



## Statement on RBC's Sanctions Policy

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The Royal Bank of Canada and its subsidiaries (collectively, "RBC") are committed to maintaining the highest level of professional and ethical standards in the conduct of all of its business affairs and places the highest importance upon its reputation, honesty and integrity.

RBC is committed to remain in full compliance with all applicable economic Sanctions laws and regulations in the jurisdictions in which RBC operates. RBC's staff and associated persons are prohibited from engaging in activities that would be in violation of applicable Sanctions laws and regulations; failing to do so may result in disciplinary action(s) including termination.

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### *Global Sanctions Policy*

RBC has developed a global Sanctions policy which establishes group-wide requirements and minimum standards to be followed by RBC. The Sanctions policy incorporates the requirements from all applicable Sanctions laws and regulations which can include Canada, the United States of America, the European Union, the United Kingdom and other Sanctions regulations imposed by governments where RBC operates.

### *Global Sanctions Program*

RBC maintains a comprehensive Sanctions compliance program to manage sanctions risk. The global Sanctions program consists of:

- Policies and procedures, including an enterprise-wide Sanctions policy;
- Risk assessments to identify areas with increased Sanctions risk at the business and client level;
- The RBC Code of Conduct which provides employees awareness of their obligations and responsibilities under applicable sanctions;
- Training, monitoring and testing controls designed to mitigate sanctions risk;
- Canadian and US Sanctions lists deployed against all client and payment screening, additional sanctions lists are deployed as required by jurisdiction and by applicable law;

- Controls to identify and restrict trading of Sanctioned securities; and
- Beyond compliance with Sanctions laws and regulations, RBC may adopt a risk-based approach targeting certain individuals, entities and industries RBC may not engage with.

As a Canadian-regulated financial institution, RBC must comply with economic Sanctions laws and regulations in Canada as well as in the jurisdictions in which RBC operates. Further it is the global policy of RBC not to process or otherwise engage in activity directly or indirectly (regardless of currency) for, on behalf of, or for the benefit of, a Sanctioned individual, entity or organization targeted by Canadian or United States governments, or other applicable Sanctions regimes.

RBC has no appetite for processing transactions involving North Korea and there are significant restrictions relating to direct or indirect dealings with Iran, Russia, Syria, the Regions of Crimea, Donetsk, Luhansk, Kherson and Zaporizhzhia, as well as transactions involving Cuba where the transaction is denominated in US dollars, involves a US person, or has a US nexus.

RBC maintains relationships with correspondent banks globally to transact in currencies other than Canadian dollars. Payments processed through its correspondent network may be subject to Sanctions lists, and due diligence requirements specific to those institutions as well as risk positions they adopt. As a result, additional information may be required, and delays may be experienced in processing payments. Further, where export controls may apply or there is increased risk of sanctions evasion, documentation to support payments or trade transactions may be required.