,543 = -7\%$ Combined Scope 1 and 2 emissions: Overall emissions with 2016 EFs: 108,279 Overall emissions with 2015 EFs: 114,773 $(108,279 - 114,773) / 114,773 = -6\%$
Change in boundary		No change	
Change in physical operating conditions	8.5	Increase	Overall our emissions from energy use decreased 1.5% from 2015. With our emission reduction activities and the impact from greening the grid, there is a 9.5% increase in our emissions associated with a change in the physical operating conditions such as colder winters and warmer summers. Calculation: $(108,279 - 109,925) / 109,925 = -1.5\%$ $(-4 - 6) + x = -1.5x = 8.5$
Unidentified			
Other		No change	

Emissions Performance

CC12.1b

Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

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 (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.0000028	Metric tonnes CO ₂ e	38405000000	Location-based	9.68	Decrease	Total revenue increased by 8.7% between 2015 and 2016. Overall emissions decreased by 1.5% between 2015 and 2016. We saw a 4% decrease in operational emissions due to reduction initiatives across our operations. Some of these projects include: HVAC Controllers Program, lighting retrofits, and moving into greener buildings (LEED Certified), and employee engagement.

CC12.3

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.06	Metric tonnes CO ₂ e	Square meter	1811951	Location-based	0	No change	Our Scope 1 and 2 emissions decreased by 1.5% in 2016 compared to 2015. Our operational emissions declined due to reduction initiatives across our operations. Some of these projects include: HVAC Controllers Program, lighting retrofits, and moving into greener buildings (LEED Certified), and employee engagement. Our total floor area decreased by 0.7%. Our total coverage for floor area decreased from 90% to 89% when comparing 2015 to 2016. As such, the denominator used for this calculation is the floor area which has credible energy reporting (89% of our global operations).
1.70	Metric tonnes CO ₂ e	Full time equivalent (FTE) employee	63873	Location-based	0.01	Increase	Energy consumption per FTE was 1.69 in 2015 (109,925/64,911). Our scope 1 and 2 emissions decreased by 1.5% in 2016 compared to 2015 and our FTE went down 1.6% from 64,911 to 63,874.

Emissions Trading

Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

Yes

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership
Other: Ontario Cap and Trade Program					Other: We are a market participant acting on behalf of our clients for hedging purposes
California's Greenhouse Gas Cap and Trade Program					Other: We are a market participant acting on behalf of our clients for hedging purposes
European Union ETS					Other: We are a market participant acting on behalf of our clients for hedging purposes
Regional Greenhouse Gas Initiative					Other: We are a market participant acting on behalf of our clients for hedging purposes

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

RBC is not regulated under any emissions trading schemes but actively participates in carbon markets as a trader and adviser. In 2016, we traded approximately 96 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 1 billion tonnes. For more information, please see the RBC Capital Markets Emissions Trading website:

rbccm.com/carbontrading/

CC13.2

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

Yes

Emissions Trading

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 CO ₂ e)	Number of credits (metric tonnes CO ₂ e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit purchase	Other:	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	6,188		Yes	Voluntary Offsetting

Further Information

In 2016, we purchased offsets for a variety of reports and events including: the production, and distribution of our major reports, emissions from our major events, we also bought offsets for COP21 (e.g. RBC Canadian Open and Run for the Kids).

Scope 3 Emissions

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 2016, RBC purchased \$7.5 billion of goods and services from approximately 29,000 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 (rbc.com/sourcing/Supplier_Code_of_Conduct_table.pdf) 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		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 10% increase in the number of packages consolidated per delivery and a 50% reduction in GHG emissions associated with the transportation of goods.

Scope 3 Emissions

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				RBC is a financial institution and does not have any significant sources of waste. Emissions associated with waste would not be material. 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 in our Corporate Responsibility Report.
Business travel	Relevant, calculated		We track four categories of business travel: air, rail, rental vehicles and personal vehicles. Data coverage for air travel includes all staff in Canada, the US and the British Isles, which represents about 89% of all RBC staff globally.	89.00%	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. Employees have a number of travel alternatives including audio, web and video conferencing and we have an intranet webpage dedicated to assisting employees in using these tools. An example is the annual two-day Canadian Banking sales leadership conference which is now held using WebEx technology to deliver live two-way video streaming. We reduced the need for employee travel by using remote collaboration tools for more than 1.7 million hours of meetings in 2016. The RBC Employee Environmental Stewardship Guidelines include guidance on low carbon travel, video conferencing and teleconferencing for employees worldwide.
Employee commuting	Relevant, not yet calculated				RBC employs approximately 78,000 full and part-time employees through offices in Canada, the US and 37 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 totals 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. In 2016, the program (based on a voluntary survey and therefore likely a conservative number) had 9,763 non single occupant vehicle trips logged, 293,438 km of carpools logged and an associated 67,800 kg of CO2 saved.
Upstream leased assets	Relevant, calculated		Included in Scope 1 and 2 emission calculations. See answers to questions CC9 and CC10 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.

Scope 3 Emissions

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
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. The continued success of the e-Courier program allows branches in Canada to electronically submit documents to central processing offices. It also reduces the need for paper and the associated environmental impacts of transportation. In 2016 we continued to expand the use of digitization programs to convert paper-based documents into images. These applications were used to process an estimated 64.6 million pages of documents, avoiding the need for the transportation of 293 tonnes of copy paper.
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
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: rbc.com/community-sustainability/environment/responsible-financing.html
Other (upstream)					
Other (downstream)					

Scope 3 Emissions

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	Emissions reduction activities	7	Decrease	Total emissions related to business travel decreased in 2016 by 7% compared to 2015. We saw a 13% reduction in air travel this year compared to last. We saw a 28% reduction in rail travel compared to last. The decrease in emissions related to business travel could be related to an increase in available technologies to host remote meetings and avoid the need for long haul travel. In 2016 we reduced the need for employee travel by using remote collaboration tools for more than 1.7 million hours of meetings. We also increased the number of video conferencing endpoints by 42, to a total of 457.

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 engagement and measures of success

Engaging our suppliers: we engage our suppliers in one on one reviews throughout the supplier registration and on boarding process. 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 (rbc.com/sourcing/Supplier_Code_of_Conduct_table.pdf) to ensure the behaviour of our suppliers aligns with RBC standards, with an externally verified process to monitor supplier acknowledgement of the Code.

Scope 3 Emissions

For engagement with customers, see response to question CC 2.2a. we offer environmental products and services to our clients to provide opportunities for financing/investing in opportunities related to the transition to a low carbon economy, including: Energy saver loan and mortgage products, solar panel financing, climate change business advice, responsible investing (including a fossil fuel free global equity fund), carbon trading, clean energy advice and financing, investments in green affordable housing.

For engagement with other partners, see response to question CC 2.3.: we engage with various partners on GHG emissions and climate change strategies including one to one meetings, written correspondence, events and collaborative projects. Some examples include: the Canadian Green Building Council (lobbying for superior building standards across Canada, including improved standards for building energy efficiency). We have participated in written correspondence through Smart Prosperity and the Carbon Pricing Leadership Coalition to support a price on carbon and the transition to a cleaner economy. We have partnered with the FSB Task force on a collaborative project to increase carbon related financial disclosures.

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

Type of engagement	Number of suppliers	% of total spend (direct and indirect)	Impact of engagement
Active engagement	697	10%	In 2016, 10% of RBC's total spend from purchases were screened against environmental and social criteria. In the same year, RBC purchased 7.3 billion of goods and services globally. Note that many of our contracts with suppliers are multi-year, so 5 percent does not accurately reflect the percentage of suppliers we engage and or the percentage subjected to environmental and social due diligence. It reflects the number of suppliers subjected to due diligence in 2016 only.

Further Information

Attached please find our 2016 Corporate Citizenship Report with detailed reporting on our energy and GHG emissions on page 67.

Attachments

[cdp.net/sites/2017/80/15980/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/97173 CCR_PDF_E_3March_FINAL.pdf](https://www.cdp.net/sites/2017/80/15980/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/97173%20CCR_PDF_E_3March_FINAL.pdf)

Sign Off

Sign Off

CC15.1 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
Andrew Craig	Director, Corporate Environmental Affairs	Environment/Sustainability manager



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