

Royal Bank of Canada

RBC Sustainable Commercial Paper Report

June 2026

Introduction

Royal Bank of Canada (RY on TSX and NYSE) (RBC, we, or our) is a global financial institution with a purpose-driven, principles-led approach to delivering leading performance. Our success comes from the 101,000+ employees who leverage their imaginations and insights to bring our vision, values and strategy to life so we can help our clients thrive and communities prosper. As Canada's biggest bank and one of the largest in the world, based on market capitalization, we have a diversified business model with a focus on innovation and providing exceptional experiences to our more than 19 million clients in Canada, the U.S. and 27 other countries¹.

We believe sustainable finance² represents a growth opportunity for our business and our clients. We also believe there is potential for financial markets to contribute to addressing some of the biggest social and environmental challenges that we collectively face.

Our approach to sustainable finance builds on our longstanding support for the growth of the sustainable bond market. RBC Capital Markets® is active in the global sustainable bond market, leading transactions across multiple currencies and in the U.S. municipal finance market. Since 2014, RBC Capital Markets has hosted an annual Sustainable Debt Conference (formerly Green Bond Conference) and published several global sustainable bond market reports. Further, we are a member of the International Capital Market Association (ICMA) Green and Social Bond Principles.

In alignment with the [RBC Sustainable Commercial Paper Framework](#) (Framework), we launched our inaugural sustainable commercial paper (Sustainable Commercial Paper) offering in the amount of US\$250 million in December 2022. Since launching the program, RBC has cumulatively issued US\$2,860 million in Sustainable Commercial Paper³.

This Sustainable Commercial Paper Report provides investors with details regarding our Sustainable Commercial Paper Portfolio (the Portfolio) and the allocation of proceeds to the Portfolio. This report is intended to be renewed annually to reflect any changes to the Portfolio. We recommend this report be read in conjunction with the Framework.

1. Information as of January 31, 2026.
2. References to sustainable finance include both environmentally and socially sustainable finance activities.
3. Source: RBC Capital Markets; Data for the period of December 7, 2022 to October 31, 2025.




Sustainable Commercial Paper Framework

The Framework was developed in accordance with the ICMA Sustainability Bond Guidelines 2021 and provides transparency in our commercial paper issuance and reporting processes. An overview of the Eligible Categories for the use of proceeds and the key processes described in the Framework are summarized below.


Use of proceeds	
Eligible Green Categories	Alignment with Sustainable Development Goals
 Renewable energy	
 Energy efficiency	 
 Pollution prevention and control	
 Sustainable land use ¹	
 Clean transportation	
 Sustainable water and wastewater management	
 Terrestrial and aquatic biodiversity	
 Green buildings	
 Climate adaptation and resilience	
 Circular economy ²	
Eligible Social Categories	Alignment with Sustainable Development Goals
 Access to essential services	 
 Affordable basic infrastructure	  
 Affordable housing	

Proceeds management and reporting




1.
Identify
potentially
Eligible
Assets

A Sustainable Commercial Paper Working Group (Working Group) is responsible for evaluating potential Eligible Assets, as defined in the Framework, against the applicable Eligible Categories outlined in the Framework. The Working Group is comprised of representatives from RBC Capital Markets' Central Funding, Treasury, Municipal Finance and Sustainable Finance groups. The Working Group draws on support from Climate Strategy & Governance, Sustainability & Impact, Securitization Finance and Law groups as required.




2.
Verify assets
meet
Framework
Criteria

The Working Group determines whether an asset is eligible for the Portfolio based on alignment of the financed activities of each asset with the Eligible Categories described in the Framework. RBC has engaged Kestrel 360, Inc. ("Kestrel"), to assist in the identification of Eligible Assets for the Portfolio. For further details on the methodology used, see the Process for Asset Evaluation and Selection section of the Framework.



3.
Manage
proceeds


All Eligible Assets in the Portfolio are identified as Eligible Assets in RBC's information management systems. The Portfolio is dynamic, and Eligible Assets that have been sold, pledged, matured, or no longer comply will be removed. New Eligible Proceeds from Sustainable Commercial Paper offerings may be directed into one or more designated distribution accounts at RBC's New York Branch and disbursed to support Eligible Assets.



4.
Measure
& report

RBC's Sustainable Commercial Paper allocation reporting is distributed to investors on a quarterly basis. Reporting on portfolio level metrics is prepared by RBC and distributed to investors on an annual basis. Where feasible, RBC will provide information and examples of Eligible Assets funded by Sustainable Commercial Paper. Portfolio-level metrics may include financed activities by category, average and weighted average Kestrel Impact Score and distribution.

External review

RBC obtained an [External Review](#) from Kestrel to confirm the alignment of the Framework with the ICMA Sustainable Bond Guidelines 2021. PricewaterhouseCoopers LLP (PwC), our independent auditor, has provided limited assurance on the allocation of the Portfolio to each of the Eligible Categories identified with an  on page 4 of this Report. See the Appendix for PwC's Limited Assurance Report. The remainder of the information contained within this Report was not subject to the limited assurance engagement.

1. Full category name is Environmentally sustainable management of living natural resources and land use.
2. Full category name is Circular economy adapted products, production technologies and processes.

Sustainable Commercial Paper Portfolio

All data presented is as of October 31, 2025 and in U.S. dollars.

Program summary information ¹	Amount (\$)	Percentage
Total face amount of Sustainable Commercial Paper notes	--	
Total designated Eligible Assets ²	2,599,974,857	
Asset to liability ratio		--

Outstanding Sustainable Commercial Paper notes ¹	Amount (\$)	Percentage
Face amount of fixed rate notes	--	--
Face amount of floating rate notes	--	--
Total outstanding sustainable commercial paper notes	--	--

Original weighted average maturity (WAM) in years	--
Current weighted average maturity (WAM) in years	--
Pending 30-day maturities	--

Designated sustainable assets	Weighted average Kestrel Impact Score ³	Amount (\$)	Percentage
Green	4.2	669,047,744	26%
Social	4.0	1,148,689,941	44%
Sustainability (Green & Social)	3.9	782,237,172	30%
Total designated sustainable assets	4.0	2,599,974,857	100%

Compliance information	
1. Asset to liability ratio < 125%?	No
2. Occurrence of an event of default with respect to the Bank?	No

1. No outstanding notes and the last maturity occurred on September 25, 2025.

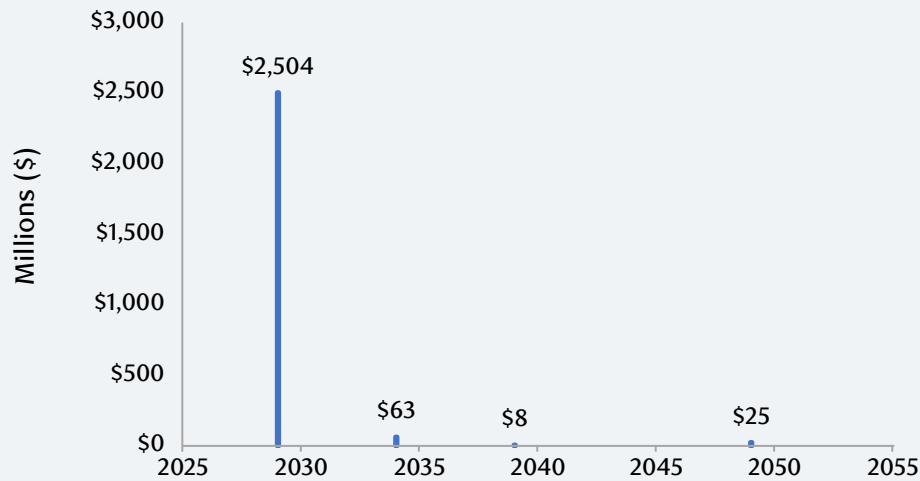
2. Total designated Eligible Assets are recorded at fair value.

3. Each Eligible Asset is evaluated by Kestrel based on Kestrel's independent scoring methodology. Scores are summarized by Kestrel on a scale of 1 to 5, where high scores reflect assets with positive environmental and social impacts. Refer to the Framework for further information. Data represents weighted averages of Environmental, Social, and Governance Scores for all Eligible Assets in the Portfolio.

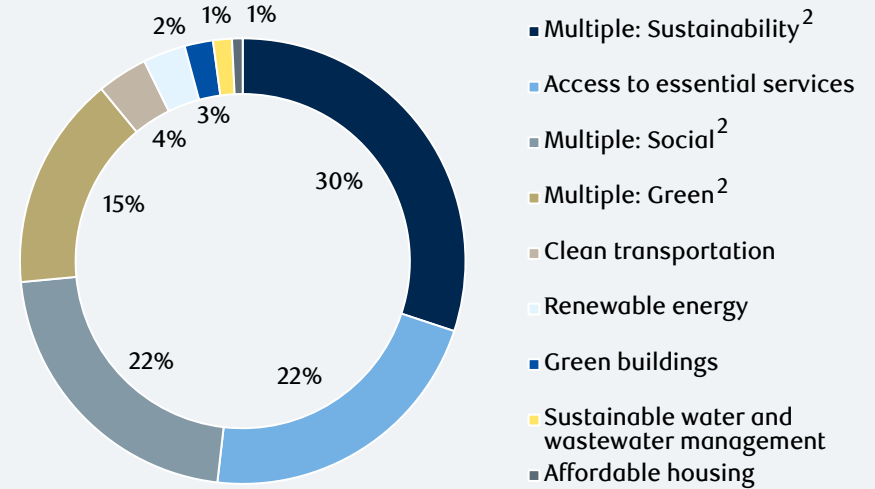
Sustainable Commercial Paper Portfolio

Continued

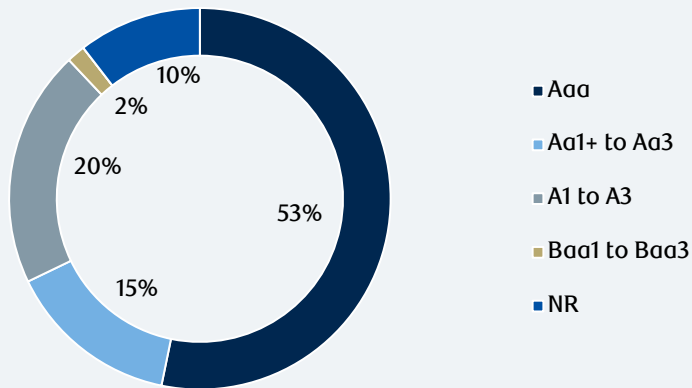
Eligible Asset Maturity Profile ¹



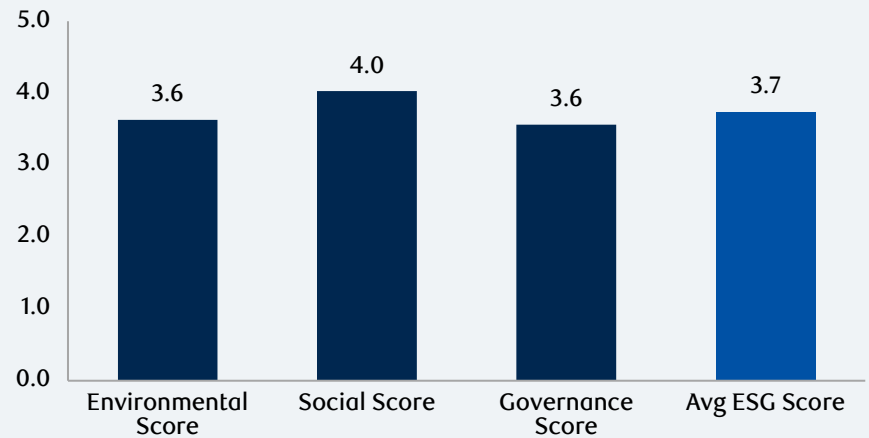
Allocation of Eligible Assets by Eligible Category ²



External Credit Ratings of Eligible Assets ³



Simple Average Kestrel Impact Score ⁴



1. Figures represent maturity of eligible assets within a given five-year period

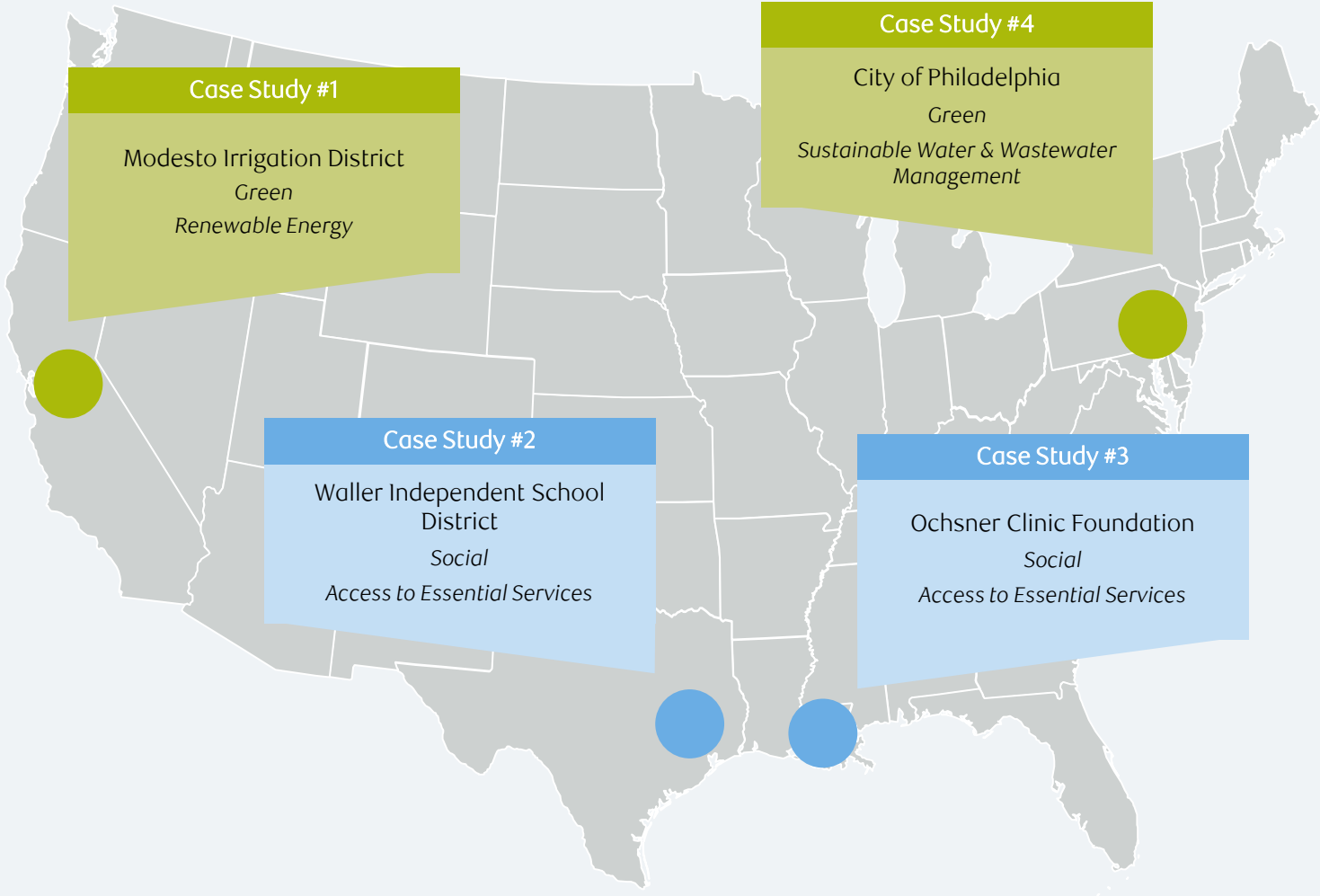
2. Multiple eligible green categories and Multiple eligible social categories include transactions that fall under more than one eligible green category and more than one eligible social category under the Framework, respectively. Multiple eligible sustainability categories include transactions that are a mix of eligible green and eligible social categories under the Framework.

3. Rated by Moody's[‡].

4. Each Eligible Asset is evaluated by Kestrel based on Kestrel's independent scoring methodology. Scores are summarized by Kestrel Sustainability Intelligence on a scale of 1 to 5, where high scores reflect assets with positive environmental and social impacts. Refer to the Framework for further information. Chart data represents simple averages of Environmental, Social, and Governance Scores for all Eligible Assets in the Portfolio.

Case Studies on Portfolio Assets

Sustainable Commercial Paper proceeds are allocated to a portfolio of Eligible Assets aligned to the Eligible Categories as outlined in the Framework and on page 2 of this report. The following case studies are examples of assets in our Portfolio.



Case Studies on Portfolio Assets

Continued

Modesto Irrigation District¹ - Renewable Energy

The bonds finance the prepayment of approximately 30 years of electricity including renewable energy and renewable energy credits to be used by the Modesto Irrigation District. The Modesto Irrigation District services 132,000 customer accounts in California’s San Joaquin Valley and integrates the electricity generated across nine projects: five solar, three wind, and one biomass facility, into the overall power supply to serve its retail load.



Waller Independent School District² - Access to Essential Services

The bonds finance improvements to the Waller Independent School District, serving more than 9,264 students in Waller Texas, one of the area’s fastest-growing public school districts. Projects include construction of three new elementary schools, the purchase of sites for school buildings, safety and security upgrades for all instructional facilities, and the purchase of new school buses.



1. Photo Source: <https://www.mid.org/>
2. Photo Source: <https://www.virtualbx.com/bid-bulletin/new-construction-elementary-no-8-waller-isd-subbid/>

Case Studies on Portfolio Assets

Continued

Ochsner Clinic Foundation¹ - Access to Essential Services

The bonds finance and refinance capital improvements, including, but not limited to, a neuroscience institute and a children’s hospital that will replace the existing facility. The Debra H. and Robert J. Patrick Neuroscience Institute will include a multi-specialty early onset dementia clinic, expand patient education and caregiver support, and include a state-of-the-art neurological rehabilitation center with an integrative therapies program for brain health. The Gayle and Tom Benson Ochsner Children’s Hospital will have more than 200 physicians specializing in over 30 pediatric specialties and subspecialties.



City of Philadelphia² - Sustainable Water & Wastewater Management

The bonds finance capital improvements to the City of Philadelphia’s water and wastewater systems. The Water Department operates three water pollution control plants and three drinking water treatment facilities with a combined capacity of over 1.5 billion gallons per day. Capital improvements are distributed across several major categories, including, but not limited to, collector system and flood relief, combined sewer overflow, conveyance system, water facilities, wastewater facilities, and wastewater treatment facilities.



1. Photo Source: <https://www.bwbr.com/project/ochsner-health-patrick-neuroscience-center/>
2. Photo Source: <https://water.phila.gov/about-pwd/>

Appendix: PwC Limited Assurance Report



Independent practitioner's limited assurance report on Royal Bank of Canada's (RBC) select metrics as included in the 2025 RBC Sustainable Commercial Paper 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 included in the 2025 RBC Sustainable Commercial Paper Report (the subject matter), as at October 31, 2025.

Responsibilities for the subject matter

Management of RBC is responsible for:

- the preparation of the subject matter in accordance with the applicable criteria established in RBC's Sustainable Commercial Paper Framework, established December 2022 and available on RBC's website (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.

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PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

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 independence and other ethical requirements 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).

Appendix: PwC Limited Assurance Report

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

- Determine the suitability in the circumstances of RBC'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 RBC'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 RBC's reporting processes relevant to the preparation of its subject matter by:
 - making inquiries of the persons responsible for the sustainability information; and
 - inspecting relevant documentation relating to RBC's reporting processes;

- evaluated whether all material information identified by management has been considered for reporting on the subject matter;
- performed inquiries of relevant personnel and analytical procedures on selected information in the subject matter;
- performed substantive assurance procedures on selected information in the subject matter; and
- reviewed the subject matter disclosures in the 2025 RBC Sustainable Commercial Paper 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 is not prepared, in all material respects, in accordance with the applicable criteria.

Restriction on use

Our report has been prepared solely for the Board of Directors of RBC 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 RBC.

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

PricewaterhouseCoopers LLP

Chartered Professional Accountants
Toronto, Ontario
June 2, 2026


Appendix: PwC Limited Assurance Report

Exhibit 1

Select metrics	Applicable criteria	2025 Values
Allocation of the Sustainable Commercial Paper Portfolio to each of the eligible categories.	RBC's Sustainable Commercial Paper Framework, established December 2022 and available on RBC's website.	Multiple: Sustainability (30%) Access to essential services (22%) Multiple: Social (22%) Multiple: Green (15%) Clean transportation (4%) Renewable energy (3%) Green buildings (2%) Sustainable water and wastewater management (1%) Affordable housing (1%)

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

This Sustainable Commercial Paper Report (the Report) is provided for informational purposes only and is subject to change at any time in our sole discretion without notice. This Report does not constitute an offer or a solicitation to buy or sell any security, product or service in any jurisdiction; nor is it intended to provide investment, financial, legal, accounting, tax or other advice, and such information should not be relied or acted upon for providing such advice. Nothing in this Report shall form the basis of or be relied upon in connection with any contract, commitment or investment decision whatsoever. The recipient is solely liable for any use of the information contained in this Report, and neither RBC nor any of its affiliates nor any of their respective directors, officers, employees or agents shall be held responsible for any direct or indirect damage arising from the use of this Report by the recipient.

This Report and the information contained within it is unaudited. PricewaterhouseCoopers LLP (“PwC”) has performed a limited assurance engagement for a select number of RBC performance indicators, which have been identified with a  symbol throughout this Report. Other than these select number of identified RBC performance indicators, the remainder of the information contained within this Report was not subject to the limited assurance engagement. You can read more about the scope of PwC’s work, including the metrics and data in scope of the assurance, on page 8 of this Report.

We may make forward-looking statements in this document. RBC’s activities, ambitions, strategies and approaches described in this Report, including sustainability-related metrics, data and other information relevant to such activities, ambitions, strategies and approaches (e.g., our Sustainable Commercial Paper metrics and measurement methodologies), are or may be based on assumptions, estimates and judgements. For further cautionary statements relating to our sustainability-related metrics, data and other information in this Report, refer to the Appendices on “Caution regarding forward-looking statements” and the “Important notice regarding this Report” in our latest Sustainability Report and the section on “Caution regarding forward-looking statements” and the “Important notice regarding this Framework” in our Sustainable Commercial Paper Framework.

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

All references to websites are for your information only. The content of any websites referred to in this Report, including via website link, and any other websites they refer to are not incorporated by reference in, and do not form part of, this Report. This Report is also not intended to make representations as to the environmental and sustainability initiatives of any third parties, whether named herein or otherwise, which may involve information and events that are beyond our control.

