RBC Energy Supply Ratios

September 2026

RBC Energy Supply Ratios

To provide insight into our[1] energy financing over time, RBC uses energy supply ratios (ESR) to estimate our financing for low-carbon energy and enabling activities, decarbonization activities and renewable energy tax credit (RETC) activities compared to our high-carbon energy financing. RBC does not have a specific target for our ESR.

RBC calculates our ESR using an internally derived methodology, the RBC Energy Supply Ratios Methodology (Methodology, September, 2026). This disclosure should be read in conjunction with our Methodology, which includes important information about how we calculate our ESR. This includes the types and scope of financing activities included in our ESR calculation and our measurement approach with respect to these financing activities, as well as areas where our Methodology may differ from other publicly available ESR methodologies.

As more financial institutions have disclosed or committed to disclose their ESR or methodologies, RBC reviewed our Methodology in 2026 to, among other things, consider alignment of our ESR with our business strategy and our other climate-related metrics, as well as to assess comparability across the industry. Following this review, we have maintained our key design decisions including measuring our lending exposures using authorized exposures as at the reporting date (referred to as stocks basis) and measuring our facilitation volumes and RETC activity for the fiscal period (referred to as flows basis). However, given the difference in measurement approach for lending and facilitation, and that lending and facilitation are different business activities with different risk profiles and regulatory capital implications, we are disclosing two energy supply ratios – one for lending and one for facilitation and RETCs. These are outlined in the tables below.

PricewaterhouseCoopers LLP (PwC) has performed a limited assurance engagement on the 2025 ratios, identified with this symbol ⓐ. Refer to page 8 for PwC's *Independent limited assurance report*.

ESR formulas

Lending ratio[1]

$$\frac{\text{Low-carbon energy and enabling activities lending + decarbonization lending}^{(2)}}{\text{High-carbon energy lending}}$$

(1) Refer to the *Glossary* for definitions of *low-carbon energy and enabling activities*, *decarbonization* and *high-carbon energy*.
(2) Only includes activities undertaken by clients in the energy sector; refer to the Methodology for further information.

Facilitation ratio[1]

$$\frac{\text{Low-carbon energy and enabling activities facilitation + decarbonization facilitation}^{(2)} \text{ + RETC activity}}{\text{High-carbon energy facilitation}}$$

(1) Refer to the *Glossary* for definitions of *low-carbon energy and enabling activities*, *decarbonization, RETCs* and *high-carbon energy*.
(2) Only includes activities undertaken by clients in the energy sector; refer to the Methodology for further information.

(1) For details around the scope of business activities included in our ESR, please refer to our Methodology.

Lending energy supply ratio, as at October 31(1)

Billions of Canadian dollars, except ratio amounts		2025	2024
Estimated authorized lending exposure to low-carbon energy and enabling activities			
Renewable energy	**Total estimated exposure**	**$ 11.0**	**$ 8.6**
	Exposure to pure play entities	7.4	5.6
	Estimated exposure to mixed energy entities	3.6	3.0
Nuclear	**Total estimated exposure**	**$ 3.3**	**$ 2.9**
	Exposure to pure play entities	0.4	0.7
	Estimated exposure to mixed energy entities	2.9	2.2
Electricity transmission, distribution and storage	**Total estimated exposure**	**$ 14.7**	**$ 12.9**
	Exposure to pure play entities	8.3	6.2
	Estimated exposure to mixed energy entities	6.4	6.7
Estimated authorized lending exposure to decarbonization activities			
Decarbonization	**Total estimated exposure**	**$ 0.1**	**$ –**
	Exposure to pure play entities	0.1	–
	Estimated exposure to mixed energy entities	–	–
Estimated authorized lending exposure to low-carbon energy and enabling activities and decarbonization activities			
	Total estimated exposure	**$ 29.1**	**$ 24.4**
Estimated authorized lending exposure to high-carbon energy			
High carbon energy	**Total estimated exposure(2)**	**$ 51.4**	**$ 52.1**
	Exposure to pure play entities	35.8	39.9
	Estimated exposure to mixed energy entities	15.6	12.2
Lending energy supply ratio		**a 0.57x**	**0.47x**

(1) We use RBC's standard industrial classification (SIC) codes to allocate lending across these categories. Allocation is based on the following information, as appropriate and available: revenue, power generation by fuel source (i.e., MWh), capacity, and/or another available proxy. Refer to *Decision category 4: Adjustment approach* in our Methodology for further information.

(2) The total estimated authorized exposure to high-carbon energy represents less than 6% of our total authorized wholesale lending exposures as at October 31, 2025 (less than 6% as at October 31, 2024).

Facilitation and RETC energy supply ratio, for the year ended October 31[1]

Billions of Canadian dollars, except ratio amounts		2025	2024
Estimated facilitation volume to low-carbon energy and enabling activities			
Renewable energy	**Total estimated facilitation volume**	**$ 2.6**	**$ 2.2**
	Facilitation to pure play entities	1.1	0.6
	Estimated facilitation to mixed energy entities	1.5	1.6
Nuclear	**Total estimated facilitation volume**	**$ 1.5**	**$ 1.2**
	Facilitation to pure play entities	–	0.2
	Estimated facilitation to mixed energy entities	1.5	1.0
Electricity transmission, distribution and storage	**Total estimated facilitation volume**	**$ 6.0**	**$ 6.1**
	Facilitation to pure play entities	2.6	3.3
	Estimated facilitation to mixed energy entities	3.4	2.8
Estimated facilitation volume to decarbonization financing			
Decarbonization	**Total estimated facilitation volume**	**$ –**	**$ –**
	Facilitation to pure play entities	–	–
	Estimated facilitation to mixed energy entities	–	–
RETC activity		**$ 1.1**	**$ 0.9**
Estimated facilitation volume to low-carbon energy and enabling activities and decarbonization activities, and RETC activity			
	Total estimated facilitation volume and RETC activity	**$ 11.2**	**$ 10.4**
Estimated facilitation volume to high-carbon energy			
High carbon energy	**Total estimated facilitation volume**	**$ 15.8**	**$ 18.9**
	Facilitation to pure play entities	9.7	12.7
	Estimated facilitation to mixed energy entities	6.1	6.2
Facilitation and RETC energy supply ratio		**a 0.71x**	**0.55x**

(1) We use RBC's SIC codes to allocate facilitation across these categories. Allocation is based on the following information, as appropriate and available: revenue, power generation by fuel source (i.e., MWh), capacity, and/or another available proxy. Refer to *Decision category 4: Adjustment approach* in our Methodology for further information.

Lending ratio

As at October 31, 2025, our lending ratio of 0.57x (October 31, 2024: 0.47x) shows that for each dollar of authorized lending to high-carbon energy, there were 0.57 dollars of authorized lending to low-carbon energy and enabling activities and decarbonization.

The improvement in our lending ratio was driven primarily by a $4.6 billion or 19% increase in total estimated lending exposure to low-carbon energy and enabling activities, as well as a slight decrease in our total estimated lending exposure to high-carbon energy.

Facilitation & RETC ratio

For the year ended October 31, 2025, our facilitation and RETC ratio of 0.71x (October 31, 2024: 0.55x) shows that for each dollar that supported high-carbon energy through facilitation activities, there were 0.71 dollars that supported low-carbon energy and enabling activities and decarbonization through RBC's facilitation activities as well as RETC activity.

The improvement in our facilitation and RETC ratio was driven primarily by a $3.1 billion or 16% decrease in total estimated facilitation volume for high-carbon energy, as well as a $0.6 billion or 6% increase in total estimated facilitation volume for low-carbon energy and enabling activities. RETC activity remained relatively stable in 2025.

Glossary

Decarbonization financing

Decarbonization financing includes two elements: 1) the decarbonization activity and 2) the client having a sufficiently robust transition plan. For general corporate purpose transactions with entities that engage primarily in decarbonization activities ("pure play", e.g. a company whose only business is developing methane emissions reduction technology) we do not apply 2) above. Decarbonization activities, as listed in the *Appendix* section of the Methodology, include activities related to carbon capture and storage, low emissions intensity fuels and methane emissions reductions.

High-carbon energy

High-carbon energy measures RBC's oil and gas and high-carbon power generation financing, and the subsector boundaries are aligned with those used for our Partnership for Carbon Accounting Financials (PCAF) financed emissions. For oil and gas, this includes the upstream, downstream, midstream and integrated sub-sectors. For power generation, this includes coal-fired, oil and natural gas generation.

Low-carbon energy activities

Low-carbon energy activities include the construction, development, manufacturing, operation, acquisition, maintenance and connection of: renewable energy sources (e.g., solar, offshore and onshore wind, tidal, geothermal, waste biomass and renewable biofuels and hydroelectricity) and other low-carbon energy sources (e.g., nuclear and green hydrogen). Refer to the definition of renewable energy for further information.

Low-carbon energy enabling activities or enabling activities

Enabling activities include the construction, development, manufacturing, operation, acquisition, maintenance and connection of: electricity transmission and distribution systems, batteries and other energy storage devices and systems (e.g., battery technology) and efficiency improvements (e.g., smart grids). Overall grid infrastructure modernization is critical to support rising electricity demand from electrification and shifting the power generation mix towards renewable energy. This infrastructure can include transmission lines and distribution systems that connect to carbon intensive energy sources, but are part of the infrastructure to enable low-carbon energy in the future.

Mixed-energy entities

Mixed-energy entities refer to entities that engage in both low-carbon energy and enabling activities, and high-carbon energy activities (and/or other unrelated activities). For lending to mixed-energy entities, it may not be possible to directly measure the proportion of funds used towards the client's low-carbon energy and enabling activities versus high-carbon energy activities; for example, general corporate purpose lending. As a result, we use RBC's SIC codes to allocate our lending between low-carbon energy and enabling activities and high-carbon energy activities. We assign SIC codes to entities in line with RBC's enterprise standards for the allocation of industry codes to clients. For example, if the SIC code allocation for a mixed-energy entity is 40% to renewable energy, 40% of the loan is allocated to renewable energy. Refer to the Methodology for further information.

Partnership for Carbon Accounting Financials (PCAF)

Partnership for Carbon Accounting Financials is a global partnership of financial institutions that work together to develop and implement a harmonized approach to assess and disclose the GHG emissions associated with their loans and investments.

Pure play entities

Pure play entities refers to entities that engage primarily in low-carbon energy and enabling activities, decarbonization activities or high-carbon energy activities. Industry activities are identified by RBC's SIC codes. We assign SIC codes to entities in line with RBC's enterprise standards for the allocation of industry codes to clients, as set out in the Methodology.

Renewable energy

Renewable energy is defined as the construction, development, manufacturing, operation, acquisition, maintenance and connection of the following renewable energy generation sources: offshore and onshore wind, solar, geothermal with direct emissions of less than 100 g CO_2e/kWh, waste biomass and renewable biofuels with life-cycle emissions less than 100 g CO_2e/kWh sourced from sustainable agriculture and forestry residues or from non-recyclable municipal solid waste, tidal and hydroelectricity. In the case of waste biomass, this category of renewable energy is only included in instances where emissions thresholds can be verified. For geothermal, RBC clients may not report direct emissions data for certain advanced geothermal plants where emissions are expected to be less than 100 g CO_2e/kWh. In such cases, RBC will assess eligibility by mapping the underlying technology to estimated emissions factors published by recognized organizations such as the Climate Bonds Initiative. New hydroelectricity development projects >25 MW must have a power density of over 10 W/m^2 or operate with lifecycle emissions below a threshold of 50 g CO_2e/kWh (includes refurbishment of existing hydroelectricity facilities, provided the size of the dam or reservoir is not increased).

Renewable Energy Tax Credits (RETCs)

RETCs refer to the total amount directly invested by RBC in the fiscal year plus the value of RETC activities facilitated for clients in the reporting period. RETCs are tax credits that are available to taxpayers with qualifying renewable energy facilities and energy storage technology, and are transferable to unrelated taxpayers in certain situations, contributing to an active facilitation market for these investments.

Appendix

Independent practitioner’s limited assurance report on Royal Bank of Canada’s (RBC) select metrics as included in the RBC Energy Supply Ratios Report

To the Board of Directors of RBC

We have conducted a limited assurance engagement on the select metrics, as detailed in Exhibit 1, of RBC (the Entity), included in the RBC Energy Supply Ratios Report (the subject matter) as at October 31, 2025 and for the year then ended.

Responsibilities for the subject matter

Management of the Entity is responsible for:

- the preparation of the subject matter in accordance with the criteria described in Exhibit 1 (the applicable criteria);
- designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of the subject matter, in accordance with the applicable criteria, that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the subject matter

Non-financial data is subject to more limitations than financial data, given both the nature and the methods used for determining, calculating, sampling or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standard Board for Accountants (IESBA Code) and of the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner’s responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the subject matter is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the subject matter.

We conducted our limited assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information* (CSAE 3000) and International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (ISAE 3000 (Revised)), issued by the International Auditing and Assurance Standards Board.

As part of a limited assurance engagement in accordance with CSAE 3000 and ISAE 3000 (Revised) we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Determine the suitability in the circumstances of the Entity's use of the applicable criteria as the basis for the preparation of the subject matter.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Entity's internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the subject matter. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the subject matter. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgment, including the identification of where material misstatements are likely to arise in the subject matter, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- obtained an understanding of the Entity's reporting processes relevant to the preparation of its subject matter by:
  - making inquiries of the persons responsible for the subject matter; and
  - inspecting relevant documentation relating to the Entity's reporting processes;
- evaluated whether all material information identified by management has been considered for reporting on the subject matter;
- performed substantive assurance procedures on selected information in the subject matter;
- evaluated the methods, assumptions and data for developing estimates; and
- reviewed the subject matter disclosures in the RBC Energy Supply Ratios Report to ensure consistency with our understanding and procedures performed.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the subject matter as at October 31, 2025 and for the year then ended is not prepared, in all material respects, in accordance with the applicable criteria.

Other matter

The comparative subject matter with respect to the Lending energy supply ratio and the Facilitation and Renewable Energy Tax Credit (RETC) energy supply ratio of the Entity as at October 31, 2024 and for the year then ended was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Restriction on use

Our report has been prepared solely for the Board of Directors of the Entity for the purpose of assisting management in reporting to the Board of Directors on its subject matter. The subject matter therefore may not be suitable, and is not to be used, for any other purpose. Our report is intended solely for the Entity.

We neither assume nor accept any responsibility or liability to any third party in respect of this report.

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants
Toronto, Ontario
September 2, 2026

Exhibit 1

Select metrics and applicable criteria

Select Metrics	Reporting Period	Applicable Criteria	Results
Lending energy supply ratio	As at October 31, 2025	Management's internally developed criteria as described in RBC's Energy Supply Ratios Methodology, published September 2026 and available on RBC's website: rbc.com/investor-relations/_assets-custom/pdf/RBC-Energy-Supply-Ratios-Methodology-EN.pdf	0.57
Facilitation and RETC energy supply ratio	For the year ended October 31, 2025	Management's internally developed criteria as described in RBC's Energy Supply Ratios Methodology, published September 2026 and available on RBC's website: rbc.com/investor-relations/_assets-custom/pdf/RBC-Energy-Supply-Ratios-Methodology-EN.pdf	0.71

Caution regarding forward-looking statements and important notice regarding this document

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We may make forward-looking statements in this Document. RBC's activities, ambitions, strategies and approaches described in this Document, including sustainability-related visions, objectives, and ambitions (collectively, our "Sustainability-related Objectives"), sustainability-related metrics, data and other information relevant to such activities, ambitions, strategies and approaches, are or may be based on assumptions, estimates and judgments. For further cautionary statements relating to our sustainability-related metrics, data and other information in this Document, refer to the Appendices on *Caution regarding forward-looking statements* and the *Important notice regarding this Report* in our 2025 Sustainability Report.

This Document reflects our sustainability-related strategies, positions, approaches, policies, procedures, criteria, objectives, visions, and Sustainability-related Objectives as of the date of this Document, which are subject to change at any time in our sole discretion without notice. We have no obligation to update any information in this Document.

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