



Securities finance

Unlock the potential of your portfolio

Optimizing portfolio performance is critical to success. RBC Investor & Treasury Services' longstanding securities finance program delivers incremental portfolio returns through a flexible, low-risk offering.

Tailored solution

Implementing a customized lending program starts with a conversation about your investment, risk and operational strategy. We manage the execution of the securities lending lifecycle so that you can focus on your core competencies.

As your agent, our services include:

- Trade negotiation, repricing and fee billing with borrowers
- Collateral management and daily margin calls
- Legal agreements with borrowers
- Risk management
- Monitoring client parameters and limits

A comprehensive agency agreement provides you with confidence that the securities finance program meets your risk and return objectives.

Established risk management framework

Our clients have peace of mind that risk mitigation is a priority, backed by the strength and stability of RBC.¹ During the 35 years of our program, no RBC Investor & Treasury Services client has experienced securities lending losses.²

Zero
LOSSES FOR
BENEFICIAL OWNERS²

Key Features

Disclosed and undisclosed agency models

Flexibility to align with borrower / client requirements

Custody and third-party lending

Agency lending service irrespective of whether RBC Investor & Treasury Services is the custodian

Full portfolio and single security lending

Scalable lending parameters to suit portfolio dynamics

Automated trading

Efficient, low-touch, high-volume electronic trading through Equilend's Next Generation Trading Platform

Exclusives, auctions and pooled lending

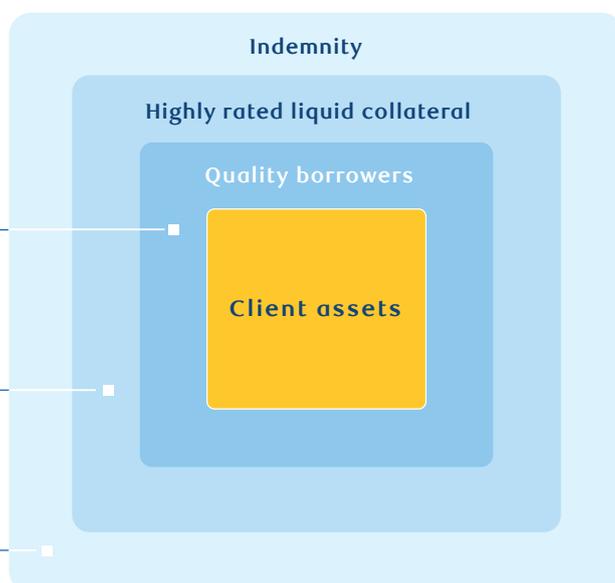
Multiple routes to market

Bilateral and tri-party collateral management

Enhanced operational efficiency for borrowers

Three layers of protection

- 1** Quality borrowers
 - Diversification of loans across 100 borrowers, reducing concentration risk
 - Continuous borrower assessment and monitoring within RBC's robust Enterprise Risk Management Framework
 - Established risk limits on loan balances, VaR and stress testing
- 2** Highly rated liquid collateral
 - High-grade collateral, typically government bonds and main index equities
 - Excess collateral of 2% to 7% to mitigate price volatility
 - Daily VaR monitoring to track loan and collateral correlation
- 3** Indemnity
 - Covers collateral shortfall in the event of borrower default and effectively transfers counterparty credit risk to RBC Investor & Treasury Services



Global presence

CAD **900 bn+**
lendable securities

CAD **130 bn+**
active loans

140+
global clients

100+
global borrowers

7th
largest agent lender
globally by loan value

Based on internal records as at December 31, 2022



Credentials

#1

Income Generated (Custodial Lenders Unweighted)³

#1

Overall Custodian - Highest Global Average (Unweighted)⁴

#1

Overall Asset Servicer⁵

About RBC Investor & Treasury Services

RBC Investor & Treasury Services provides asset and payment services to corporate investors and financial institutions globally. Trusted with CAD 4.1 trillion in assets under administration,⁶ clients are at the heart of our service offering. As a financially strong partner,¹ our focus is on safeguarding client assets as we leverage data and technology solutions to deliver meaningful insights, simplify our clients' operations and support their growth.

¹ Standard & Poor's (AA-) and Moody's (Aa1) legacy senior long-term debt ratings of Royal Bank of Canada as of November 29, 2022

² Based on internal records as at October 31, 2022

³ Global Investor ISF - Beneficial Owners Survey, 2021

⁴ Global Investor ISF - Global Custody Survey, 2022

⁵ R&M Investor Services Survey, 2022

⁶ Royal Bank of Canada quarterly results as at October 31, 2022

© Copyright Royal Bank of Canada 2023. RBC Investor & Treasury Services™ is a global brand name and is part of Royal Bank of Canada. RBC Investor & Treasury Services operates primarily through the following companies: Royal Bank of Canada, RBC Investor Services Trust and RBC Investor Services Bank S.A., and their branches and affiliates. In Luxembourg, RBC Investor Services Bank S.A. is authorized, supervised and regulated by the Commission de Surveillance du Secteur Financier (CSSF), and jointly supervised by the European Central Bank (ECB). In the United Kingdom (UK), RBC Investor & Treasury Services operates through RBC Investor Services Trust, UK Branch and Royal Bank of Canada, London Branch, authorized and regulated by the Office of the Superintendent of Financial Institutions of Canada. Authorized by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available on request. RBC Investor & Treasury Services UK also operates through RBC Europe Limited, authorized by the Prudential Regulation Authority, and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Additionally, RBC Investor & Treasury Services' trustee and depositary services are provided through RBC Investor Services Bank S.A., London Branch, authorized by the CSSF and ECB, and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of our regulation by the Financial Conduct Authority and the Prudential Regulation Authority are available on request. RBC Investor Services Bank S.A. maintains a representative office supervised by the Federal Reserve Bank of New York. RBC Offshore Fund Managers Limited is regulated by the Guernsey Financial Services Commission in the conduct of investment business. Registered company number 8494. RBC Fund Administration (CI) Limited is regulated by the Jersey Financial Services Commission in the conduct of fund services and trust company business in Jersey. Registered company number 52624. RBC Investor Services Trust Hong Kong Limited is regulated by the Mandatory Provident Fund Schemes Authority as an approved trustee. Royal Bank of Canada, Hong Kong Branch, is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission. This material provides information on the services and capabilities of RBC Investor & Treasury Services. It does not constitute an offer, invitation or inducement with respect to any service or financial instrument. RBC Investor & Treasury Services' services are only offered in the jurisdictions where they may be lawfully offered and are subject to the terms of applicable agreements. This material is for general information only and does not constitute financial, tax, legal or accounting advice, and should not be relied upon in that regard. Links to external websites are for convenience only. RBC Investor & Treasury Services does not review, endorse, approve, control or accept any responsibility for the content of those sites. Linking to external websites is at your own risk. ® / ™ Trademarks of Royal Bank of Canada. Used under licence.