

Royal Bank of Canada

Climate Blueprint

CEO Message

Tackling climate change presents a big challenge and an even greater opportunity, one that will impact all of our lives and those of generations to come. Global plans to drastically reduce greenhouse gas emissions to net-zero by 2050 require the largest change to our economies in our lifetime, and one that the Royal Bank of Canada (RBC®) is fully committed to supporting.

At RBC, we're convinced of the merits of a sustainable, net-zero future, and the RBC Climate Blueprint is our plan for how we can get there. It is designed to guide us, working with our clients and communities, to contribute to a healthier planet and more prosperous and inclusive economy for the 21st century. Because we believe it's the smart choice.

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

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

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



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



Our role in building a sustainable future

Our Strategic Priorities		Our Actions and Commitments		
	<p>Help clients as they transition to net-zero</p>	<p>Work with our clients to understand and support their transition plans and facilitate \$500 billion in sustainable financing by 2025¹</p>	<p>Expand our products, services and client solutions to help businesses and individuals accelerate their climate goals and overcome barriers for adoption</p>	<p>Provide more investment options for clients with climate-related objectives and more tools for investment teams to understand climate-related risks and opportunities</p>
	<p>Hold ourselves accountable</p>	<p>Achieve net-zero emissions in our lending by 2050, with interim targets aligned with our clients' plans and NZBA² commitments, with transparent measurement and reporting</p>	<p>Further embed climate factors and data in our decision-making to anticipate future impacts within our enterprise risk appetite and make client by client decisions</p>	<p>Partner with our industry peers, standard setting bodies, government and other players to advance shared methodologies, accounting frameworks and disclosure best practices</p>
	<p>Inform and inspire a sustainable future</p>	<p>Produce research on climate issues and policies, and convene stakeholders, to stimulate and effect meaningful actions and incentives for progress across all sectors</p>	<p>Foster climate innovation including new investment vehicles and platforms such as RBC Tech for Nature™, our pledge of \$100 million by 2025 to universities and charities developing solutions to address climate change³</p>	<p>Champion and support climate literacy and awareness to accelerate the pace and scale of the climate transition across all parts of society</p>
	<p>Advance net-zero leadership in our own operations</p>	<p>Reduce greenhouse gas emissions by 70% by 2025⁴</p>	<p>Increase our sourcing of electricity from renewable and non-emitting sources to 100% by 2025</p>	<p>Maintain carbon neutrality in our global operations with a decreasing reliance on offsets annually</p>

¹ For more information, see our [Sustainable Finance Commitment](#).

² Net-Zero Banking Alliance.

³ For more information, see [RBC Tech for Nature](#).

⁴ The target is inclusive of our global operations, Scope 1, 2 and 3 (business travel) emissions, and uses a baseline of 2018.

Transparency

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

Governance & Oversight

The RBC Board of Directors and its Committees oversee senior management, who is responsible for managing environmental and social (E&S) risks and opportunities, which include climate change. The Board provides oversight of our strategic approach to climate change and our E&S risks, which includes how we manage climate-related risks and opportunities.

We have established an executive Climate Strategy Steering Committee, which is co-chaired by the SVP, Office of the CEO and the SVP and Head, Enterprise Strategy & Transformation. The composition of the Committee includes executive representation from Capital Markets, Wealth Management, Personal & Commercial Banking, Group Risk Management and Corporate Communications. The Climate Strategy and Governance (CS&G) team leads our enterprise approach to accelerating our climate ambitions, goals and public engagement, working with the Climate Strategy Steering Committee and continuing to engage with a broad set of RBC leaders to ensure full RBC alignment and coordination of our climate strategy and actions. Additional governance and oversight mechanisms are in place for our Group Executive to ensure the effective execution of our priority action areas based on the responsible line of business or function.

The RBC Climate Blueprint was originally published November 2019, updated in June 2020, February 2021 and February 2022.

Our Partners

We work with leading organizations to accelerate clean economic growth together with our peers, industry sectors, governments and civil society. RBC is a signatory to the [Net-Zero Banking Alliance](#)¹, a global, industry-led initiative to accelerate and support efforts to address climate change. In addition, we are a supporter, signatory or member of the following organizations.

¹For additional information, see [Our Commitment to the Net-Zero Banking Alliance](#).

