



Knowledge Based Industries



Technology



Life Sciences



Clean Tech

Industry specialization

Connected to the ecosystem

Lending specialization

Total solutions

Partner integration



Canada's largest bank

Founded 1864

**Among the world's
strongest financial
institutions**

Products & Services

SaaS

Cashflow Term Loan

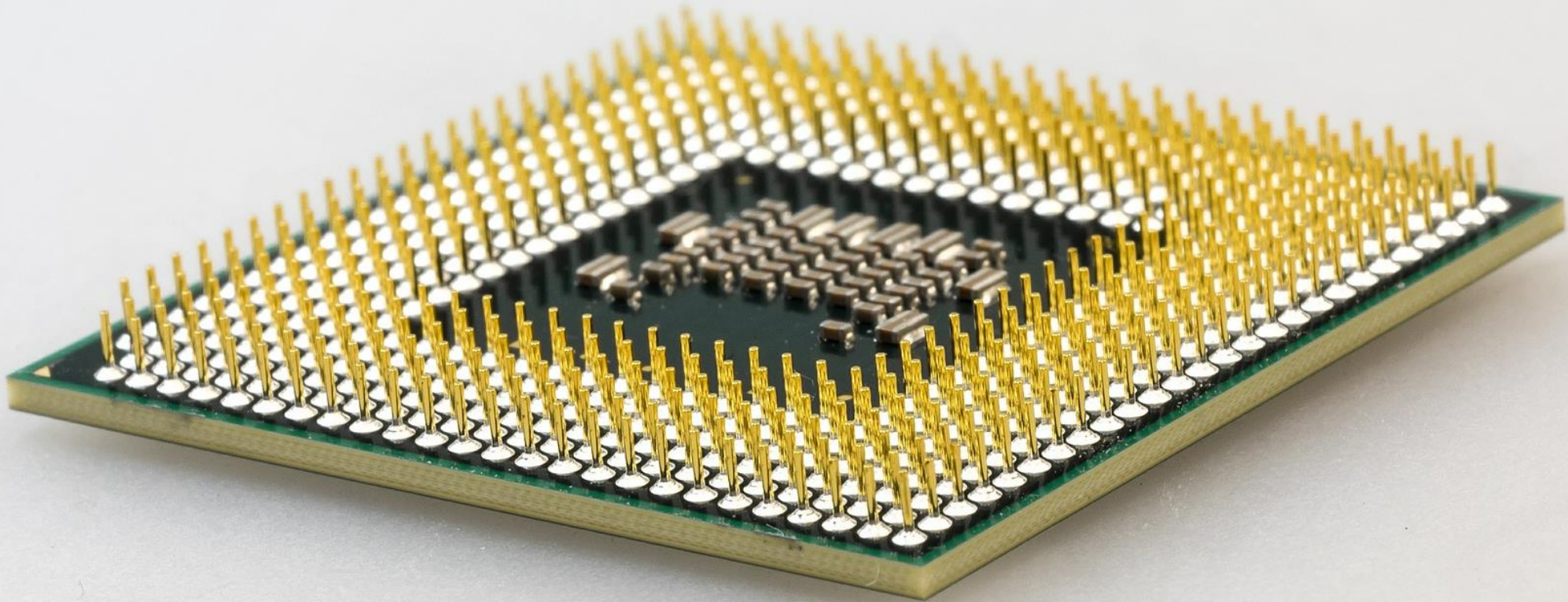
Capital Call Loans

SR&ED

EDC & BDC

F/X

Case Studies



Case study: Early Stage WC Energy Storage

Client Overview	Transaction Request	Financial Solution			
		Solution	Capital Structure	Facility Details	Covenants
<ul style="list-style-type: none"> ▪ Privately held bootstrapped 12 mth old start up ▪ Energy storage company with Lithium Ion Battery Innovation ▪ Contracts with multiple cold storage fork lift operators ▪ Letters of intent for volumes sufficient to drive company to EBITDA positive in 2018 ▪ Young but impressive management team with experience in the space 	<p>\$250m working capital operating line to fund contract fulfillment</p>	<p>RBC partnered with EDC to support this early stage company with an Export Guarantee EGP</p>	<ul style="list-style-type: none"> ▪ Equity & Postponed SH Loans ▪ RBC Debt 	<p>RBC provided:</p> <ul style="list-style-type: none"> ▪ \$250M operating loan ▪ \$160M standby letter of credit ▪ \$10M VISA facility 	<ul style="list-style-type: none"> ▪ Postponement of Claim of shareholder loans ▪ Letters of Intent from cold storage operators ▪ \$225m EGP and Cash Collateral

Case study: SaaS Water Data and SRED loan

Client Overview	Transaction Request	Financial Solution			
		Solution	Capital Structure	Facility Details	Covenants
<ul style="list-style-type: none"> ▪ VC Backed merger of two leading water data software companies ▪ Operating in the license and SaaS space ▪ Significant R & D spend to refine products (SR&ED) ▪ Sales growing but with negative EBITDA albeit diminishing. Forecast EBITDA positive next 12 mths. ▪ Mission critical software, high quality clients 	<p>Provide operating line and Filed and Accrued SRED Financing.</p>	<ul style="list-style-type: none"> ▪ RBC margined operating line including Filed SRED ▪ Accrued SRED line 	<ul style="list-style-type: none"> ▪ Equity ▪ Venture Capital ▪ RBC Debt 	<p>RBC provided:</p> <ul style="list-style-type: none"> ▪ \$2MM margined operating loan ▪ \$700M accrued SRED line ▪ \$100M VISA 	<ul style="list-style-type: none"> ▪ Current Ratio 2:1 ▪ DSC 1.25:1 ▪ EDC EGP re Accrued SRED line

RBC's Cleantech Banking Team

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RBC Energy Saver™ Loan

Receive a 1% Interest Rate Discount or a \$100 Rebate on a Home Energy Audit With a Qualifying Purchase Through a Fixed Rate Loan Over \$5,000⁽¹⁾

If you've recently purchased—or plan to purchase—eligible energy-efficient products or services for your home, you could qualify for the RBC Energy Saver Loan. This innovative and green financing solution can help you create a more energy-efficient home while saving on your borrowing costs.



FY2017 Climate Change Position & Disclosure Statement



Introduction

Climate change is one of the most pressing issues of our time and affects almost all sectors and industries. There is strong scientific evidence that climate change is caused by human activities - largely fossil fuel combustion, deforestation and other changes in land use.¹ These activities increase the concentration of greenhouse gases (GHGs) in the earth's atmosphere, causing global warming. The result is rising temperatures, changing weather patterns, and more frequent and extreme weather events. The impacts of climate change are already being felt and as global warming continues it may adversely affect the health, safety and security of our communities, and the economies within which Royal Bank of Canada (RBC, we or our) and our clients operate.

Climate change has galvanized a global response. In December 2015, nearly 200 governments adopted the Paris Agreement,² a legally-binding international agreement aimed at safeguarding economic growth by preventing the worst impacts of climate change. The central aim of the Agreement is to hold global warming to well below 2° Celsius over pre-Industrial Revolution levels, and to pursue efforts to keep it to 1.5° Celsius. The Agreement also emphasizes the need to direct financial flows consistent with a pathway towards low carbon emissions and climate-resilient development.

¹ Intergovernmental Panel on Climate Change (IPCC).

² The Paris Agreement entered into force on November 4, 2016.

RBC and Climate Change

RBC has a long history of environmental leadership dating back to 1991 when we launched our first corporate environmental policy. Since 2007, we have identified climate change as one of our priority environmental issues in our corporate environmental strategy.² RBC is committed to transparency and disclosure, and has reported annually on our key environmental performance metrics and targets since 2003.

Climate-related disclosure is an important tool to enable the management of climate-related risks and opportunities. We are encouraged by the efforts of the Financial Stability Board's (FSB) Task Force on Climate-related Financial Disclosures (TCFD) to establish a framework for companies to develop voluntary, consistent climate-related disclosures. RBC is committed to publishing annual disclosures that consider the TCFD recommendations.

In July 2017, RBC became a participant in a global project to pilot the TCFD recommendations, coordinated by the United Nations Environment Programme - Finance Initiative. RBC and fifteen global financial institutions will work collaboratively with the support of external experts to develop scenarios, indicators and methodologies to identify and assess the impact on our business of the transition and physical risks of climate change.

RBC's Climate Change Position Statement affirms that we:

- Support the principles of the Paris Agreement and the international goal to hold global warming to below 2° Celsius.
- Recognize that accelerating low carbon growth and enabling resilient economies and communities in the face of a changing climate contribute to reduced risk, promote long-term environmental protection and social value, and safeguard economic growth.
- Will have an important role to play in supporting an orderly and socially inclusive transition to a low carbon economy, as government actions cannot succeed without support and partnership from the private sector.

- Will continue to explore ways to better enable clients to respond to climate-related risks and anticipate opportunities through our financial products, services and advice, based on demand.
- Will seek to accelerate the flow of capital to clients engaged in efforts to mitigate and adapt to climate change, and to those providing products and services that enable others to do so.
- Will continue to lead by example in our own operations by focusing on energy efficiency, GHG emissions reductions and applying the principles of green building design and operation.
- Will publish climate-related disclosures, at least annually, that consider the recommendations of the FSB's TCFD.
- Will seek to identify, assess and mitigate climate-related risks that have a material impact on our business.
- Will publish research and develop thought leadership on climate-related issues.

Climate Change Disclosure Statement

At RBC, climate-related risks are included in our approach to environmental and social (E&S) risk management. This disclosure is intended to provide stakeholders, clients, shareholders, investors and analysts with an initial view on RBC's approach to climate-related risks and opportunities, structured according to the four thematic areas of the TCFD recommendations.

We recognize that global best practices in the identification, assessment and management of climate-related risks and opportunities continues to evolve. We are committed to continuous improvement, and expect that our disclosure of climate-related issues will evolve as well.

